

March 2, 2021

President Joseph Biden
The White House
Office of the President
1600 Pennsylvania Avenue NW
Washington, DC 20500

Vice President Kamala Harris
The White House
Office of the Vice President
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Biden and Vice President Harris:

As leaders representing communities all across America, we write today to call your attention to a form of job creation that can help cities and states rebuild with racial and economic equity, but that for decades has been prohibited by a federal regulation: local hire. Since 1986, the federal regulation in 2 CFR part 200.319(c) has prevented recipients of federal grant money from including provisions that require or incentivize contractors to hire a portion of workers from communities around a given infrastructure project. At the time, the rationale for prohibiting local hire incentives was that such provisions could reduce the number of bidders on projects, resulting in an inefficient use of taxpayer dollars. However, and significantly, no empirical evidence was ever cited to back up this assertion and Congress itself has never prohibited local hire.

Indeed, to many stakeholders, it has long seemed unlikely that local hire would have a negative impact on competition, or that it made sense to cast aside a tool that could create good jobs for local workers while increasing the economic vitality of their communities. The Obama administration provided the first response to these questions by allowing the US Department of Transportation to launch the Local Labor Hiring Pilot Program (also known as Special Experimental Project No. 14) in 2015. Under the Local Hire Pilot, agencies receiving federal grant money through the Federal Highway Administration (FHWA) or the Federal Transit Administration (FTA) were permitted to include local hire provisions in their requests for proposals for construction projects, for the first time allowing the benefits of local hire to be assessed and evaluated.

Although the Local Hire Pilot was canceled early in the Trump administration, a recently released study, "Empirical Analysis of USDOT's Local Labor Hiring Pilot Program," (attached) compares data on the number of bidders and bid prices for projects that used local hire with projects that did not include local hire preferences. The study's findings show clearly that including local hire provisions does not reduce the number of bidders, nor does it have any systematic impact on bid price. From an empirical standpoint, these results indicate that local hire can be used on infrastructure projects without resulting in lower levels of competition or increased bid prices.

This is an important finding, but what local hire does not do (in terms of limiting competition) is equalled—if not overshadowed—by what local hire *does* do to strengthen communities. Finding ways to create good jobs for everyone in our communities is a challenge we as a nation have always grappled with; the pandemic has made the need for sustained economic recovery more urgent than ever. In addition to providing a quantitative analysis of the Local Hire Pilot, the attached study also identifies the many qualitative benefits that communities and agencies have found in local hire, and the remarkably innovative ways in which grant recipients have used local hire to increase social, economic, and racial equity in their communities. Not only does local hire address the fundamental goal of having residents participate in infrastructure investments in their own towns and cities, it can also increase opportunities for workers of color, women, veterans, returning community members, and others facing barriers to employment.

As we work to beat back the threat of COVID-19, the potential to fully harness the community development benefits of local hire has never been greater. We are eager to use this proven tool to build back better, increasing access to good jobs for the workers in our communities who need opportunity the most. We urge you to lift the local hire prohibition from our communities' shoulders, and in doing so empower us to create equitable infrastructure jobs that can strengthen all our cities, counties, and states across America.

Sincerely,

Public officials:

Chicago Transit Authority
City of Alexandria, VA
City of Chicago
City of Los Angeles
City of Madison, WI
City of Seattle
City of Syracuse, NY
King County, WA
LA County Metropolitan Transportation Authority
Los Angeles Community College District
Mayor Daniella Levine Cava, Miami-Dade County, FL
Mayor Randall Woodfin, Birmingham, AL
Nassau County NY Department of Labor
National Association of Counties
National League of Cities
Tanaka Vercher, Councilwoman, Nashville, TN

Businesses and organizations:

American Federation of Labor - Congress of Industrial Organizations (AFL-CIO)
ANEW
Brightline Defense

Campaign for America's Future
Center for Law and Social Policy
Center for Neighborhood Technology
Center on Policy Initiatives
Center on Rural Innovation
Communications Workers of America (CWA)
Community Building Partners
Community Change Action
Daughters of Charity
Dream Corps Green For All
Economic Roundtable
Everence and the Praxis Mutual Funds
Figure 8 Investment Strategies
Florida Institute on Research and Education (FIRE)
Florida Policy Institute
Ford Foundation
Georgia Stand-Up
Good Jobs First
Ground Game LA
Interfaith Center on Corporate Responsibility (ICCR)
Ilene Proctor Public Relations
Illinois Economic Policy Institute
In the Public Interest
Institute for Work & the Economy
Interdenominational Ministerial Alliance of Greater Pasadena
International Association of Sheet Metal, Air, Rail and Transportation Workers (SMART)
Introducing Youth to American Infrastructure, Inc.
Jewish Labor Committee
Jobs to Move America
Jobs With Justice
Kalmanovitz Initiative for Labor & the Working Poor
Keystone Research Center
LA Voice
Los Angeles Alliance for a New Economy (LAANE)
Labor Education Action Research Network (LEARN)
Laborers' International Union of North America (LIUNA)
Legal Services of Central New York
LMS General Contractors, Inc.
Local Initiatives Support Corporation
Long Beach Alliance for Clean Energy
Los Angeles Leadership Academy
Main Street Alliance
Markusen Economic Research
Media, Inequality & Change Center

Miller/Howard Investments, Inc.
MLK Labor
Nathan Cummings Foundation
National Black Worker Center
National Employment Law Project
National Partnership for Women & Families
Newground Social Investment
North America's Building Trades Unions (NABTU)
The Partnership for Working Families
People Organized for Westside Renewal (POWER)
People's Action
People's Parity Project
Policy Matters Ohio
PolicyLink
Presbyterian Church (USA) Office of Public Witness and United Nations
Rosenbloom Associates
Rural Community Assistance Partnership
Rutgers AAUP/AFT
Seattle Building and Construction Trades Council
Sisters of Saint Joseph of Chestnut Hill, Philadelphia, PA
Sisters of St. Francis of Philadelphia
Sisters of the Presentation of the BVM of Aberdeen, SD
SoCal350 Climate Action
Socially Responsible Investment Coalition
Stellar Strategies LLC
Surdna Foundation
Thrive_At_Life: Working Solutions
Transport Workers Union of America (TWU)
Transportation Learning Center
Transportation Trades Department, AFL-CIO
University of California, Los Angeles (UCLA) Labor Center
UNITE HERE Local 11 (California and Arizona)
Urban Jobs Task Force
Vincentian Ohio Action Network
Working Partnerships USA

Academic community (all colleges and universities listed for identification purposes only):

Richard Appelbaum, University of California, Santa Barbara (UCSB) (emeritus)
Xóchitl Bada, Latin American and Latino Studies Program, University of Illinois at Chicago
Andrew Barlow, University of California Berkeley
Casey Blake, Columbia University
Jan Breidenbach, Occidental College
Karen Brodtkin, UCLA Emerita
J. Mijin Cha, Urban and Environmental Policy department, Occidental College

Joel Cutcher-Gershenfeld, Brandeis University
James DeFilippis, Professor of Urban Planning and Public Policy, Rutgers University
Peter Dreier, Occidental College
Laura Dresser, COWS, University of Wisconsin Madison
Lynn Dumenil, Occidental College
Robert Elias, University of San Francisco
Gordon Fellman, Brandeis University
Janice Fine, Rutgers School of Management and Labor Relations/Center for Innovation
in Worker Organization
Larry Frank, UCLA Labor Center
James Fraser, Professor, New York University
Daniel Galvin, Northwestern University
Shannon Gleeson, Cornell University (School of Industrial and Labor Relations)
Bill Goldsmith, Professor Emeritus, Cornell University
Hahrie Han, Professor of Political Science
Jeff Haydu, University of California San Diego
Chenjerai Kumanyika, Rutgers University AAUP-AFT
Gordon Lafer, University of Oregon
Penelope Lewis, City University of New York (CUNY) School of Labor and Urban Studies
Stephanie Luce, CUNY School of Labor and Urban Studies
Richard McGahey, New School for Social Research
Dowell Myers, University of Southern California (USC)
Manuel Pastor, USC Equity Research Institute
Vivian Price, California State University, Dominguez Hills
Miles Rapoport, Senior Practice Fellow in American Democracy, The Ash Center,
Harvard Kennedy School
Rob Rosenthal, John E. Andrus Professor of Sociology, Emeritus
Andrew Ross, New York University
Julia Sass, Rubin Edward J. Bloustein School of Planning and Public Policy, Rutgers University
Tobias Schulze-Cleven, Rutgers University-New Brunswick
David A. Smith, Professor of Sociology, UC-Irvine
Robert Sozanski, Occidental College
Chris Tilly, UCLA
Paul Von Blum, UCLA
Paula Voos, Rutgers University
Roger Waldinger, Department of Sociology, UCLA
Todd Wolfson, Rutgers University

Individuals:

Barry Berman
Stephanie Bowman, Port of Seattle Commissioner*
Larry Brixius
Stevi Carroll
Michelle Chen

Teresa Conrow
Harry Dreier
James Dwyer
Christian Espinosa Torres
Richard Fedder, Attorney
Ella Hushagen
Diana Kaplan
Mark Maier
Michael Marchman, Union Organizer
Christopher Martin
Caroline Nasella
Curt Nordling
Lori O'Brien
Andrew Petrisin
Mamie Pike, Community Development Consultant
Lenny Potash, AFSCME-R Ch. 36*
Robert Puentes
Ellen Reese
Mary Regan
Margaret Riccio
Aviva K. Rosenbloom
Cathy Rowan, Director, Socially Responsible Investments, Trinity Health*
Dwight Sanders
Arnold Siegel
Heywood Sloane, DSG, Principal*
Vivian Smith
Alma Stokes, NAACP*
Mathew Tharakan, COMTO*
Adrienne Tien, LMFT*
Jon Traunfeld
Lowell Turner
Katherine Zimmer

**organization listed for identification only*

cc:

The Honorable Nancy Pelosi
The Honorable Charles Schumer
The Honorable Peter A. DeFazio
The Honorable Sam Graves
The Honorable Robert C. Scott
The Honorable Virginia Foxx
The Honorable Patty Murray
The Honorable Richard Burr

The Honorable Maria Cantwell
The Honorable Roger Wicker