



May 1, 2020

The Honorable John Barrasso
Chairman
U.S. Senate Committee on Environment
and Public Works

The Honorable Tom Carper
Ranking Member
U.S. Senate Committee on Environment
and Public Works

Dear Chairman Barrasso, Ranking Member Carper and Members of the U.S. Senate Committee on Environment and Public Works:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 69 chapters representing more than 21,000 members, I appreciate the opportunity to comment on the draft legislation that is being considered by the committee, the America's Water Infrastructure Act of 2020 and the Drinking Water Infrastructure Act. Additionally, ABC would like to express our sincere appreciation for the bipartisan legislation that both bodies have passed to aid the U.S. economy, particularly small businesses, during the coronavirus epidemic.

ABC applauds the U.S. Senate Committee on Environment and Public Works for recognizing the importance of improving our nation's water resources and drinking water infrastructure. ABC and our members are committed 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 water infrastructure to the benefit of the communities that it will serve. We believe that both pieces of draft legislation represent a path forward on this vital issue and ask the committee for several improvements to the final product and that are outlined below.

ABC believes that federal investments in infrastructure can play an essential role in rebuilding our economy and creating well-paying jobs for the American people. ABC urges the committee to ensure that all contracts awarded from funds of the legislation are awarded through a fair and competitive bidding process that allows all qualified contractors to compete on a level playing field based on merit, experience, quality and safety. To deliver the highest quality projects at the best cost to taxpayers, a critical part of any federal investment in infrastructure should include the entire construction industry. The most cost-effective way to rebuild infrastructure is to promote open competition.

Contractors can fairly compete to build and work on these taxpayer-funded jobs as long as there are no government-mandated project labor agreements on federal and federally assisted projects, which drive up the cost of construction projects by between 12% and 18% and discourage employers of more than 87% of the construction workforce who choose not to belong to a union from bidding on taxpayer-funded projects. PLAs primarily affect small businesses, and ABC joined other organizations in a [letter](#) to advocate for the application of fair and open competition to the materials selection process, which like labor, would ensure that investments in water infrastructure go further for business, taxpayers, local governments, and the country.

While ABC supports increased financing of water infrastructure projects, we are concerned that these funds would apply federal Davis-Bacon Act requirements to federal and non-federally funded projects, decreasing the value to taxpayers. Considering the current economic crisis, the committee should consider suspending the application of Davis-Bacon wage requirements on all projects funded under the proposed legislation. The flawed and inflationary wage determination process [increases the cost of construction](#) and can have chilling impact on competition, particularly for small businesses.

America's Water Infrastructure Act includes important provisions to accelerate project delivery and improve resiliency to natural hazards – a priority that ABC appreciates. Additionally, ABC is encouraged by President Trump's One Federal Decision, Executive Order 13807, and with the progress currently being made to modernize the National Environmental Policy Act. The committee should consider including language in the bill to reduce delays that can hinder critical projects while maintaining environmental stewardship.

ABC also urges the committee to build on the example it set with S. 2302, America's Transportation Infrastructure Act of 2019, to enhance construction workforce development opportunities. An increase in construction demand generated by significant infrastructure investments would further exacerbate the shortage of skilled workers in the construction industry. The federal government should commit to supporting and defending an "all- of-the-above" strategy for skill development where workers and employers have the freedom to choose the best way to educate construction employees that maximizes innovation to achieve world-class safety and productivity.

ABC appreciates the opportunity to comment on the committee's important work to improve our nation's water infrastructure. We also call on Congress for an additional investment in residential, commercial, and transportation infrastructure to further accelerate the recovery of the U.S. economy. Any investment in infrastructure would have a profound economic effect not only on the construction industry, but the communities which these projects would benefit.

We thank you for your leadership to address the critical needs of our nation during this difficult time.

Sincerely,



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