



Advocate
for the Merit Shop

PRO ACT

The Protecting the Right to Organize Act ([H.R. 842/S. 420](#)), introduced by Rep. Bobby Scott (D-Va.) and Sen. Patty Murray (D-Wash.), is intended to increase union membership and union leverage without regard for the negative impacts it would have on workers, businesses and the economy. The PRO Act threatens the fundamental rights of workers and job creators while putting the recovery of our economy at risk.

OPPOSE

The [ABC-opposed](#) PRO Act, which [passed](#) the U.S. House of Representatives on March 9 by a vote of [225-206](#), is currently awaiting consideration in the U.S. Senate. Majority Leader Chuck Schumer (D-N.Y.) has promised labor leaders that the PRO Act will receive a vote in the Senate if it obtains at least 50 co-sponsors. While President Joe Biden's [American Jobs Plan](#) calls on Congress to pass the bill, the Senate has yet to take up the legislation which, as of May 17, has gained the support of 47 Democrats and Independents in the Senate. Sens. Kyrsten Sinema (D-Ariz.), Mark Kelly (D-Ariz.) and Mark Warner (D-Va.) have not co-sponsored.

PROVISIONS OF THE PRO ACT

Proponents of this bill claim it will protect the ability of workers to join a union if they so choose; however, the PRO Act would instead:

- Strip workers of their privacy, freedom and choice, essentially implementing a forced unionization regime in U.S. labor law.
- Violate basic employee privacy rights, forcing employers to turn over employees' phone numbers, addresses and email addresses without consent.
- Replace secret ballots in union elections with "card check," a system where votes are made public, exposing employees to harassment and intimidation unless they back unionization efforts and making them fear retribution for voting their conscience.
- Codify into law the National Labor Relation Board's controversial joint employer standard, which threatens our country's small and local businesses by curbing the opportunity to own a franchise business or work independently, costing up to \$33.3 billion in lost annual output for the franchise business sector alone.
- Implement new restrictions for independent contractors, curbing the freedom and flexibility to work independently through gig-economy platforms and traditional independent contractor roles, affecting 8.5% of GDP and adding up to \$12.1 billion of additional annual cost pressure on employers.
- Eliminate right-to-work laws, 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 factory, jobsite, school or company. Since 1947, 27 states have enacted right-to-work laws.
- Strip "secondary boycott" protections that prevent unions from using their antitrust exemptions and immunity from certain state laws to target businesses for anticompetitive purposes other than organizing. This would allow unions to protest and boycott companies that are not directly involved in a labor dispute by eliminating the National Labor Relations Act's 70-year ban on secondary boycott activity. If this provision is signed into law, unions could target not only the employer involved in a labor dispute but also any company that does business with that employer.

These harmful provisions would have a devastating impact on construction in the United States and cause significant harm to our nation's economy at this critical juncture when many small businesses are attempting to recover and rebuild from the impacts of the COVID-19 pandemic.

INFRASTRUCTURE

On March 31, President Biden released the more than \$2 trillion [American Jobs Plan](#), which calls on Congress to tie federal investments in infrastructure to [ABC-opposed](#) government-mandated project labor agreements, prevailing wage regulations via the [90-year-old Davis-Bacon Act](#), government-registered apprenticeship programs and the [ABC-opposed PRO Act](#). President Biden's plan also includes tax increases that would take 15 years to cover the plan's price tag, which would negatively impact job-creating construction firms that are still recovering from the COVID-19 pandemic.

ABC continues to [advocate](#) for an infrastructure plan that includes policies that reduce costly and ineffective regulations, ensure fair and open competition, address the construction industry's [skilled worker shortage](#), streamline the federal permitting process, embrace innovation and pursue value-adding public-private partnerships that can help bring critical construction projects to market in a more economical and efficient manner.

ABC [believes](#) that the path forward on infrastructure legislation should be a bipartisan process, and we will continue to work with Congress and the Biden administration to ensure that any federal investment in our nation's infrastructure will benefit all of America's workers, regardless of labor affiliation.

CO-SPONSOR The Fair and Open Competition Act ([H.R. 1284/S. 403](#)), which was introduced by Rep. Ted Budd (R-N.C.) and Sen. Todd Young (R-Ind.), would prevent federal agencies and recipients of federal assistance from requiring contractors to sign controversial PLAs as a condition of winning a federal or federally assisted construction contract.

SUPPORT A bipartisan infrastructure package that addresses the needs of our nation's traditional infrastructure, reauthorizes the expiring surface transportation bill (FAST Act) and stabilizes funding of our federal infrastructure accounts such as the Highway Trust Fund.

SUPPORT The Building U.S. Infrastructure Through Limited Delays & Efficient Reviews (BUILDER) Act ([H.R. 8333](#)), which would modernize the outdated National Environmental Policy Act to make infrastructure project reviews more efficient, reduce project costs, spur economic recovery and rebuild America.

SUPPORT The Davis Bacon Repeal Act ([H.R. 2218/S. 805](#)), which would repeal the wage subsidy law requiring that the flawed and inflationary "prevailing wage" rate be paid to various classes of laborers and mechanics working under federally financed or federally assisted construction contracts worth more than \$2,000. [ABC supports the full repeal of the Davis-Bacon Act](#) as well as any state and local prevailing wage laws that mandate wage and benefit rates. In the absence of full repeal of these laws, ABC continues to support legislative and regulatory reform efforts designed to mitigate their negative effects and failure to reflect the current market rate. ABC opposes expansion of Davis-Bacon and state and local prevailing wage laws into areas of public and private projects in which they have not been previously mandated.

OPPOSE President Biden's [American Jobs Plan](#), which includes a proposal to hike the corporate tax rate from 21% to 28%, affecting the ability of America's companies to compete globally.

OPPOSE President Biden's [American Families Plan](#), which seeks to enact anti-growth, penalizing tax policies, including increasing the capital gains tax after death and limiting section 1031 like-kind real estate exchanges to pay for expanded federal programs.

- Increasing the capital gains tax after death would jeopardize individually and family-owned businesses by raising taxes on what they earn, when they are sold and when they are passed from one generation to the next. The combined tax penalty of taxing unrealized capital gains by 43.4% at death combined with the 40% estate tax would force many family-owned construction businesses to sell the business just to pay these taxes, making it nearly impossible to keep these businesses in the family.
- The \$1.8 trillion American Families Plan also proposes to abolish Internal Revenue Code Section 1031 real estate transactions on certain real estate profits of more than \$500,000. Section 1031 encourages turnover and investment of new capital in properties that can improve neighborhoods and provide decent places to live and are an important source of jobs for contractors. Like-kind exchanges are expected to generate 568,000 jobs this year. The 1031 tax provision also encourages investment and expansion during economic downturns and will assist in our nation's recovery from the COVID-19 pandemic. ABC encourages Congress to maintain Section 1031 and prevent these detrimental changes to the tax code.

IMMIGRATION

As Congress continues to pursue reforms to fix our nation's broken immigration system, ABC is committed to advocating for legal immigration policies that address the workforce needs of the construction industry and allow for much-needed access to legal and qualified temporary foreign workers.

Despite ABC's promotion of construction as a viable career choice for hardworking Americans through the expansion of apprenticeship programs and career and technical education as well as the investment of \$1.3 billion in education and upskilling initiatives in 2020 alone, ABC members continue to face systemic labor shortages of qualified craft professionals.

Any successful immigration reform measures must work to ensure the enforcement of U.S. laws, support border security and promote economic prosperity. Modernizing the U.S. immigration system must also allow for an adequate amount of legal immigration and access to foreign-born workers to effectively address the workforce demands of the construction industry, which needs to hire an additional 430,000 craft professions in 2021 alone.

LEGISLATION

On Feb. 18, Sen. Bob Menendez (D-N.J.) and Rep. Linda Sanchez (D-Calif.) introduced the U.S. Citizenship Act of 2021 ([H.R. 1177/S. 348](#)) to implement President Joe Biden's proposal on immigration reform. ABC is concerned that the Biden proposal largely ignores the underlying causes of illegal immigration and the enforcement needed to prevent the circumvention of our nation's borders and immigration laws over the coming years.

This legislation seeks to create a pathway to citizenship for more than 11 million undocumented immigrants in the United States, including those currently authorized to legally live and work in the country through the Deferred Action for Childhood Arrivals program and Temporary Protected Status designation.

SUPPORT ABC has advocated for permanent protections for DACA and TPS recipients that contribute to the U.S. workforce and economy, including the more than 100,000 in the construction industry. Comprehensive immigration reform must include necessary improvements to our country's visa system that anticipate the future flow of immigrants to the United States and eliminate incentives for individuals to illegally enter the country in search of work opportunities.

SUPPORT The enforcement of our nation's immigration laws, which will also be critical in preventing future illegal immigration into the United States and holding those who violate our immigration policies accountable.

SUPPORT Providing employers with a flexible visa system that allows sufficient access to permanent and temporary foreign workers, which must be included in any final proposal to fix our immigration system.

OPPOSE Including prevailing wage requirements under the Davis-Bacon Act in any temporary guest worker program.

OPPOSE Any temporary guest worker program that has an additional set of rules, restrictions or limitations for the construction industry.

WORKFORCE DEVELOPMENT

Why is workforce development a priority for ABC and the construction industry?

America's economic engine is fueled by a workforce equipped with durable and transferable skill sets.

Apprenticeship and career technical education provide the right tools to our nation's workforce to not only build America's vital infrastructure, but also cultivate long-lasting and rewarding career opportunities.

As we look forward to a post-pandemic world, now is the time for the construction industry to do what it does best: Build the places where we live, work, heal, play and learn so that this nation can continue to be the greatest in the history of the world.

In 2021, construction companies will need to hire [430,000](#) more workers than they employed in 2020, according to an analysis of U.S. Bureau of Labor Statistics data.

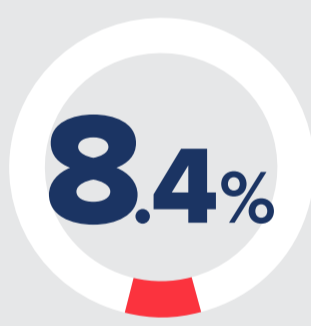
ABC supports an all-of-the-above workforce development strategy, including industry-driven and government-registered apprenticeship programs, so that workers and employers have the freedom to choose the best way to provide value and help rebuild America.

SUPPORT The Freedom to Invest in Tomorrow's Workforce Act ([H.R. 5339/S. 905](#)), which would expand 529 plans for all recognized postsecondary credentials as defined by the Workforce Innovation and Opportunity Act, and the Jumpstarting Our Businesses by Supporting Students Act ([S. 864](#)), which would expand Pell Grant eligibility to cover high-quality and rigorous short-term job training programs. ABC believes that expanding access to workforce development opportunities is vital to ensuring that we can fill the critical jobs gap facing construction and address the needs of the nation's infrastructure on time and on budget.

OPPOSE The House-passed National Apprenticeship Act of 2021 ([H.R. 447](#)), which would not achieve its goal of expanding apprenticeship opportunities, as it would further restrict small businesses' ability to access federally registered apprenticeship programs, limit job opportunities in the construction industry and create additional obstacles for the construction industry to meet future workforce demand and needs. The bill is now in the Senate, where it will be subject to a 60-vote threshold to pass. ABC continues to reach out to key senators to express concerns about the bill and seek support in blocking its passage as currently written.

\$1.3 billion

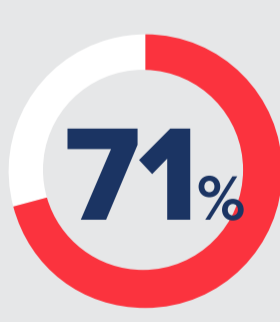
ABC contractor members invested \$1.3 billion on workforce development initiatives in 2020, providing craft, leadership and safety education to more than 500,000 course attendees to advance their careers in commercial and industrial construction.



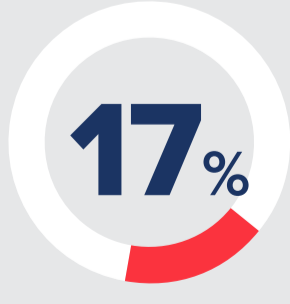
ABC contractors invested an average of 8.4% of payroll on workforce education in 2020, compared to 7.9% in 2019.



Compared to 2019, general and construction management contractors have increased their share of the total workforce education investment, growing to 58% in 2020 from 21% in 2019.



Safety education accounts for the greatest share (71%) of total workforce investment and has the highest per-person investment (\$2,369).



Women in management/supervisory roles ticked up to 17% in 2020 from 16% in 2019.

3% Decline

The percentage of contractors reporting a severe labor shortage declined 3% between 2019 and 2020, while those reporting a moderate labor shortage increased 5%.

The COVID-19 pandemic has elevated the focus on education, safety and total human health.

THE ROADMAP TO WORLD-CLASS SAFETY

It is Associated Builders and Contractor's mission to ensure all of our construction workers get home in the same—or better—condition than when they arrived on the jobsite every day.

A culture of both physical and mental health and safety cannot exist without leaders taking a stand that includes an unwillingness to compromise safety and modeling this belief in their every action.

Challenging and transforming the status quo to create a belief that all incidents are preventable creates a culture where safety is considered a moral obligation not just for leadership, but for all employees.

ABC provides the industry with four tools that help create the conditions for everyone to complete their work without incident and go home safe and healthy every day.

- 1 ABC's STEP is a world-class safety management system improved annually by the ABC National Health and Safety Committee.
- 2 The annual ABC Safety Performance Report analyzes the cause-and-effect relationship between best-in-class processes and incident prevention.
- 3 ABC's Safety Academy helps construction companies lay out a multi-year plan to achieve industry-leading safety results.
- 4 A suite of best practices and model policy supported by classroom and virtual education is delivered at national events and through ABC's 69 chapters across the United States.

These tools provide leaders with a roadmap to win and deliver their work without incident:

- 1 Leadership commitment to an organization that creates the conditions for all to do their work without incident.
- 2 Cultural transformation into a company where every employee believes all incidents are preventable.
- 3 Deployment of a world-class safety management system throughout the organization with the desire to achieve industry-leading results.
- 4 World-class results delivered using leading and trailing indicators to share successes and lessons learned with all employees.

THE ROADMAP TO WORLD-CLASS SAFETY

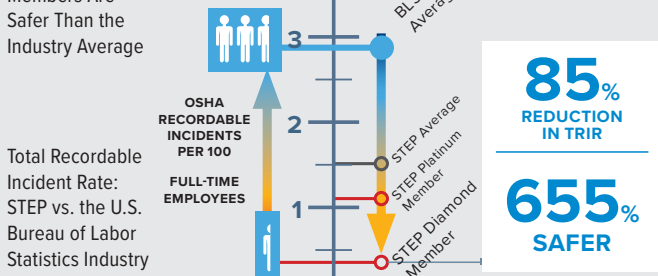
ABC'S STEP SAFETY MANAGEMENT SYSTEM HELPS MEMBERS ACHIEVE WORLD-CLASS SAFETY PERFORMANCE

Founded in 1989 as a safety benchmarking and improvement tool, the [STEP Safety Management System](#) dramatically improves safety performance among participants regardless of company size or type of work. Participating ABC member firms measure their safety processes and policies on 25 key components through a detailed questionnaire with the goal of implementing or enhancing safety programs that reduce jobsite incidents.



ABC STEP MEMBERS ARE SAFER THAN THE INDUSTRY AVERAGE

ABC's Safety Performance Report is an annual assessment that furthers the construction industry's understanding of how to achieve world-class safety through its STEP Safety Management System. The [2021 report](#) is based on data gathered from STEP participants that recorded nearly one billion hours of work in construction, heavy construction, civil engineering and specialty trades in 2020. It documents the dramatic impact of using proactive safety practices to reduce recordable incidents by up to 85%, making the best-performing companies 655% safer than the U.S. Bureau of Labor Statistics industry average.



ABC'S SAFETY ACADEMY

ABC's Safety Academy is designed to help attendees understand the importance of leadership commitment, cultural transformation, safety management processes and utilizing results in achieving a zero-incident jobsite. The Safety Academy goes beyond the "technical" side of safety and explores the emotional and behavioral components that take safety from one of many priorities to the core value upon which all decisions are based. Attendees learn how to transform their safety culture and mindset by engaging contractors and owners and establishing the trajectory of their organization toward world-class safety performance.

ABC'S SAFE AND HEALTHY CONSTRUCTION PLEDGE TO KEEP WORKERS SAFE FROM COVID-19

In 2020, ABC launched the [Safe and Healthy Construction Pledge](#), an industry-wide call to action to redouble construction jobsite safety commitments under new protocols due to the coronavirus outbreak. Open to all U.S. contractors and industry associations, the pledge calls for prevention, preparedness and response plans to prevent injuries and disease and safeguard total human health.



SUICIDE PREVENTION IS A KEY INITIATIVE IN CONSTRUCTION SAFETY

ABC is a member of the [Construction Industry Alliance for Suicide Prevention](#), an organization dedicated to providing and disseminating information and resources for suicide prevention and mental health promotion in construction with the goal of creating a zero-suicide industry. Workers in construction and extraction have had the highest rate of suicide among all occupational groups in the United States, according to the Centers for Disease Control and Prevention, making suicide prevention a key construction industry safety initiative.



ABC IS A FOUNDING MEMBER OF THE CONSTRUCTION COALITION FOR A DRUG- AND ALCOHOL-FREE WORKPLACE

The [Construction Coalition for a Drug- and Alcohol-Free Workplace](#) provides companies and organizations with the resources to successfully implement an effective substance abuse policy and work toward eliminating substance abuse-related incidents on construction jobsites.



Construction Coalition for a Drug- and Alcohol-Free Workplace