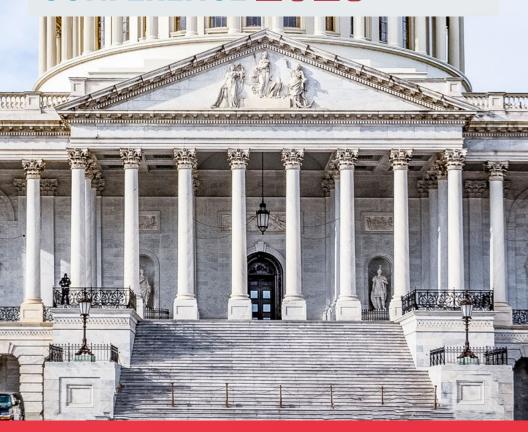


LEGISLATIVE 2025 CHEAT CONFERENCE 2025 SHEET









Government-Mandated Project Labor Agreements

Since its inception, ABC has encouraged and prioritized fair and open competition within the construction industry. ABC believes that the implementation of key federal laws supporting critical construction throughout the country must benefit all of America's workers, regardless of labor affiliation.

FAIR AND OPEN COMPETITION ACT



ABC's priority legislation, the Fair and Open Competition Act (H.R. 2126/S. 1064), introduced by Rep. Clay Higgins, R-La., and Sen. Todd Young, R-Ind., protects federal and federally assisted construction contracts from government-mandated project labor agreements and will allow merit shop contractors to have a fair chance at competing to rebuild America.

FOCA has $\underline{100}$ co-sponsors in the House and $\underline{18}$ in the Senate, signaling to the Trump administration that costly PLA mandates discourage competition, while fair and open competition promotes economic growth.

- With a record-high 89.7% of U.S. construction workers not in a union, PLA mandates discourage
 experienced contractors from competing to win taxpayer-funded contracts to rebuild their
 communities.
- Government-mandated PLAs increase construction costs between 12% and 20%, resulting in fewer
 improvements to road, bridge, utility, school, affordable housing and clean energy projects—and
 fewer jobs.
- Eliminating PLA mandates would save taxpayers an estimated \$10 billion per year on federal and federally assisted construction projects.

REGULATORY STATUS

- On Feb. 4, 2022, President Joe Biden signed <u>Executive Order 14063</u>, Use of Project Labor Agreements for Federal Construction Projects, requiring every prime contractor and subcontractor on a federal construction project of \$35 million or more performed within the United States to sign a PLA as a condition of winning a contract.
- On June 12, 2025, President Donald Trump's Office of Management and Budget <u>announced</u> that
 it will continue to enforce the anti-competitive policy. ABC believes the Trump administration's
 decision to continue this policy contradicts the president's statements and executive orders
 promoting merit, fairness and nondiscrimination.
- Now is the time for the Trump administration to level the playing field in a way that creates more
 value for taxpayers through competition for construction projects based on merit, not double down
 on a failed policy mandating project labor agreements. The administration should rescind the PLA
 mandate executive order immediately.

LEGAL STATUS

- On March 28, 2024, ABC and its Florida First Coast chapter filed suit against the federal government seeking to overturn the final rule, asserting that the administration lacked the legal and constitutional authority to impose the mandate. The lawsuit is currently pending.
- On Jan. 19, 2025, a decision from the U.S. Court of Federal Claims ruled in favor of ABC and Associated General Contractors federal contractor members that filed bid protests challenging 12 PLAs mandated by federal agencies on federal construction projects. While a win on the specific projects challenged, this did not block the PLA rule entirely.

Tax And Fiscal Policy

With many of the beneficial tax policies under the 2017 Tax Cuts and Jobs Act expiring at the end of 2025, it is imperative that the House and Senate work to preserve critical tax policies and ensure certainty for thousands of small businesses throughout the construction industry in the United States.

THE ONE, BIG, BEAUTIFUL BILL ACT



The One, Big, Beautiful Bill Act (H.R.1), which contains many ABC-supported priorities that provide critical tax relief to contractors. This legislation would provide certainty to the more than 95% of all American businesses structured as S corporations, partnerships and sole proprietorships. These pass-through businesses employ 62% of the private sector workforce and form the economic backbone of virtually every community nationwide.

As the House and Senate advance their versions of the bill, ABC urges both chambers to include ABC-supported provisions below:

- Small Business Deduction: Provide the pass-through sector crucial relief via a permanent, boosted
 deduction for qualified business income. Locking in the higher deduction under Section 199A
 will prevent a significant tax hike in 2026, and ensure that ABC members—most of whom are
 passthrough businesses—can reinvest in their companies, expand their workforce and take on new
 projects without fear of future tax hikes.
- Estate Tax Relief: Provide permanent estate tax relief at \$15M per individual, preserving and
 protecting family businesses from destructive estate taxes. This provision allows contractors to pass
 on the businesses they built to the next generation.
- 100% Bonus Depreciation: Renew previously expired immediate expensing via 100% bonus depreciation. This is a powerful incentive for businesses to invest in new equipment and technologies.
- R&D Cost Expensing: Permanently allow taxpayers to immediately deduct domestic research or experimental expenditures.
- Expanded 529 Accounts for Skilled Trades Training: Expand 529 plans for all recognized
 postsecondary credentials as defined by the Workforce Innovation and Opportunity Act. This would
 support the next generation of craft professionals—ensuring more Americans can pursue rewarding
 careers in construction.
- Relief From Overregulation and Red Tape: From the inclusion of the ABC-supported REINS Act
 to reducing 1099 reporting burdens to improving Opportunity Zones, this bill cuts unnecessary red
 tape and unlocks new growth in communities that need it most.
- Expedited Environmental Reviews: Provide project sponsors a deadline of six months for
 completing an environmental assessment and 12 months for completing an environmental impact
 statement, along with protection from judicial and administrative reviews, in exchange for paying
 125% of the estimated cost to prepare or supervise the preparation of an environmental review.

INFLATION REDUCTION ACT PREVAILING WAGE AND APPRENTICESHIP REGULATIONS



While H.R.1 phases out some of the IRA's clean energy tax credits, ABC urges members of Congress to also repeal the IRA's anti-competitive labor policies. ABC believes that the IRA's bonus credit penalizes employers that believe in fair and open competition and limits opportunities for construction workers who choose not to join a union and instead participate in industry-recognized apprenticeships.

Labor And Employment Law

It is essential that Congress acts to strengthen the rights, flexibility and privacy protections of workers. At the same time, Congress must reject policies, such as the Hawley Labor Framework and the Protecting the Right to Organize Act, which would drastically restructure America's labor laws, damage the economy, cost millions of American jobs, threaten vital supply chains and greatly diminish opportunities for entrepreneurs and small businesses.

PROTECTING THE RIGHT TO ORGANIZE ACT



The PRO Act (<u>H.R. 20/S. 852</u>) introduced by Sen. Bernie Sanders, I-Vt., and Rep. Bobby Scott, D-Va., would have a devasting impact on the construction industry. While the <u>ABC-opposed</u> bill will not come up for a vote in the Republican controlled U.S. House of Representatives, it has unfortunately received bipartisan support. It is critical that all members of Congress recognize the devastating impact of this bill and its policies.

The PRO Act would:

- Impose the "ABC test," used to determine if a worker is an employee or independent contractor, into the National Labor Relations Act, applying it nationwide.
- Dramatically expand the joint-employer standard under the NLRA, which is already under threat following the National Labor Relations Board's rulemaking (see ABC's regulatory roundup for more information).
- Completely reject choice by eliminating 26 independently passed state right-to-work laws and
 forcing individuals to join a specific union and forfeit a portion of their hard-earned paychecks to
 support the activities and influence of unions if they want a job at a unionized jobsite or company.
- Produce significant economic costs for the nation's 26 right-to-work states in an effort to increase union power at the expense of worker freedoms and small businesses.

EMPLOYEE RIGHTS ACT



ABC looks forward to the reintroduction of the Employee Rights Act, which provides essential protections for workers' rights, choices and freedoms. The ERA stands in stark contrast with the ABC-opposed PRO Act.

Key provisions of the Employee Rights Act would:

- Guarantee that all union elections occur under secret ballot;
- Protect the flexibility of independent contractors;
- Clarify the joint-employer standard by stating that businesses should not be held liable for other businesses that are not under their control;
- Require union members' express permission for dues to be used for political purposes; and
- Allow employees to protect their personal information and privacy during an organizing campaign.

Labor And Employment Law

FASTER LABOR CONTRACTS ACT



The Faster Labor Contracts Act (<u>S.844</u>), is the first bill in <u>Sen. Hawley's labor framework</u> and mirrors provisions of the historically rejected <u>ABC-opposed</u> PRO Act and Employee Free Choice Act.

The Faster Labor Contracts Act imposes arbitrary and unrealistic deadlines on employers to finalize negotiations with newly elected unions or face "binding interest arbitration of first contracts." In practice, this means that, for the first time in American history, a federal government bureaucrat will dictate exactly what is included in a contract between two private negotiating parties.

- Within 10 days of receiving a request to collectively bargain with a newly recognized union, the
 parties must begin bargaining collectively. If the employer and union do not reach an agreement
 on a first contract within 90 days of the beginning of bargaining—regardless of whether they are
 negotiating in good faith, and for any reason at all—federal government bureaucrats will intervene to
 require mediation. This would be an unprecedented expansion of federal government authority into
 the private sector.
- If mediation is also unsuccessful within mere weeks, a three-person arbitration panel chosen by the
 parties will be required to settle the dispute by a majority vote and the decision will be binding. If
 the parties fail to identify individuals to join the arbitration panel within two weeks, arbitrators chosen
 by federal government bureaucrats will impose a collective bargaining agreement on the workers,
 employer and union.
- Mandatory arbitration would deprive both employers and employees of property rights without the
 requisite due-process safeguards. The arbitrator could force an employer already working on thin
 profit margins to spend thousands of dollars to overhaul their facilities, change subcontractors or
 alter promotion policies without any judicial oversight. Similarly, the arbitrator could cut the wages
 of employees without any consideration of legal fairness. Simply put, this bill could mandate a loselose contract on both the employer and the employees.

The Faster Labor Contracts Act doesn't "support" initial union contracts, rather it could force one-size-fitsall contracts on workers by unelected government bureaucrats. Government-imposed agreements are anything but pro-American worker.

SEN. HAWLEY'S LABOR FRAMEWORK



<u>Sen. Hawley's Labor Framework</u>, which includes the Faster Labor Contracts Act, sections of the ABC-opposed PRO Act and Warehouse Worker Protection Act. ABC opposes this framework, along with members of the Coalition for a Democratic Workplace, and the Coalition for Workplace Safety.

- Restrictions on Businesses' First Amendment Rights: Bans mandatory meetings in which
 employers discuss unionization with their employees, also known as "captive audience meetings."
 These meetings often serve as the only opportunity for workers to hear from employers about the
 accuracy of union claims and promises and about the potential negative consequences of union
 organizing on the workers and/or the business.
- Ambush Elections: Mandates that representation elections be held within 20 business days after
 a union files a petition for an election. These "ambush elections" will result in backdoor organizing,
 leaving employers—especially small businesses—without an opportunity to discuss potential
 unionization with their employees. Ambush elections silence debate on unionization and only result
 in workers being less informed about the pros and cons of union representation before voting.

Workforce Development

America's economic engine is fueled by a workforce equipped with durable and transferable skill sets. Apprenticeship and career technical education provide the tools for our nation's workforce to not only build America's vital infrastructure but also cultivate long-lasting and rewarding career opportunities.

ABC supports an all-of-the-above workforce development strategy, including industry-driven and government-registered apprenticeship programs, so that workers and employers have the freedom to choose the best way to provide value and help rebuild America.

ABC's network of 67 chapters currently provide more than 450 GRAPs in over 20 construction industry trades such as electrical, plumbing, carpentry, HVAC, welding, etc. None of these ABC chapter GRAPs are affiliated with unions.

REAUTHORIZATION OF THE WORKFORCE INNOVATION AND OPPORTUNITY ACT



ABC looks forward to the reintroduction and passage of a bipartisan reauthorization of the Workforce Innovation and Opportunity Act. Since its reauthorization in 2014, WIOA has been a key asset to the construction industry in its efforts to obtain funding for workforce development and assist those seeking new jobs and employment.

ABC supported the bipartisan, bicameral effort to reauthorize WIOA in the 118th Congress, which would:

- Secure funding for workforce development and address the construction industry's evolving need for qualified and skilled craft professionals by modernizing WIOA for the first time in a decade.
- Support work-based learning, including employer-led and on-the-job workforce upskilling programs and opportunities.
- Direct more dollars toward tangible worker programs by dedicating 50% of the adult and dislocated worker funding to upskilling workers through individual training accounts, on-the-job learning and other employer-led and industry-specific initiatives.
- Streamline the "eligible training provider list" to ensure programs align with in-demand jobs and employer needs to secure better jobs and work opportunities.
- Enhance states' flexibility, allowing them to support a "critical industry skills fund" that helps employers upskill their existing workforce.
- Create a level playing field for workforce training providers to achieve the newly established workforce industry leader credential.
- Help state and local workforce boards align with the needs of today's workforce and employers.

Reauthorizing WIOA is a critical step in addressing the workforce challenges facing the construction industry and the broader economy. By modernizing funding allocation, expanding employer-led training opportunities and streamlining workforce development programs, this legislation will help ensure that businesses have access to a skilled and qualified workforce while providing individuals with pathways to stable, high-paying careers.

Immigration Priorities

ABC supports long-term solutions to lawful immigration reform that secures our nation's borders and addresses the construction workforce needs of the 21st century, allowing for legal and qualified temporary foreign workers.

ABC supports necessary improvements to our country's visa system that anticipates the future flow of immigrants to the United States and eliminates incentives for individuals to illegally enter the country in search of work opportunities, including:



- Establishing a new, market-driven visa program for foreign workers that will further help to address
 the workforce shortage and allow the construction industry and the American economy to continue
 to grow and prosper.
- Reintroducing the Essential Workers for Economic Advancement Act, which would create a new visa program, capped at 85,000 positions annually, to help address the workforce needs of the construction industry by providing critical access to temporary workers.
- Increasing annual quotas for employment-based immigrant and nonimmigrant visas.
- Expanding H-2B visas and reforms to the overall program to help address the workforce needs of construction and other in-demand industries in the United States.
- Implementing an improved, mandatory E-Verify system with necessary protections for employers acting in good faith to ensure a legal workforce.
- Continuing protections for Deferred Action for Childhood Arrivals and Temporary Protected Status recipients, who have been members of the construction industry workforce for years.

Additional ABC-Supported Legislation

MODERN WORKER EMPOWERMENT ACT

(H.R. 1319): Amends the FLSA to base worker classification determinations on two clear tests: a business' control over a worker's work and how it is performed and the worker's opportunity to express entrepreneurial discretion.

MODERN WORKER SECURITY ACT

(H.R. 1320): Provides businesses with the opportunity to offer flexible or portable benefits to workers without the risk of the provision of these benefits jeopardizing worker classification determinations.

THE START APPLYING LABOR TRANSPARENCY ACT

(H.R. 2952): Promotes workplace transparency and counters the detrimental impacts of salting. The SALT Act would amend the Labor-Management Reporting and Disclosure Act of 1959 and clarify that labor organizations and their consultants must report when they engage in salting. This change would ensure workers have the transparency they deserve and a fair environment to determine what is best for their workplace.

PROVE IT ACT OF 2025

(H.R. 1163/S. 495): Strengthens the RFA by allowing Main Street businesses, and the groups that represent them, to petition the SBA to examine whether a federal regulation would have significant economic effects on a large number of small businesses.

REPEALING BIG BROTHER OVERREACH ACT

(H.R. 425/S. 100): Repeals the Corporate Transparency Act and relieves American small business owners from burdensome reporting requirements and criminal penalties.

PRIOR APPROVAL REFORM ACT

(H.R. 1399): Clears an administrative hurtle to make it easier for trade association PACs to solicit contributions from their membership.

STUDYING NEPA'S IMPACT ON PROJECTS ACT

(H.R. 573): Introduced by Rep. Rudy Yakym, R-Ind., this bill would establish transparency regarding the impact of the National Environmental Policy Act. This legislation would provide Congress with the knowledge necessary to evaluate the effectiveness and efficiency of federal agency implementation of NEPA and craft future legislation to enhance the permitting process.

ESA Amendments Act

(H.R. 1897): Introduced by Rep. Bruce Westerman, R-Ark., this bill addresses some of the necessary reforms to the Endangered Species Act, establishing clear statutory definitions, focusing on species recovery and streamlining the ESA permitting process. Specifically, H.R. 1897 streamlines the approval of voluntary conservation agreements and incidental take permits by removing duplicative permitting processes. Furthermore, the bill clarifies the ESA Section 7 permitting process and provides regulatory certainty that a critical habitat will not be designated if a private landowner is working to implement a plan that conserves the listed species in question.