



## **SMACNA Expresses Support for Executive Order Requiring Project Labor Agreements for Federal Construction Projects over \$35 Million**

**CHANTILLY, Va., December 19, 2023** – The Sheet Metal and Air Conditioning Contractors' National Association (SMACNA), supported by more than 3,500 construction firms engaged in industrial, commercial, residential, architectural and specialty sheet metal and air conditioning construction throughout the United States, today announced its support for the final rule issued to implement President Biden's Executive Order 14063 requiring Project Labor Agreements (PLAs) Federal construction projects over \$35 million.

SMACNA has long championed PLAs as a valuable tool and key element to ensure fair wages, skilled labor, and contracting transparency throughout a project to create the conditions needed for highly complex and often exceptionally large projects. It also ensures when seeking highly skilled contractors and union labor on large projects, that the work meets the highest possible quality standards, which is common in private sector projects, especially in the tech sector where no margin for error is acceptable. Sophisticated owners in both the public and private sectors know they need the best contractors utilizing a PLA to complete the facility on time and within budget at the highest quality. It is owners in the private sector who demand use of PLA the most and that benefits quality driven contractors best able to meet owner demands.

“This updated rule will help ensure that large-scale federal projects are completed professionally and timely, while also supporting high skilled and paying jobs,” said Aaron Hilger, Chief Executive Officer at SMACNA. “Importantly, PLAs level the playing field by allowing **all** union and non-union contractors to bid and win federal contracts without discrimination concerning union status when selecting workers and contractors.”

PLAs were first used on the big public works projects of the 1930s. Since then, scores of large projects, public and private, have been built across the nation using PLAs. The efficient management of these projects has saved taxpayers and private businesses billions of dollars. Construction users increasingly favor PLAs because they reduce some of the uncertainty inherent in large-scale construction projects. They are also used to create highly developed structures for training and recruiting young workers into the building trades - a critical need considering looming skilled manpower shortages. To claim that federal PLAs are anti-competitive or union-only is simply false. More than 30 years ago, the Supreme Court confirmed in its unanimous Boston Harbor Decision that public use of PLAs is both lawful and longstanding.

PLAs are valuable tools for the construction industry because they can be used to create the conditions needed for a superior construction project, owners know this and demand it. Simply put, owners in both the private and public sector use PLAs because they work for the bottom line and quality demands.

### **ABOUT SMACNA:**

SMACNA is an international trade association representing 3,500 contributing contractor firms and is a leader in promoting quality and excellence in the sheet metal and air conditioning industry. SMACNA members are responsible for effectively delivering the clean air Americans breathe in offices, homes, and hospitals; for many of the attractive facades you see on today's stadiums and office buildings; and for the comfortable, healthy, and safe living environments in which our citizens live out their daily lives. SMACNA has national offices in Chantilly, Va., outside of Washington, D.C., and on Capitol Hill. For more information, visit [www.SMACNA.org](http://www.SMACNA.org).