



Fair and Open Competition Act

Fair and Open Competition Act (FOCA)

[H.R. 2126, S. 1064](#)

Sponsored by Rep. Clay Higgins (R-LA) and Sen. Todd Young (R-IN)

The Fair and Open Competition Act (FOCA) would promote open and nondiscriminatory competition in federal contracting by limiting mandates that require contractors to enter project labor agreements (PLAs).

A PLA is a pre-hire collective bargaining contract between a contractor and labor unions that sets the terms and conditions for workers on a specific construction project, including wages, benefits, and dispute resolution. Because roughly [90 percent](#) of America's construction workforce is non-union, PLA mandates can effectively exclude a large share of qualified contractors and workers from competing for federally funded projects.

Under FOCA, the federal government would neither require nor favor PLAs as a condition of contracts. Federal and federally-assisted construction contracts would be awarded through an open and competitive bidding process and not influenced by mandates that could favor one set of contractors over others.

Sen. Todd Young (R-IN) said of the legislation in a statement upon introduction, "The Fair and Open Competition Act is pro-worker legislation that will restore competition in the construction industry, protect Hoosier workers from discriminatory contracts, and lower costs for taxpayers."

A [final rule](#) issued by the Biden administration, which followed Biden's [Executive Order 14063](#), compels federal agencies to require PLAs on federal construction contracts above the \$35 million threshold. Despite its ongoing implementation, the Biden PLA rule has faced challenges and limitations. Notably, a 2025 court ruling invalidated the requirement for PLAs on specific projects under the Competition in Contracting Act, although it did not render the entire PLA rule invalid.

Additionally, a [June 12, 2025](#), memo from the Office of Management and Budget emphasized that agencies should generally mandate PLAs when they are both "practicable and cost-effective." Analysts estimate that eliminating the



Biden administration's pro-PLA policy could save taxpayers as much as much as [\\$10 billion](#) per year by increasing competition and reducing construction costs.

Bill Status: The Fair and Open Competition Act has been referred to the House Committee on Oversight and Government Reform and Senate Committee on Homeland Security and Governmental Affairs.

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