



## Fair and Open Competition

**Fair and open competition ensures taxpayer-funded construction projects deliver the best value, highest quality, and greatest accountability for the public.** When all qualified contractors and skilled workers are allowed to compete—regardless of labor affiliation—communities benefit from stronger local economies, better infrastructure, and responsible use of public dollars.

### Why Fair and Open Competition Matters

Public construction projects are most successful when governments focus on **results**, not restrictive mandates. Fair and open competition allows projects to be awarded based on merit, experience, quality, safety, and cost—giving taxpayers confidence that their money is being spent wisely.

### The Problem with Government-Mandated Project Labor Agreements (PLAs)

Government-mandated Project Labor Agreements restrict competition by effectively limiting bidding to union-affiliated contractors by requiring the use of union hiring halls and dispatch procedures, contributions to union benefit plans that workers cannot access unless they join the union and become vested, support for union-only training programs, and adherence to union jurisdictional work rules. Because **nearly 90% of the U.S. construction workforce is nonunion**, these mandates exclude most local contractors and skilled workers from participating in public projects

When competition is reduced:

- Fewer qualified contractors can bid
- Costs rise due to limited market competition
- Local workers and small businesses are shut out

### Higher Costs, Fewer Projects

Studies consistently show that government-mandated PLAs **increase construction costs by an average of 12% to 20%**. These added costs stem from inefficient work rules, reduced productivity, duplicative benefit requirements, and legal and administrative burdens

Higher project costs mean:

- Taxpayer dollars build **less infrastructure**
- Communities see **fewer schools, roads, and public facilities**
- Underserved areas are hit hardest as funding stretches thinner

### Impact on Local Workforce Development

PLA mandates can undermine existing workforce development efforts by preventing contractors from using their own employees and apprentices—many of whom participate in **state-approved, federally registered apprenticeship programs**. At a time when the construction industry faces a severe skilled labor shortage, excluding proven training pipelines makes the problem worse, not better

### What the Public Wants

Voters across political lines consistently support:

- **Quality construction that lasts**
- **Fair bidding processes**
- **Transparency and accountability**
- **Opportunities for local workers and businesses**

Polling shows taxpayers are most concerned about **rigged processes, lack of oversight, and political favoritism** in government contracting concerns directly tied to restrictive PLA mandates

### A Proven, Common-Sense Approach

Across the country, **25 states currently have policies enacted that promote or protect fair and open competition**, safeguarding hundreds of billions of dollars in construction investment. At the federal level, the overwhelming majority of large projects have been delivered successfully without PLA mandates—demonstrating that open competition works. Unfortunately, President Joe Biden signed EO 14603 (continued by President Donald Trump) that mandates PLAs on all federal projects over \$35 million and is currently being litigated in federal court due to significant constitutional and statutory concerns.

### Our Position

Fair and open competition:

- Protects taxpayers
- Expands local job opportunities
- Encourages innovation and quality
- Strengthens workforce development
- Delivers better infrastructure outcomes

**Public construction should be open, fair, and competitive—because taxpayers, workers, and communities all deserve the best possible results.**