



REPORT TO THE FEDERAL CONTRACTORS CONFERENCE

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GOVERNMENT RELATIONS

- Challenging political environment for business
- Developing relationship with new Administration
- Deepening relationships with Congressional allies
- Need grass roots support





ECONOMIC STIMULUS

- Recognition of economic impact of infrastructure investment
- \$136 B of construction investment
- 133% increase in federal construction spending
- AGC led building coalition
- AGC economic fact sheets cited
- 650,000 construction jobs saved or created





INFRASTRUCTURE SPENDING IN STIMULUS

- **Transportation: \$47.3 B**
 - \$27 B Highways
 - \$7 B Transit
 - \$9.3 B Amtrak & High Speed Rail
- **Water and Environment: \$21.4 B**
 - \$4 B Clean Water SRF
 - \$2 B Drinking Water SRF
 - \$1 B Superfund
 - \$6 B Nuclear Waste
 - \$4.6B USACE Civil Works
 - \$1B Bureau of Reclamation





INFRASTRUCTURE SPENDING IN STIMULUS

- **Building Construction: \$29.6 B**
 - \$5.6 B GSA project backlog
 - \$2.8 B Military Construction
 - \$4.2 B DoD Operations & Maintenance
 - \$1 B Veteran's Affairs
 - \$1 B CDBG
 - \$4 B Public Housing
 - \$2 B Community Health Centers





STIMULUS/TAX PROVISIONS

- 3% withholding delayed until 2012
- Bonus depreciation
- Small business expensing
- AMT patch
- 5 year NOL carryback (<\$15M)
- \$11 B school construction bonds





ECONOMIC STIMULUS

- First step in infrastructure investment
- “Industry capable of doing more”
- Fortunes linked with the President
- www.agc.org/stimulus





“EMPLOYEE FREE CHOICE” ACT

- Removes secret ballot election for union representation
- Bargain w/in 10 days
- Negotiate for 90 days
- Mediate for 30 days
- Mandatory arbitration for first contract





EFCA IMPACT ON UNION CONTRACTORS

- Convert prehire (8f) to permanent (9a)
- Increase jurisdictional disputes (multi-craft units)
- Undermine area bargaining
- Newly organized exempt from benefit plans?
- Subsequent agreements subject to arbitration?





EFCOA/OUTLOOK

- Will pass House (218+ cosponsors)
- Need 60 votes in Senate (will move first)
- 58 Dems + MN? + Specter? = 60?
- Impact of “compromise”
 - keep secret ballot (>70% cards)
 - quicker election
 - neutral campaigns
 - no arbitration
 - ”Trojan horse”





GOVERNMENT MANDATED LABOR AGREEMENTS

- Executive Order *encourages* federal agencies to *consider* PLA's on projects in excess of \$25 M
- Not a mandate
- AGC requested meetings with all agencies who build
- Uniquely qualified and credible as representative of union and open shop firms





GREENHOUSE GAS REGS

- EPA considering regs that would regulate GHG's under Clean Air Act—forcing Congress to act
- Buildings account for 48% of GHG emissions
- EPA to require permits for new construction and alterations; land use planning?
- AGC has submitted comments to EPA
- AGC working with owner community





CALIFORNIA OFF-ROAD DIESEL RULES

- AGC working with CA chapters to limit application of off road diesel rules setting fleet emission limits
- Practical effect of forcing contractors to retrofit equipment
- \$20 B cost of compliance in CA
- Potential for other states/federal EPA to adopt





AGC BIM FORUM

- 1,600 participants representing all facets
- Continues to be seen as the industry leader on BIM
- Chair John Tocci recognized as ENR Newsmaker
- BIM addendum to Consensus Docs
- BIM 101 tested and available very soon





agcXML

- \$15.8 B in lost productivity in construction due to inability of diverse software to recognize data from others
- Duplication of data entry
- agcXML, developed by AGC, solves this problem by allowing seamless exchange of data (RFI's, submittals, etc).
- AGC providing agcXML to software vendors





CONSENSUS DOCS

- Increased endorsing organizations to 23
- Comprehensive review begins tomorrow
- Subcontract for federal work due in May
- Green construction contract available fall '09
- Increased use and attention by federal and state agencies



