



July 19, 2022

U.S. Senate  
Washington, DC 20510

U.S. House of Representatives  
Washington, DC 20515

Dear U.S. Senators and Representatives:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 68 chapters representing more than 21,000 member businesses, I write to express our concerns regarding efforts to pass the funding package to support the semiconductor industry.

ABC remains concerned over unnecessary and restrictive labor policies that could dilute the effectiveness of the legislation and limit opportunities for much of the construction industry to participate in programs and projects authorized under this new funding.

Currently, it appears that the “Semiconductor Incentives” section of the package would apply section 602 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3212), or Davis-Bacon Act prevailing wage requirements, to certain construction projects, expanding these requirements onto private industry construction projects receiving federal assistance. The unprecedented expansion of Davis-Bacon regulations onto private construction projects will decrease value to taxpayers, fail to improve the flawed, unscientific wage survey process, drive up the cost of construction projects, lengthen the time for projects to be completed and discourage participation by small and minority-owned contractors opposed to the regulatory uncertainty accompanying Davis-Bacon red tape. ABC supports removing the bill’s Davis-Bacon prevailing wage requirements and urges you to ensure that these provisions are stripped from the bill before final passage

ABC understands the importance of ensuring the ability of the United States to counter China’s global influence and manufacture critical components for our nation’s technology here at home and our allies abroad. ABC members stand ready to assist in these efforts and believe that the elimination of restrictive labor provisions will aid our ability to complete these important projects on time and on budget.

Thank you for your consideration.

Sincerely,

Kristen Swearingen  
Vice President of Legislative & Political Affairs