



AGC
THE CONSTRUCTION
ASSOCIATION

For more information:
John Chambers
john.chambers@agc.org
(202) 547-3350

September 2026

Ensure Fair Competition in Federal Contracting



Competition in construction is critical to ensuring that qualified contractors of all sizes have a fair opportunity to compete. Despite this, government-mandated project labor agreements and unnecessarily complex contracting requirements restrain competition, drive up costs, and discourage otherwise qualified contractors from bidding on federal projects. Congress and the Administration should work together to remove unnecessary barriers to federal contracting, preserve contractors' ability to make their own workforce decisions and make opportunities more accessible to small businesses.

- **Contractors Should Retain Flexibility When Determining Whether a Project Labor Agreement (PLA) is Appropriate for a Project.** Current federal policy generally requires PLAs on federal construction projects valued at \$35 million or more. AGC believes that the choice of whether to adopt a collective bargaining agreement should be left to the contractor-employers and their employees, and that such a choice should not be imposed as a condition to competing for, or performing on, a publicly funded project. In cases where use of a PLA would benefit a particular project, the construction contractors otherwise qualified to perform the work would be the first to recognize that fact and to adopt a PLA voluntarily.
- **Support the Fair and Open Competition Act (FOCA).** H.R. 2126 and S. 1064 would establish federal neutrality toward PLAs by preventing federal agencies from requiring or prohibiting their use on federal construction projects. The bill gives contractors the choice on how to best approach a public project and helps ensure full and open competition, expanding the pool of qualified bidders, protect taxpayer dollars, and strengthen the federal construction market.
- **Pass the Plain Language in Contracting Act.** Federal contracting notices, especially for small businesses and contractors working on secure government contracts, should be written in straight-forward, easy to understand language to ensure contractors have opportunity to bid and undertake work. Last June, the House of Representatives passed the Plain Language in Contracting Act (H.R. 787), which would require federal contracting solicitations for small businesses be written in language that is clear, concise, and easy to understand. This will make it easier for small construction firms to identify and respond to federal solicitations without being overwhelmed by dense technical or legal language.

ACTION NEEDED

1. Cosponsor H.R. 2126 and S. 1064, the Fair and Open Competition Act
2. Support H.R. 787, the Plain Language in Contracting Act