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The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

### **AGC priorities on the America COMPETES Act of 2022 (H.R. 4521)**

Dear Speaker Pelosi and Minority Leader McCarthy

On behalf of the Associated General Contractors of America (AGC), I write to express the association's concerns with provisions in the America COMPETES Act of 2022, H.R. 4521, including those from the PRO Act, and instead urge the Conference Committee on the Senate-passed United States Innovation and Competition Act (USICA) and the House-passed America COMPETES Act to support the specific provisions focused on increasing America's competitiveness with China. While AGC supports the inclusion of the funding for the construction of new and modernization of existing semiconductor chip manufacturing plants, the new labor requirements added by the House-passed bill will limit the effectiveness of the legislation.

Among the policy provisions in the bill of greatest concern to AGC include:

- 1. Eliminate the Use of Secret Ballots in Union Representation Elections:** The bill would in some instances (Sec. 20302 of House version) take away a worker's right to a federally supervised private ballot election when deciding whether or not to select union representation. Under current law, which AGC supports, an employer may voluntarily recognize a union if the union presents an adequate number of signed authorization cards, signatures on a petition, or other evidence of majority support. However, if the employer questions the validity of the showing of support, it can refuse to grant voluntary recognition, and the union must petition the National Labor Relations Board to conduct a secret ballot election.
- 2. Establish Artificial Constraints on Collective Bargaining:** The bill would in certain cases (Sec. 20302 of House version) establish artificial and unrealistic time constraints on bargaining an initial collective bargaining agreement after a union is certified, and mandates arbitration to settle the terms of an initial agreement if the parties do not agree quickly enough. The agreement imposed on the parties by arbitration would be effective for two years. The impact is that unions will have little reason to agree to an employer's proposals when they know that a group of outsiders will impose terms that consider factors that do not include the employer's objectives or intent; and
- 3. Discriminate Against High-Quality Apprenticeship Programs:** The National Apprenticeship Act of 2022 (NAA), included in H.R. 4521, would use the power of the federal purse to discriminate against any U.S. Department of Labor registered apprenticeship program

for the sole reason that they are not partnered with a labor or joint labor-management organization. AGC is proud of our contractor members' support of union-affiliated joint apprenticeship training programs, but we believe all bona fide and high-quality apprenticeship programs that are registered with the U.S. DOL and are not affiliated with a union program are still important components to addressing the workforce development problem and should also be eligible for Title II grants under the NAA.

These provisions aside, there are several facets of H.R. 4521 that AGC supports. For example, the association supports the inclusion of tens of billions of dollars to invest in the construction of new and modernization of existing semiconductor chip manufacturing plants. Given the ubiquitous need for such chips and the incredible supply chain constraints, building greater capacity for their domestic manufacture is necessary to help the American economy thrive and to protect interests of national security.

This semiconductor manufacturing investment—absent the aforementioned construction labor provisions—received a significant bipartisan majority (68-31) in the Senate when it passed the United States Innovation and Competition Act of 2021, S. 1260 in June of 2021. Again, AGC is disappointed that the House waited so long to act on legislation that could clearly garner bipartisan support and put forth its own version of such legislation with so many detrimental provisions to the construction industry and, ultimately, to gaining bipartisan support.

For these reasons, AGC urges that the specific provisions focused on increasing America's competitiveness with China remain in the bill and the Conference Committee removes to remove provisions harmful to the construction industry, especially PRO Act policies, during the conference committee process.

Sincerely,



James V. Christianson  
Vice President, Government Relations

cc: Conference committee on USICA and COMPETES Act