

June 9, 2010

The Honorable Lisa Murkowski United States Senate 709 Hart Senate Office Building Washington, D.C. 20510

Re: AGC Key Vote - Support Murkowski's Resolution of Disapproval

Dear Senator Murkowski:

On behalf of the Associated General Contractors of America (AGC), I am writing to urge your support for a resolution of disapproval (S.J. Res. 26) under the Congressional Review Act regarding the decision of the U.S. Environmental Protection Agency (EPA) to move forward on regulating carbon dioxide and other greenhouse gasses under the Clean Air Act. AGC believes this issue to be of such vital importance to the construction industry that AGC reserves the right to designate this bill a Key Vote, which will be used in a report card to its membership as an indicator of your support for issues of significance to the construction industry.

AGC is the largest of the nationwide trade associations of building, highway, heavy industrial, and utility construction contractors. AGC's more than 33,000 member companies are deeply concerned that the EPA's regulation of greenhouse gas emissions will delay construction activity, undermine economic recovery, and push construction unemployment above its current 20.1 percent rate. Even as AGC's members stand ready to improve our nation's infrastructure and overall energy efficiency, EPA's endangerment finding, motor vehicle emissions rule, and tailoring rule will all make it harder to build a greener future. New federal permits and approvals resulting from these actions will increasingly impact more and more businesses and make it even harder to construct efficient new buildings, retrofit existing inefficient ones, or cut polluting traffic congestion.

AGC members are also alarmed about the vulnerability of the U.S. economy, and of the construction industry in particular. What was felt as a recession by the rest of the economy has quickly become a depression to the construction industry. Our nation cannot afford regulatory actions which will drastically raise the cost of doing business. At a time when the government is investing billions in construction activity to rebuild our economy, EPA's decision will undermine the Recovery Act, cost thousands of construction workers their jobs, and stifle economic growth for decades to come. EPA's action also comes at a massive administrative burden and cost to EPA and the state agencies that develop air quality plans and administer permits.

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Despite some interest groups' attempts to misrepresent the issue as drawing lines "for" or "against" the environment, AGC maintains that the current issue is to decide the most appropriate course of action and that the Clean Air Act is not the appropriate vehicle for regulation of greenhouse gas emissions. EPA's own action through the recently issued "Tailoring Rule" that proposes to limit the scope of Clean Air Act regulation of greenhouse gas emissions from stationary sources is itself an admission that the Clean Air Act is ill-suited to address GHG emissions. Even with the tailoring rule in place, the agency plans to regulate smaller and smaller sources and more and more of the U.S. economy.

AGC urges you to support Senator Murkowski's resolution (S.J.Res. 26) when it comes up for a vote tomorrow.

Sincerely,

HDH

Jeffrey D. Shoaf Senior Executive Director