



July 1, 2021

The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, DC 20515 The Honorable Kevin McCarthy Minority Leader U.S. House of Representatives Washington, DC 20515

Dear Speaker Pelosi, Minority Leader McCarthy and Members of the U.S. House of Representatives:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 69 chapters representing more than 21,000 members, I write to express opposition to H.R. 3684, the INVEST in America Act. **ABC urges members to oppose this bill and the several anti-worker provisions outlined below. This will be considered a "KEY VOTE" for our scorecard on the 117th Congress.**

ABC believes that the surface transportation reauthorization is essential and will provide a path forward on the essential infrastructure that is needed to assist in the recovery of the American economy. However, ABC is concerned that H.R. 3684 notably does not include several essential priorities of the construction industry that would reduce costly and ineffective regulations, increase competition, and address the construction industry's skilled worker shortage fundamental to undertaking much-needed infrastructure modernization throughout the country.

ABC is concerned with Section 2605, "U.S. Employment Plan," which sets a dangerous precedent by injecting preferences into certain public transit procurements, including by favoring bidding companies that utilize registered apprenticeship programs. By elevating the registered apprenticeship program as the chosen method of workforce development, the section picks clear winners and losers in what should be a fair and open bidding process – effectively placing smaller businesses at a competitive disadvantage to larger firms with the resources and capacity to carry out a registered apprenticeship program. While registered apprenticeship programs are one way to invest in workers' careers and continued development, it is by no means the only avenue utilized across the economy.

While a number of our members rely on registered apprenticeship programs as a pathway to a successful career in construction, registered programs represent just a small segment of programs our industry utilizes to invest in its workers and address labor needs. In fact, registered programs only yielded approximately 20,000 completers in 2020 for construction, according to <u>U.S. DOL and state government data</u>, and while an important part of a broader all-of-the-above solution to the industry's skilled worker shortage, the registered system cannot meet construction's workforce development needs alone. Many small businesses are less likely to participate in the registered apprenticeship program because of the paperwork and costs associated with setting up and participating in such a program. These businesses – while no less qualified – are more inclined to implement equally as or more effective, less costly, and more practical workforce development alternatives. However, at a time when policymakers should be empowering small and mid-sized businesses to succeed in economic recovery efforts, Section 2605 would set a concerning precedent that could perpetuate further discrimination against smaller competitors by giving preference to firms utilizing a specified model of workforce development.

ABC is also concerned with the precedent set by the inclusion of <u>Rep. Norcross' Amendment 117</u>, which would define a qualified electrician as an electrician who has completed training under the Electric

Vehicle Infrastructure Training Program. This provision would result in an additional workforce development chokepoint for electric vehicle installation and related projects. Further, it will exacerbate the existing electrician shortage, that also exists for electric vehicle installation projects, while restricting competition from qualified electrical workers that chose not to be affiliated with a union program like EVITP.

H.R. 3684 also expands Davis-Bacon prevailing wage requirements on critical projects. While ABC supports increased financing of infrastructure projects and fair, competitive wages for workers, we are concerned that applying federal Davis-Bacon Act requirements would create additional barriers for small, local contractors to participate in the revitalization of the infrastructure in their communities.

Unfortunately, H.R. 3684 also ignores several largely bipartisan provisions included in the ABC-supported Senate surface transportation infrastructure bill, including modernizing and creating a more efficient NEPA review process and investing in an all-of-the-above workforce development strategy that affords workers and employers the freedom to choose the best way to educate construction employees that maximizes innovation while still achieving world-class safety and productivity.

ABC has previously outlined its <u>transportation and infrastructure priorities</u> to members of Congress and the administration. They include reducing costly and ineffective regulations, increasing competition and educating and upskilling the construction industry's workers, all of which can help bring critical construction projects to market in a more economical and efficient manner. Again, these priorities are not reflected in H.R. 3684.

A national infrastructure plan is a generational opportunity to change the paradigm of how our nation builds the construction workforce and promotes construction as a rewarding career path in our schools and communities. There are solutions to educating construction craft professionals that can meet the industry's labor shortage and skills gap, but unnecessary, overly burdensome requirements can be a significant roadblock for companies who want to more effectively develop their employees' skills and contribute to the modernization of our nation's infrastructure.

Finally, ABC would also like to express our continued commitment to building taxpayer-funded projects with the highest standards of safety and quality, and we stand ready for the opportunity to build and maintain America's infrastructure to the benefit of the communities that it will serve.

We thank you for your leadership and look forward to working with you to address the critical infrastructure needs of our nation.

Sincerely,

Kristen Swearingen

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Vice President, Legislative & Political Affairs

CC:

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