Advocate for the Merit Shop





LABOR AND EMPLOYMENT LAW

It is essential that Congress acts to strengthen the rights, flexibility and privacy protections of workers. The Employee Rights Act would serve as a critical backstop to actions from the Biden administration, which seeks to implement provisions of the ABC-opposed Protecting the Right to Organize Act through regulatory action. The PRO Act 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.

EMPLOYEE RIGHTS ACT

SUPPORT The Employee Rights Act (H.R. 2700/S. 1201), introduced by Sen. Tim Scott, R-S.C., and Rep. Rick Allen, R-Ga., would counter the PRO Act and efforts from the NLRB and Biden administration to strip workers of their rights, freedoms and choices in the workplace.

Key provisions of the ERA:

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

THE PRO ACT

OPPOSE While the <u>ABC-opposed</u> PRO Act (<u>H.R. 20/S. 567</u>) introduced by Sen. Bernie Sanders, I-Vt., and Rep. Bobby Scott, D-Va., will not come up for a vote in the Republican-controlled U.S. House of Representatives, the bill has unfortunately received bipartisan support. It is critical for all members of Congress to know the devastating impact this bill and its policies would place on the construction industry. 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, and the NLRB intends to issue a new proposed rulemaking on the joint-employer standard in 2023;
- Completely reject choice by eliminating right-to-work, independently passed state 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 jobsite or company; and
- Produce significant <u>economic costs</u> for the nation's 27 right-to-work states in an effort to increase union power at the expense of worker freedoms and small businesses.

JULIE SU NOMINATION

OPPOSE ABC urges the U.S. Senate to reject President Biden's nominee, Acting Secretary of Labor Julie A. Su, to serve as the next secretary of the U.S. Department of Labor. While at the DOL, Julie Su has played a significant role in the proposal of new rules and regulations that will cause significant harm to the construction industry, including:

- A disruptive and complex independent contractor rule;
- A flawed and inflationary prevailing wage rule that would undermine construction industry productivity and the efficient use of skilled labor; and
- An anticipated change to overtime regulations that could result in additional uncertainty and exacerbate current workforce and economic challenges facing the construction industry.

Throughout these rulemakings, Julie Su has shown an unwillingness or inability to consider thoughtful comments from small businesses about their negative impacts.

STATUS Julie Su's nomination is currently stalled in the Senate as Republicans are united in opposition and moderate Democrats continue to withhold their support for her.

FAIR AND OPEN COMPETITION

Since its inception, Associated Builders and Contractors 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, including the bipartisan infrastructure law, must benefit all of America's workers, regardless of labor affiliation.

FAIR AND OPEN COMPETITION ACT

SUPPORT

- ABC's priority legislation, the Fair and Open Competition Act, (<u>H.R. 1209/S. 537</u>), introduced by Rep. James Comer, R-Ky., 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.
- With 88.3% of the private construction workforce choosing not to belong to a union, PLA mandates discourage experienced contractors from competing to win taxpayer-funded contracts to rebuild their communities.
- FOCA has <u>95</u> co-sponsors in the House and <u>25</u> in the Senate, signaling to the Biden administration that costly PLA mandates discourage competition, while fair and open competition promotes economic growth.

EXECUTIVE ORDER 14063, USE OF PROJECT LABOR AGREEMENTS FOR FEDERAL CONSTRUCTION PROJECTS

OPPOSE

- On Feb. 4, 2022, President Joe Biden signed <u>Executive Order 14063, Use of Project Labor Agreements for</u> <u>Federal Construction Projects</u>. Once implemented, federal agencies will require that 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.
- 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.
- PLA mandates are bad public policy because they effectively exclude the nearly <u>9 out of 10</u> U.S. construction workers who choose not to join a union from building taxpayer-funded construction projects.

STATUS On Oct. 18, 2022, ABC submitted <u>more than 40 pages of comments</u>, and led a coalition of 22 organizations and associations, representing thousands of companies and employing millions of workers in the construction industry, in an Oct. 13, 2022, <u>comment letter</u> opposing the Federal Acquisition Regulatory Council's Aug. 19 <u>proposed rule</u>, which required controversial and inflationary PLAs on federal construction contracts of \$35 million or more in total value.

PERMITTING REFORM

As the administration looks to implement over \$1 trillion in federal spending for infrastructure, energy and technology projects throughout the country, leaders in Congress has enacted and introduced legislation providing for much-needed reforms to the National Environmental Policy Act and the federal permitting process to ensure efficient timelines for these critical projects.

THE FISCAL RESPONSIBILITY ACT/ BUILDER ACT

SUPPORT

- ABC supported the Fiscal Responsibility Act (H.R. 3746), which was passed by Congress and signed into law in June 2023. The FRA contains several permitting reform provisions, including many from the ABC-supported BUILDER Act.
- The FRA modernizes NEPA requirements, for the first time in decades, and contains key ABC wins, including:
 - Consolidation of the review process for multi agency projects under the auspices of a single "lead agency" that maintains the proceedings in a single document stream to avoid duplicative and extraneous work.
 - Establishment of a two-year time limit on agencyproduced "environmental impact statements" and a one-year limit on "environmental assessments." Relevant stakeholders can challenge agency noncompliance with these deadlines in court.
 - Expansion of the usage of "categorical exclusions" to exempt certain types of projects that "a Federal agency has determined normally does not significantly affect the quality of the human environment" from aspects of the review process.
 - Direction to the CEQ to set up a "E-NEPA" electronic portal where the public can more easily access documents and data related to the NEPA review process.

THE REVITALIZING THE ECONOMY BY SIMPLIFYING TIMELINES AND ASSURING REGULATORY TRANSPARENCY ACT

SUPPORT

 The RESTART Act (<u>S. 1449</u>), signed into law in June 2023, addresses much-needed reforms to the National Environmental Policy Act and the Clean Water Act, and provides a clear and concise definition of the Waters of the United States through codifying the ABC-supported 2020 Navigable Waters Protection Rule.

THE SPUR PERMITTING OF UNDERDEVELOPED RESOURCES ACT

SUPPORT

• The SPUR Act (<u>S. 1456</u>) introduced by Sen. John Barrasso, R-Wyo., would improve oil and gas leasing and permitting to streamline and increase the production of U.S. energy, ensuring more affordable energy for Americans, lessening our reliance on foreign oil and providing our allies with a reliable energy source.

STATUS While the FRA contained key reforms to NEPA and is a critical first step in modernizing the federal permitting process, ABC continues to advocate for additional reforms to ensure an effective and efficient permitting process for the construction industry, including:

- Reforms to judicial review of permitting, which would set limits on when and how parties could litigate a given project's NEPA proceedings in court, which would prevent delays.
- Reforms to Clean Water Act permitting, which would prevent states from unreasonably blocking projects by delaying issuing or denying Section 401 certifications.

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 governmentregistered apprenticeship programs, so that workers and employers have the freedom to choose the best way to provide value and help rebuild America.

ALL-OF-THE-ABOVE WORKFORCE STRATEGY

SUPPORT

- Training America's Workforce Act (S. 1213), introduced by Sens. John Thune, R-S.D., Tim Scott R-S.C., Mike Braun, R-Ind. and Tommy Tuberville, R-Ala., will support the industry-recognized, market-driven apprenticeship programs that many ABC chapters and members use to provide their workers with the skills they need for a successful career. This bill provides a flexible and modern approach to recognizing industry-recognized programs and new opportunities for all of America's workers.
- The Jumpstart Our Businesses by Supporting Students Act of 2023 (<u>H.R. 793/S. 161</u>) introduced by Rep. Bill Johnson, R-Ohio, and Sen. Tim Kaine, D-Va., would expand Pell Grant eligibility to cover high-quality and rigorous short-term job training programs. The Freedom to Invest in Tomorrow's Workforce Act (<u>H.R. 1477/S. 722</u>) introduced by Rep. Rob Wittman, R-Va., and Sen. Amy Klobuchar, D-Minn., would expand 529 plans for all recognized postsecondary credentials as defined by the Workforce Innovation and Opportunity Act. Both of these bills would provide additional resources for workers seeking a career in construction and help fund their education and/or apprenticeship opportunities.
- The Essential Workers for Economic Advancement Act (<u>H.R. 3734</u>), introduced by Rep. Lloyd Smucker, R-Pa., 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.

NATIONAL APPRENTICESHIP ACT

OPPOSE The <u>ABC-opposed</u> National Apprenticeship Act (<u>H.R. 2851</u>) was reintroduced by Rep. Bobby Scott, D-Va. This proposal would:

- Further enshrine the rigidity of the federal registered apprenticeship system into law;
- · Limit access to apprenticeship opportunities for hardworking Americans;
- Directly discriminate against the industry performing on a merit shop basis;
- Allow unions involved in a collective bargaining agreement to restrict the pool of apprentices;
- · Limit the portability of registered apprenticeship programs throughout the country; and
- Limit the availability of many Americans in the construction industry from furthering their career.

STATUS Recent analysis of DOL data by ABC found that it would take 12 years for all federal and state construction industry government-registered apprenticeship programs to educate the more than half a million workers the construction industry needs to hire in 2023. ABC estimates that the construction industry's federal and state registered system yielded just 45,000 completers of four-to-five-year apprenticeship programs, and just 250,000 apprentices were enrolled in all construction industry registered apprenticeship programs in 2022. ABC will continue to advocate for an all-of-the-above workforce development strategy, including industry-driven and government-registered apprenticeship programs, so workers and employers have freedom to choose the best way to provide value and help rebuild America.

IMMIGRATION

The ongoing border and humanitarian crisis is placing an undue burden on many of our communities and the U.S. economy, and it is critical that Congress enacts solutions to fix our nation's failing immigration system now.

ABC supports lawful immigration reform priorities that secure our nation's border and address the construction workforce needs of the 21st century, allowing for much-needed access to legal and qualified temporary foreign workers.

SUPPORT ABC supports enacting sensible reforms to the U.S. asylum laws and increasing resources along the Southern border to enforce our immigration laws and prevent unlawful entry into the United States.

It is also important to make 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:

- · 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; and
- 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, like the Essential Workers for Economic Advancement Act (H.R. 3734), introduced by Rep. Lloyd Smucker, R-Pa.

SUPPORT

- The implementation of an improved, mandatory E-Verify system with necessary protections for employers acting in good faith to ensure a legal workforce.
- Continued protections for Deferred Action for Childhood Arrivals and Temporary Protected Status recipients, who have been members of the construction industry workforce for years. Currently, it is estimated that more than 100,000 individuals work in the construction industry through the DACA program and TPS designation.
- Commonsense measures to address the approximately 12 million current undocumented immigrants in the United States.

REGULATORY ROUNDUP

The Biden administration continues to roll back Trump-era initiatives and institute new, pro-union policies that challenge our members' ability to win work. ABC is fighting against these proposed rules and regulations affecting merit shop contractors and is advocating for open competition and free enterprise.

FAR: GOVERNMENT-MANDATED PLAS

On Oct. 18, ABC <u>submitted more than 40 pages of comments</u> to the Federal Acquisition Regulatory Council, calling on the Biden administration to withdraw the proposed rule requiring controversial and inflationary project labor agreements on federal construction contracts of \$35 million or more in total value. In addition, more than <u>50 members of Congress</u>, <u>19</u> <u>governors</u> and <u>22 construction industry anti-PLA coalition members</u> submitted comments to the FAR Council opposing the proposal. A final rule is expected to be released sometime during 2023.

ABC calls for the immediate withdrawal of this illegal proposed rule and its imposition of anti-competitive and inflationary government-mandated PLAs on federal contracts. The rule will only exacerbate significant headwinds the U.S. construction industry faces: severe supply chain disruptions, unprecedented materials cost inflation, declining investment and a widespread skilled workforce shortage.

Instead of needlessly restricting the pool of eligible bidders and construction workforce, increasing costs, causing delays and exposing the Biden administration and individual federal construction projects to litigation, the federal government should seek fair and open competition to ensure all of the construction industry can continue to safely provide taxpayers with the best possible construction product at the best possible price.

DOL: DAVIS-BACON/PREVAILING WAGE

On March 18, 2022, the DOL's Wage and Hour Division issued a <u>proposed rule</u> that would "modernize" the Davis-Bacon Act and related regulations. These outdated regulations require the DOL to set "prevailing wages" for federal and federally assisted construction contracts over \$2,000, needlessly raising construction project costs, stifling contractor productivity and discouraging competition from small businesses interested in pursuing these projects.

<u>ABC opposed the proposed rule</u>, submitting nearly 70 pages of <u>comments</u> outlining how the rule would fail to fix the DOL's unscientific wage determination process, rescind reforms made by the Reagan administration and increase regulatory burdens on small businesses, new industries and more public works projects.

On Dec. 16, 2022, the DOL sent its <u>final rule updating Davis-Bacon and Related Acts prevailing wage regulations</u> to the Office of Information and Regulatory Affairs at the Office of Management and Budget for review. The content of the final rule is expected to be issued imminently.

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. ABC continues to support legislative and regulatory reform efforts designed to mitigate the law's negative effects on industry and taxpayer stakeholders and failure to reflect the current market rate.

DOL: INDEPENDENT CONTRACTOR

On Dec. 13, 2022, ABC submitted <u>comments</u> opposing the DOL's <u>independent contractor proposed rule</u>, which eliminates the ABC-supported 2021 final rule's emphasis on two "core" factors—a worker's control over their work and their opportunity for profit or loss, both of which are paramount in making an independent contractor determination. Instead, the department's approach is to restore a "totality-of-the circumstances" analysis of the "economic reality test."

The new proposal creates an ambiguous and difficult-to-interpret standard, under which employers will be forced to guess which factors will be more important in the determination and how to analyze the facts of their contractual relationships under multiple factors. This confusion will lead to more litigation, as employers and workers alike will not understand who qualifies as independent contractors.

REGULATORY ROUNDUP

The Biden administration continues to roll back Trump-era initiatives and institute new, pro-union policies that challenge our members' ability to win work. ABC is fighting against these proposed rules and regulations affecting merit shop contractors and is advocating for open competition and free enterprise.

DOL: IMPROVE TRACKING OF WORKPLACE INJURIES AND ILLNESSES

On June 30, 2022, ABC submitted <u>comments</u> urging OSHA to withdraw the proposed <u>amendments to the Improve Tracking of</u> <u>Workplace Injuries and Illnesses rule</u>, which would require establishments with 100 or more employees in certain designated industries to electronically submit information from their OSHA Forms 300, 301 and 300A to OSHA annually. Establishments with 20 to 99 employees in certain designated industries would continue to be required to electronically submit information from their OSHA Form 300A to OSHA once a year. OSHA intends to make much of the data it collects publicly available online.

Similar to the 2016 Obama-era final rule, which ABC objected to, the Biden administration proposed rule does nothing to achieve OSHA's stated goal of reducing injuries and illnesses. Instead, the proposal will force well-meaning, responsible employers to disclose sensitive information—including confidential business information and employees' private medical information—to the public that can easily be manipulated, mischaracterized and misused by competitors, unions and the media for reasons wholly unrelated to safety, as well as subject employers to illegitimate attacks and employees to violations of their privacy. The final rule is expected to be issued imminently.

DOL: OVERTIME

The DOL is expected to issue a proposed rule on the "exemption of bona fide executive, administrative, and professional employees from the Fair Labor Standards Act's minimum wage and overtime requirements" (also known as the "white-collar" exemptions). In 2016, the DOL issued a final overtime rule that would have doubled the minimum salary level for exemption from \$23,660 to \$47,476 per year. ABC, along with several other business groups, sued the DOL in federal court and succeeded in blocking the rule from taking effect. In 2019, the DOL issued a new overtime proposal to formally rescind the 2016 rule and readjusted the salary threshold to \$35,568 per year.

ABC continues to <u>urge</u> the Biden DOL to abandon or postpone any future overtime rulemaking, since it was just modified in 2019. Further, any new overtime rule would fail to recognize the lingering economic consequences of inflation, global supply chain disruptions, rising materials prices and workforce shortages.

NLRB: JOINT-EMPLOYER

On Dec. 7, 2022, ABC submitted <u>comments</u> to the NLRB, urging the board to withdraw the new <u>proposed joint-employer rule</u> and retain the current 2020 NLRB final rule, which provides clear criteria for companies to apply when determining status.

The new proposal will greatly expand joint-employer liability by trying to make indirect or even just reserved, unexercised control sufficient to trigger joint-employer status. This overbroad joint-employer standard will not only have an adverse impact on ABC member contractors but the overall economy.

The proposal will cause confusion and impose unnecessary barriers and burdens on contractor and subcontractor relationships throughout the construction industry. As a result, contractors may be vulnerable to increased liability, making them less likely to hire subcontractors, most of which are small businesses.

NLRB: REPRESENTATION-CASE PROCEDURES

On Feb. 2, 2023, ABC submitted <u>comments</u> to the NLRB opposing its <u>proposed rule</u> on Representation-Case Procedures, which addresses election-blocking charges, voluntary recognition and construction industry bargaining relationships. The proposal would rescind the <u>ABC-supported 2020 NLRB final rule</u>, which is intended to "better protect employees' statutory right of free choice on questions concerning representation."

FTC: BAN ON NONCOMPETE AGREEMENTS

On April 19, 2023, ABC submitted <u>comments</u> urging the Federal Trade Commission to withdraw its unprecedented <u>proposal</u> to ban all noncompete agreements nationwide, a radical departure from hundreds of years of legal precedent. The FTC lacks the statutory or constitutional authority to issue this proposed rule and regulate competition in the market—there is no congressional authorization for such action. Recent U.S. Supreme Court cases indicate this will likely be viewed by the courts as improper delegation of legislative authority.

ABC members have valid business justifications for utilizing noncompete agreements, such as protecting confidential information and intellectual property. This new rule will have a harmful effect on their companies, as well as their employees, and force companies to rethink their compensation and talent strategies.

Ultimately, this vastly overbroad rule will invalidate millions of reasonable contracts around the country that are beneficial for both businesses and employees.

U.S. TREASURY: INFLATION REDUCTION ACT'S TAX CREDIT MANDATES

The Inflation Reduction Act was signed into law on Aug. 16, 2022, and provides over \$270 billion in tax credits for the construction of solar, wind, hydrogen, carbon sequestration, electric vehicle charging stations and other clean energy projects, conditioned on compliance with apprenticeship and prevailing wage requirements. This new policy is an unprecedented expansion of Davis-Bacon and government-registered apprenticeship requirements/enticements onto private construction projects via the federal tax code.

On Nov. 30, 2022, the U.S. Department of the Treasury and the Internal Revenue Service released <u>guidance</u> regarding tax credits for private clean energy projects funded by the IRA conditioned on compliance with prevailing wage and government-registered apprenticeship requirements. Treasury and the IRS also released FAQs to provide additional information on prevailing wage and apprenticeship requirements. The prevailing wage and apprenticeship provisions outlined in the guidance will now apply to projects that began construction on or after Jan. 30, 2023.

The guidance does not provide clarity on whether Treasury and the IRS or the DOL will be enforcing compliance and the additional regulatory red tape and practices that typically accompany regulations related to the Davis-Bacon Act. Construction trade unions and their allies have approached clean energy developers and contractors and insisted a project labor agreement is required to qualify for the full tax credits from Treasury. In fact, a PLA is not needed to ensure that contractors meet the IRA's prevailing wage and government-registered apprenticeship program requirements.

ABC will continue to advocate for fixes to the restrictive labor policies enacted by the IRA and the unnecessary cost increases they will cause for contractors and developers. In the meantime, ABC will continue to provide <u>resources</u> on the IRA's provisions to assist members in maximizing the potential opportunities presented by the IRA while navigating the unique difficulties posed by its expansion of Davis-Bacon—as well as government-registered apprenticeship—requirements into the private sector.

REGULATORY ROUNDUP

CEQ: NATIONAL ENVIRONMENTAL POLICY ACT

In July 2020, the Council on Environmental Quality issued an ABC-supported final rule to modernize the federal environmental review process under the National Environmental Policy Act regulations. In 2021, the CEQ under President Biden announced its plan to revise the 2020 final rule. ABC joined a coalition <u>submitting comments</u> that opposed this effort, but on April 19, 2022, CEQ issued its phase one final rule revising NEPA regulations and reversing critical streamlining efforts.

On Jan. 30, 2023, the DOL sent its <u>phase two NEPA revisions proposed rule</u> for review to the Office of Information and Regulatory Affairs at the Office of Management and Budget.

In January 2023, CEQ <u>released</u> updated, interim guidance to assist agencies in analyzing greenhouse gas and climate change effects of their proposed actions under NEPA. CEQ's new climate change guidance recommends that agencies account for GHG emissions in NEPA reviews.

ABC supports NEPA modernization that creates a coordinated, predictable and transparent method for permitting. ABC will continue to oppose the current administration's NEPA revisions that would undermine the 2020 rule's efforts to modernize the federal environmental review process.

EPA: WATERS OF THE UNITED STATES

On Jan. 18, 2023, the U.S. Environmental Protection Agency and Army Corps of Engineers issued a final rule that <u>revises the</u> <u>definition of Waters of the United States</u>. The final rule defines the scope of waters subject to Clean Water Act regulation, repeals <u>the Trump administration's Navigable Waters Protection Rule</u>, which ABC supported, and codifies a definition that reflects the pre-2015 regulatory regime that the agencies are currently implementing. ABC joined a coalition opposing the rule and submitted <u>comments</u> outlining how it fails to provide unambiguous water quality protections that provide clarity for contractors seeking to safeguard the environment and comply with federal regulations.

On March 29, the Senate passed the ABC-supported H.J. Res. 27, the WOTUS Congressional Review Act Resolution, in a <u>53-43</u> vote, with the support of all Senate Republicans and five Democrats, Sens. Rosen, Nev., Cortez Masto, Nev., Manchin, W.Va., Tester, Mont., and Sinema, Ariz. Four senators did not vote. On March 9, the House advanced the bill to the Senate in bipartisan fashion, as nine Democrats joined Republicans to pass the resolution <u>227-198</u>. However, the CRA was <u>vetoed</u> by President Biden on April 6. On April 18, the House held a vote to override the veto that received bipartisan support in a <u>227-196</u> vote, but failed to meet the two-thirds threshold needed to pass.

For decades, uncertainty surrounding the scope of federal authority under the Clean Water Act has resulted in litigation, regulatory uncertainty and confusion in the business community. Most recently, on April 12, a federal judge in the U.S. District Court for the District of North Dakota issued a <u>ruling</u> blocking the EPA and Army Corps of Engineers from enforcing a final rule published by the agencies on Jan. 18 that <u>revises the definition of WOTUS</u>. The ruling was the result of a lawsuit brought by 24 state attorneys general, and while the court rejected their request to block enforcement nationwide, the final rule was blocked in their 24 states. Combined with rulings in other cases, enforcement is now blocked in 27 states.

Additionally, the U.S. Supreme Court's May 25 <u>ruling</u> in *Sackett v. Environmental Protection Agency* narrows the scope of WOTUS by rejecting the "significant nexus" test. This ruling is a critical step toward eliminating the costly regulatory uncertainty that has plagued construction projects around the country for decades without providing meaningful environmental protections for America's waterways.

THE ROADMAP TO WORLD-CLASS HEALTH AND SAFETY

ABC and its chapters strive to provide all members with the knowledge and tools to achieve the highest standard for health, safety, wellness and environment in the construction industry.

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 leadership 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.

- 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.
- 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 68 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.
- World-class results delivered using leading and trailing indicators to share successes and lessons learned with all employees.

THE ROADMAP TO WORLD-CLASS HEALTH AND 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 <u>STEP Safety Management System</u> has evolved into a world-class safety management system that 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 key components through a detailed questionnaire with the goal of implementing or enhancing safety programs that reduce jobsite incident rates. Companies receive a rating of Diamond, Platinum, Gold, Silver, Bronze or Participant based on their safety performance. STEP members prove that world-class safety is achievable with a companywide commitment to safety as a core value.

ABC STEP MEMBERS ARE SAFER THAN THE INDUSTRY AVERAGE

<u>ABC's Safety Performance Report</u> presents empirical evidence from members doing real work on real projects, which shows that implementing STEP best practices can produce world-class construction safety programs. The 2023 report documents the dramatic impact of deploying proactive health and safety practices --leading indicators such as new hire safety orientation, substance abuse prevention and toolbox talks --to reduce recordable incidents by up to 85%, making the best-performing companies nearly seven times safer safer than the industry average. The 2023 edition was based on data gathered from ABC STEP participants recording more than 850 million hours of work in construction, heavy construction, civil engineering and specialty trades.

ABC'S SAFETY ACADEMY

ABC's Safety Academy is designed to help attendees understand the importance of leadership commitment, cultural transformation, health and 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 establish the trajectory of their organization toward world-class health and safety performance.

ABC'S SAFE AND HEALTHY CONSTRUCTION PLEDGE

In 2020, ABC launched the <u>Safe and Healthy Construction Pledge</u>, an industrywide call to action to redouble construction jobsite safety commitments under new protocols due to the COVID-19 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 works with the <u>Construction Industry Alliance for Suicide Prevention</u> and the <u>American Foundation for Suicide Prevention</u> to ensure the total human health of workers in the construction industry. According to the <u>Centers for Disease Control and</u> <u>Prevention</u>, construction related trades have the highest rate of suicide, as well as the highest number of suicides across all occupational groups. ABC's STEP program also includes a focus on total human health and employee well-being.

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

ABC is an active member of the <u>Construction Coalition for a Drug- and Alcohol-Free Workplace</u>, which provides companies and organizations with the resources they need to implement effective substance abuse policies and work toward eliminating substance abuse-related incidents on construction jobsites.

legislative.abc.org

