



SHEET METAL AND AIR CONDITIONING CONTRACTORS' NATIONAL ASSOCIATION

April 21, 2011

The Honorable Frank Wolf  
U.S. House of Representatives  
Washington, DC 20515

Dear Representative Wolf:

The Sheet Metal and Air Conditioning Contractors' National Association (SMACNA), is supported by more than 5,000 construction firms engaged in industrial, commercial, residential, architectural and specialty sheet metal construction throughout the United States. On behalf of SMACNA, I want to express our support for the appropriate use of construction project labor agreements (PLA's) on public construction. Therefore we were very disappointed to learn of your blanket opposition and mischaracterization of PLA's at the recent press conference concerning the Dulles Airport Station construction contract. **Under government financed PLA's, competing construction contractors and prospective workers are solicited for PLA projects regardless of their union or nonunion status as required by law.** In comparison, private owners are free to select PLA's to build their projects taking advantage of more skilled, union-only PLA's as an economic decision. Simply put, Federal PLA's are determined by an open bidding process for all contractors and workers.

SMACNA's position supports the option of considering and utilizing PLA's where deemed in the best economic interest of the project owner on behalf of the taxpayer on public work. Therefore we stand in opposition to ANY legislation banning the use of project labor agreements on federal construction. Further, we have joined other organizations in supporting President Obama for signing the Executive Order encouraging executive agencies to require the consideration of the use of Project Labor Agreements (PLA's) on all federal-funded construction projects. The Administration's action reversed past hostility toward PLA-managed projects and is a great source of optimism to our leadership and the thousands of contractors we represent.

From decades of real life experience on projects where PLA's have been used, our firms know that project agreements are a voluntary, legal and most often highly efficient means of meeting construction quality standards, owner deadlines and unique project demands. **For this reason, most PLA's are found on private projects where corporate budget and scheduling decisions are highly scrutinized.** SMACNA believes that utilizing project agreements on federal construction when and where appropriate expands the proprietary responsibility the President is charged with under the Federal Property and Administrative Services Act and offers the likely result of decreased costs, higher quality and expedited project completions. **Smart construction management calls for the federal government, like the private sector, to have the option to consider and establish project agreements where necessary and appropriate.** While banning the use of PLA's on large federal projects in the last Administration may have found favor in some circles, unfortunately it did not serve sound construction management in all cases. Economics, not ideology, should drive PLA decisions.

**We ask you to reconsider your vocal opposition to efforts to use PLA's on federal construction.**

Sincerely,

Stanley E. Kolbe, Jr.  
Director, Governmental Affairs



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