

## Infrastructure Investment

### Construction Employers of America's (CEA) Position:

CEA advocates for:

- Increases in public and private investment in the Nation's infrastructure to ensure that our public buildings, water systems, airports, public transportation, and surface transportation network meet the demands of the 21<sup>st</sup> Century;
- Incentives to generate private investment in advanced energy and manufacturing projects and facilities;
- Inclusion of strong labor protections – such as requiring that laborers working projects receiving direct federal investment and tax incentives be paid not less than the Davis-Bacon prevailing wage – and the use of Projects Labor Agreements (PLAs) where appropriate for projects and facilities constructed or repaired utilizing these investments and incentives; and
- Improvements to the delivery of projects and permit streamlining for infrastructure projects.

### The Issue:

CEA members represent more than 15,000 signatory contractors who provide high-quality construction and maintenance activities on public and private infrastructure projects across all sectors of the economy. We strongly support efforts to increase direct federal investment and to encourage additional private infrastructure investment through tax incentives and credit assistance.

The recently enacted "Infrastructure Investment and Jobs Act" (IIJA) – also known as at the "Bipartisan Infrastructure Law" (BIL) – the "CHIPS and Science Act" (CHIPS Act), and the "Inflation Reduction Act" (IRA) provide trillions of dollars in direct federal investments, tax credits and incentives to rebuild the nation's infrastructure. Combined, these laws will begin to rebuild our nation's infrastructure, incentivize significant investments in the construction, expansion, or modernization of domestic manufacturing and advanced energy facilities.

These laws contain strong labor protections on direct federal investments, and include policies designed to incentivize private project sponsors utilizing tax credits made available through these laws to provide laborers on these projects with not less than the prevailing wage as well as strengthen the nation's construction workforce through the encouraged use of registered apprentices.

In implementing these laws and advance infrastructure investments, the Biden Administration has taken steps to encourage the use of PLAs where appropriate. The President also signed an Executive Order (EO) requiring large infrastructure projects built through direct federal procurement of more than \$35 million in value to use PLAs. Taken together, these actions will ensure greater efficiency and productivity in the delivery of infrastructure projects.

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While these investments provide a historic opportunity to upgrade the nation's infrastructure, develop modernize manufacturing facilities, and advance energy production capacity, it is critical that regulatory and environmental reviews, permitting delays, and drawn-out judicial proceedings do not unnecessarily delay or block these projects from moving forward. These delays cost time and money and undermine the ability to deliver the benefits that will be derived through these investments. There are currently bipartisan efforts to enact permitting reform that will address the uncertainty created through the current environmental review and permitting process.

### **CEA Supports:**

- Passage of appropriations bills containing investment levels consistent with the advanced appropriations and the authorized amounts of direct federal investment provided in the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA);
- Maintaining and strengthening tax incentives – such as the production and investment tax credit and Advanced Manufacturing Investment Credit authorized in the CHIPS Act – and federal credit assistance and loans to encourage private investment in advanced energy and manufacturing construction and maintenance projects and facilities;
- Passage of legislation to reauthorize federal aviation programs to build on the investments in the IIJA to increase investments in aviation infrastructure projects, including allowing large airports to increase Passenger Facilities Charges (PFCs);
- Ensuring implementation of the IIJA, the CHIPS Act, and the IRA provisions providing strong labor protections and utilization ratios for participants in registered apprenticeship programs; and
- Enactment of the commonsense improvements to the project approval and permitting process to provide prevent unnecessary delays and greater efficiency in the delivery of critical infrastructure projects.

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