

555 13th Street, NW Suite 4E-009 Washington, DC 20004

June 20, 2016

The Honorable Dannel Patrick Malloy
The Honorable Shirley Franklin
Democratic National Convention Platform Committee
430 S Capitol St., SE
Washington, DC 20006

Re: Please Include Construction Industry Priorities in Democratic Platform

Dear Governor Malloy and Mayor Franklin:

The Construction Employers of America urges the Democratic National Convention's Platform Committee to include policies that will ensure that the country continues to support and nurture a vibrant, high-quality domestic construction industry. CEA is a joint initiative of five employer associations coordinating action on labor, workforce, and construction issues facing our industries. CEA works to strengthen the construction industry and provide opportunities for top-quality construction workers to learn and maintain the skills they need to deliver highly productive, quality workmanship that provides the best value to project owners while earning high-value compensation and benefits for themselves, their families, and their communities.

Highly skilled union building trade shops strengthen the middle class and are good for the country. Most CEA member companies are family-owned small businesses that follow the rules and provide superior wages and benefits--including health insurance, pensions, and worker safety investments--to their employees.

CEA and its member associations would look forward to working with the Platform Committee to ensure the Democratic National Convention acknowledges the important role the construction industry plays in moving America forward. Congress recently acknowledged the construction industry's importance when it founded the bipartisan Congressional Building Trades Caucus to promote and protect the country's 6.6 million construction-related employees. From investing in infrastructure to training the next generation of high-quality construction workers, there are several important policies that we urge the Committee to incorporate into the Democratic Party's official Convention Platform.

Promote Sound Infrastructure Policies - Providing sufficient federal funds to invest in our nation's aging infrastructure is vital to the country, the economy, and the construction industry.

In addition, federal procurement policy should continue to allow federal agencies to utilize project labor agreements (PLAs) in projects where they determine a PLA would provide the best value and highest quality for federal and federally assisted projects. CEA also supports effective enforcement of prevailing wage and other current laws.

Modernize Retirement Plan Options - The multiemployer pension system needs to be modernized through federal authorization of composite plans, which would provide employees lifetime annuity benefits while ensuring predictability for employer contributions. Composite plans would revitalize the multiemployer pension system by creating a third pension plan that combines the best attributes of defined benefit plans that employees favor and defined contribution plans that employers prefer. Once authorized by Congress and signed by the President, employers and employees would have the voluntary option of selecting composite plans that would provide employees lifetime annuity retirement benefits while providing long-term certainty for employers who contribute to the plans.

Prepare the Next Generation of Skilled Workers - Skilled labor is vital to the success of our industry, and we invest heavily in apprenticeship training programs. Our employers and their labor partners operate over 1,100 apprenticeship training centers nationally and invest over \$1.3 billion annually in workforce training and apprenticeship programs. Continued and expanded federal support for apprenticeship and training programs will yield long-term benefits to the construction industry and the millions of customers we serve.

Invest in Energy Efficient Buildings - Buildings are the single largest energy users in the country, consuming 40% of our energy demand. Building more efficient buildings and retrofitting existing building stock will save consumers money, reduce energy-related pollution, and improve our quality of life. Energy efficient buildings demand highly-qualified construction workers and engineers. The federal government must invest in building efficiency research and development, set and enforce strong and attainable building codes, and promote innovation.

Enhance Manufacturing Efficiency - Combined heat and power (CHP) and waste heat to power (WHP) are proven and effective energy resources that can help address current and future energy needs and enhance manufacturing competitiveness while reducing environmental impacts. CHP and WHP projects create direct jobs in manufacturing, engineering, installation, operations, and maintenance, which increase the competitiveness of companies that install the systems and receive the energy savings benefits. The federal government must support policies that advance the deployment of these important cleanenergy technologies.

Support Responsible Employers Through Bid Listing - The federal government should prohibit the practice of post-award bid shopping on low-bid federal construction projects in order to restore equitable safeguards for subcontractors who submit their bids to prime contractors in good faith. Procurement policy should require prime contractors on low-bid solicitations over \$1 million to list all subcontractors with work over \$100,000 and require prime contractor project winners to use the listed subcontractor at the price listed.

Close Employee Misclassification Loophole - Misclassification occurs when an employer improperly classifies and employee as an independent contractor to gain a competitive advantage at the expense of responsible, lawful companies and depriving employees of benefits they deserve. The federal government should reform existing tax law to identify bad actors so

the government can recoup lost tax revenue and ensure all businesses compete under the same rules.

Thank you for your consideration of these policies that would recognize the important role the construction industry plays in keeping America competitive and providing high-quality construction services to American companies and consumers. CEA's five employer associations include the International Council of Employers of Bricklayers and Allied Craftworkers, Mechanical Contractors Association of America, National Electrical Contractors Association, Sheet Metal & Air Conditioning Contractors National Association, and The Association of Union Contractors. Our impact on the American economy is significant. We represent over 15,000 employers and 1.4 million employees nationwide. Information about the CEA can be found online at www.constructionemployersofamerica.com.

Sincerely,

Jack Jacobson

Construction Employers of America



555 13th Street, NW Suite 4E-009 Washington, DC 20004

June 20, 2016

The Honorable John Barrasso
The Honorable Mary Fallin
The Honorable Virginia Foxx
Republican National Convention Platform Committee
310 First Street, SE
Washington, DC 20003

Re: Please Include Construction Industry Priorities in Republican Platform

Senator Barrasso, Governor Fallin, and Congresswoman Foxx:

The Construction Employers of America urges the Republican National Convention's Platform Committee to include policies that will ensure that the country continues to support and nurture a vibrant, high-quality domestic construction industry. CEA is a joint initiative of five employer associations coordinating action on labor, workforce, and construction issues facing our industries. CEA works to strengthen the construction industry and provide opportunities for top-quality construction workers to learn and maintain the skills they need to deliver highly productive, quality workmanship that provides the best value to project owners while earning high-value compensation and benefits for themselves, their families, and their communities.

Highly skilled union building trade shops strengthen the middle class and are good for the country. Most CEA member companies are family-owned small businesses that follow the rules and provide superior wages and benefits--including health insurance, pensions, and worker safety investments--to their employees.

CEA and its member associations would look forward to working with the Platform Committee to ensure the Republican National Convention acknowledges the important role the construction industry plays in moving America forward. Congress recently acknowledged the construction industry's importance when it founded the bipartisan Congressional Building Trades Caucus to promote and protect the country's 6.6 million construction-related employees. From investing in infrastructure to training the next generation of high-quality construction workers, there are several important policies that we urge the Committee to incorporate into the Republican Party's official Convention Platform.

Promote Sound Infrastructure Policies - Providing sufficient federal funds to invest in our nation's aging infrastructure is vital to the country, the economy, and the construction industry.

In addition, federal procurement policy should continue to allow federal agencies to utilize project labor agreements (PLAs) in projects where they determine a PLA would provide the best value and highest quality for federal and federally assisted projects. CEA also supports effective enforcement of prevailing wage and other current laws.

Modernize Retirement Plan Options - The multiemployer pension system needs to be modernized through federal authorization of composite plans, which would provide employees lifetime annuity benefits while ensuring predictability for employer contributions. Composite plans would revitalize the multiemployer pension system by creating a third pension plan that combines the best attributes of defined benefit plans that employees favor and defined contribution plans that employers prefer. Once authorized by Congress and signed by the President, employers and employees would have the voluntary option of selecting composite plans that would provide employees lifetime annuity retirement benefits while providing long-term certainty for employers who contribute to the plans.

Prepare the Next Generation of Skilled Workers - Skilled labor is vital to the success of our industry, and we invest heavily in apprenticeship training programs. Our employers and their labor partners operate over 1,100 apprenticeship training centers nationally and invest over \$1.3 billion annually in workforce training and apprenticeship programs. Continued and expanded federal support for apprenticeship and training programs will yield long-term benefits to the construction industry and the millions of customers we serve.

Invest in Energy Efficient Buildings - Buildings are the single largest energy users in the country, consuming 40% of our energy demand. Building more efficient buildings and retrofitting existing building stock will save consumers money, reduce energy-related pollution, and improve our quality of life. Energy efficient buildings demand highly-qualified construction workers and engineers. The federal government must invest in building efficiency research and development, set and enforce strong and attainable building codes, and promote innovation.

Enhance Manufacturing Efficiency - Combined heat and power (CHP) and waste heat to power (WHP) are proven and effective energy resources that can help address current and future energy needs and enhance manufacturing competitiveness while reducing environmental impacts. CHP and WHP projects create direct jobs in manufacturing, engineering, installation, operations, and maintenance, which increase the competitiveness of companies that install the systems and receive the energy savings benefits. The federal government must support policies that advance the deployment of these important cleanenergy technologies.

Support Transparency in Government Contracting Through Bid Listing - The federal government should prohibit the practice of post-award bid shopping on low-bid federal construction projects in order to restore equitable safeguards for subcontractors who submit their bids to prime contractors in good faith. Procurement policy should require prime contractors on low-bid solicitations over \$1 million to list all subcontractors with work over \$100,000 and require prime contractor project winners to use the listed subcontractor at the price listed.

Reduce Tax Gap by Closing Employee Misclassification Loophole - Misclassification occurs when an employer improperly classifies and employee as an independent contractor to gain a competitive advantage at the expense of responsible, lawful companies and depriving employees of benefits they deserve. The federal government should reform existing tax law to

identify bad actors so the government can recoup lost tax revenue and ensure all businesses compete under the same rules.

Thank you for your consideration of these policies that would recognize the important role the construction industry plays in keeping America competitive and providing high-quality construction services to American companies and consumers. CEA's five employer associations include the International Council of Employers of Bricklayers and Allied Craftworkers, Mechanical Contractors Association of America, National Electrical Contractors Association, Sheet Metal & Air Conditioning Contractors National Association, and The Association of Union Contractors. Our impact on the American economy is significant. We represent over 15,000 employers and 1.4 million employees nationwide. Information about the CEA can be found online at www.constructionemployersofamerica.com.

Sincerely,

Jack Jacobson

Construction Employers of America