



Inside Washington: The Intersection of Politics & Policy

Marco Giamberardino, Senior Vice President, Government & Public Affairs

Jared Karbowsky, Director, Government Affairs

Julia Convertini, Director Government Affairs

Hadlea Bender, NECAPAC & Government Affairs Specialist

CONVENTION EDUCATION

This session is eligible for 1 Continuing Education Hour.

For these hours to appear on your certificate, you must:

- Have your badge scanned at the door
- Attend 90% of this presentation
- Fill out the online evaluation for this session



Overview

- Regulatory & Legislative Update
- NECAPAC & Advocacy Efforts
- Political Update



Labor Issues

Secretary of Labor Nomination in Jeopardy

- Su's nomination now must be voted by the full Senate
- Su received no Republican votes when she was nominated as Deputy Secretary, which suggests she will need all to nearly all Democratic votes
- Business groups are opposed to Su's confirmation
- Some Democratic Senators, such as Sen. Joe Manchin (D-WV) are undecided regarding her nomination
- It's unclear whether the Senate has to vote on her confirmation, or she can assume that role indefinitely as the role as Deputy Secretary.

Regulatory Outlook and Impact

- Several significant labor regulations have been put on hold until the confirmation of Acting Secretary Su and Acting Administrator Looman can be confirmed
 - Independent Contractor Regulations - Pending
 - New Joint-Employer Standard - Pending
 - Davis-Bacon Update and Regulations – Final Rule Issued
 - Overtime Rules – Final Rule Issued



Regulatory Watch

Inflation Reduction Act:

- Domestic Content Guidance
- Transfer/Direct Pay of Credit
- Prevailing Wage and Apprenticeship

Department of Commerce:

- Advance Manufacturing Tax Credit

Department of Labor:

- Independent Contractor
- Good contractor provision
- Davis-Bacon Update
- Overtime Rules

DOJ/Federal Trade Commission:

- Non-Compete Rule

Environmental Protection Agency:

- Bureau of Land Management sale of clean energy lands
- Powerplant rules

Department of Energy:

- New energy efficiency standards
- Designation of National Electric Inter-regional Transmission Corridor

General Services Administration:

- Clean Energy and Energy Efficiency Buildings

FERC/NRC:

- Regional transmission planning
- Interregional transmission
- New nuclear plant licenses



Davis-Bacon Rewrite

- In 1982, DOL changed the original regulatory definition of “prevailing wage” that had been in place for nearly 50 years.
- On August 23, 2023, the DOL published in the Federal Register a final rule updating the Davis Bacon and Related Acts.
- The Rule Will Become Effective on October 23, 2023.
- The changes will apply, with limited exceptions, to construction contracts entered into after that date.

Restores the Three-Step Rule. DOL's final rule will restore the original definition of “prevailing wage” (known as the Three-Step Rule) and ensure that Davis-Bacon rates reflect the *actual* wage rates that most frequently appear in a locality, rather than mathematically contrived averages.

Wage Differentials in CBAs Will No Longer Prevent Union Rates from Prevailing. In 2006, the definition of “prevailing wage” was further diminished when DOL's Administrative Review Board forced the agency to abandon its long-standing policy of treating variable rates paid to union-represented workers in the same classification as a modal rate for purposes of calculating the prevailing wage. The final rule requires that such wage variations be explained by a CBA or the written policy of a contractor.



Davis-Bacon Rewrite

Prevailing Wage Rates Based on Non-Union Rates Will No Longer Stay Frozen. Currently, Davis-Bacon rates based on collectively bargained rates are updated every year in accordance with negotiated wage escalators. The final rule establishes a new process for regularly updating rates using the BLS Employment Cost Index (ECI) data.

Authorizes DOL to Adopt Prevailing Wage Rates Set by State and Local Governments. The new rule helps DOL keep rates current by permitting the agency to, under specified circumstances, adopt prevailing wage rates established by state and local governments (i.e., “little Davis-Bacon laws”)

Clarifies that Davis-Bacon Wage Protections Apply to Emerging Industries. The final rule clarifies that, for purposes of Davis-Bacon coverage, the definition of “building or works” includes solar panels, wind turbines, broadband installations, and installation of electric vehicle charging stations.

Requires Payment Interest on Underpayment of Back Wages.

Clarifies that Davis-Bacon Wage Protections May Apply to a Portion of a Building or Structure Not Otherwise Subject to Davis-Bacon Requirements. The final rule clarifies that, for purposes of Davis-Bacon coverage, the definition of “building or works” may include construction involving the portion of a building or structure, or the installation of equipment or components into a building or structure. Prefab not included.



2023 NECA Top Issues

- Permitting Reform
- Solar Tariffs
- Infrastructure Investment
- Refine Tax Policy

FY24 Appropriations Overview

- House GOP Appropriations are writing their non-defense funding bills lower than the prescribed spending caps.
- Senate Democrats are carving their own path:
 - Chair Murray and Ranking Member Collins have signaled that their appropriation bills would be at the agreed to cap numbers and all bills out of committee with overwhelming bipartisan support.
 - Subsequently the Senate added an additional \$14 billion 'emergency supplemental fund' attached to their funding legislation.
 - Important Note: The Fiscal Responsibility Act includes the provision outlining a cut spending by 1% if all 12 appropriations bills for FY2024 are not passed by the September 30th deadline.
- **NECA's Top Priority:** Ensure federal construction accounts are fully funded.



House and Senate Comparison

- Department of Labor
 - House: \$9.1B (34% reduction of FY23); Senate: \$13.5B
- Department of Commerce:
 - House: \$9.6B (13% reduction of FY23); Senate: \$11.1B
- Environmental Protection Agency:
 - House: \$6.2B (40% reduction of FY23); Senate: \$9.9B
- Department of Energy: (non-defense programs)
 - House: \$5.4B (22% reduction of FY23); Senate: \$17.3B
- Department of Defense: (DOE defense programs):
 - House \$826.2B (additional \$1.1B DOE) (5% reduction); Senate \$837.78B (additional \$32B DOE defense programs)
- Department of Transportation:
 - House \$20.5B (28% reduction from FY23); Senate: \$28.433B



Budget and Appropriations Timeline

The timeline established in the Congressional Budget Act of 1974 is rarely adhered to



11



Key Funding Deadlines / What's Next

Topic	Overview
Government appropriations (12 separate funding bills)	Government funding will expire at the end of FY2023 if no deal is reached on FY2024 appropriations on Sept. 30, 2023.
Farm Bill	Every five years, Congress must approve legislation that includes a range of programs related to food, nutrition, and agriculture; the Farm Bill was last passed in 2018 and expired Sept. 30 th 2023.
FAA reauthorization	Every few years, Congress must reauthorize program funding for the Federal Aviation Administration and expired Sept. 30 th 2023.
National Flood Insurance Program authorization	Authorization for NFIP, which aims to reduce the negative impacts of flooding on infrastructure, was extended through the end of FY2023 (Sept. 30 th 2023).
TANF & related programs	Temporary Assistance for Needy Families (TANF) programs provide childcare assistance for low-income families; these authorizations expire at the end of FY2023 (Sept. 30 th 2023).
PEPFAR Reauthorization	The President's Emergency Plan for AIDS Relief (PEPFAR) is due to be reauthorized by the end of FY2023 (Sept. 30 th 2023).
PAHPA Reauthorization	The Pandemic and All Hazards Preparedness Act (PAHPA) is due to be reauthorized by the end of FY2023 (Sept. 30 th 2023).
National Defense Authorization Act (NDAA)	The NDAA, which authorizes and funds specialized DoD programs and sets the DoD's policy agenda each year, must be reauthorized annually (December 31, 2023).

Additional Legislation

- **H.R. 1536** Leveraging and Energizing America's Apprenticeship Programs (LEAP) Act
- **H.R. 2726** Small Business Payment for Performance Act
- **H.R. 2851** National Apprenticeship Act
- **H.R. 3936** Tax Cuts for Working Families Act
- **H.R. 3937** Small Business Jobs Act
- **H.R. 3938** Build It in America Act
- **H.R. 4721/S. 1706** Main Street Tax Certainty Act
- **S. 1664** Healthy Families Act
- **S. 1804** The FASTER Act
- **S. 1793** The Grid Resiliency Tax Credit Act

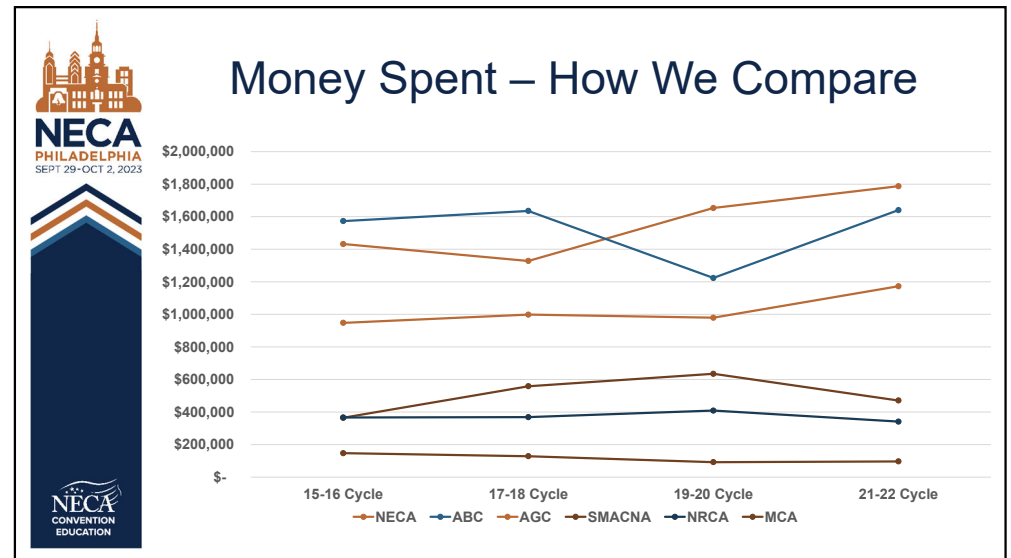


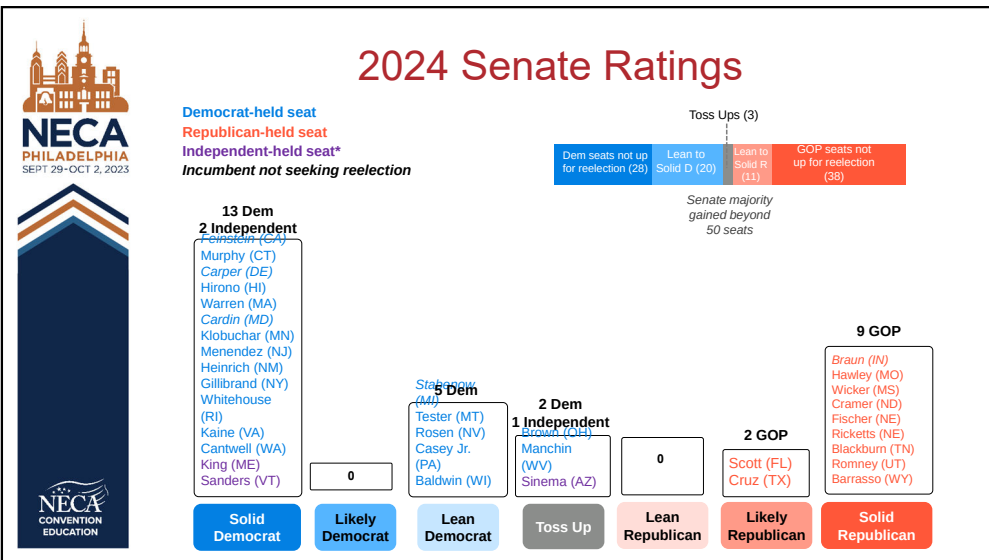
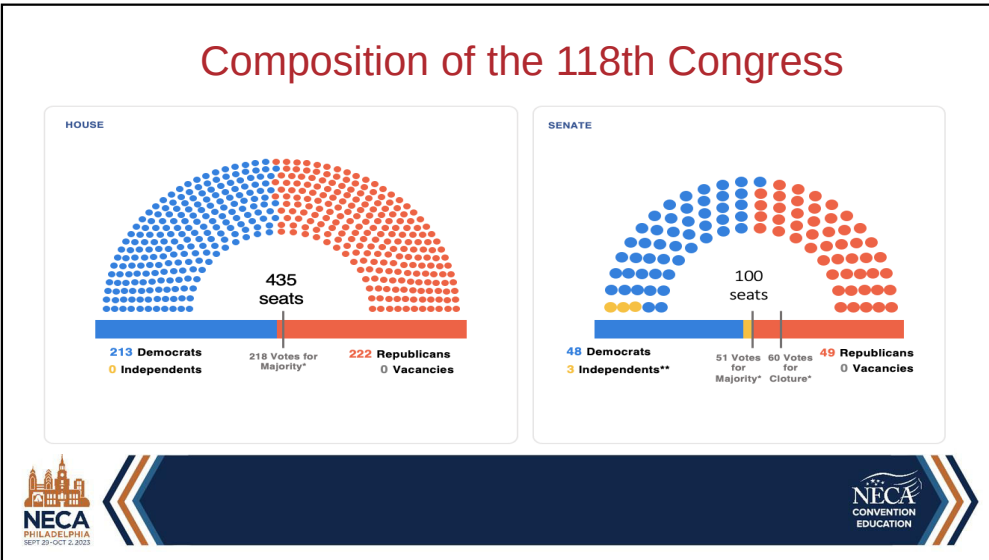
By the Numbers

- \$1.7 million budgeted for the 23-24 cycle – 160 candidates projected to be supported



- As of August 31st
- NECAPAC has raised \$436,725 from 320 contractors.
 - \$292,000 has been disbursed to 57 candidates
 - \$50,000 has been disbursed to Party PACs
 - \$52,500 has been disbursed to Party Sponsorships





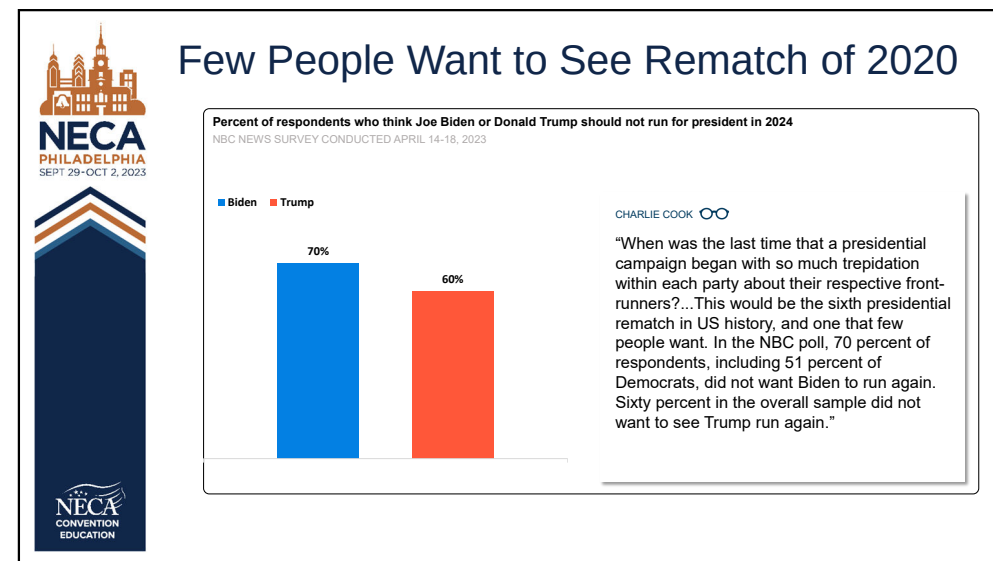
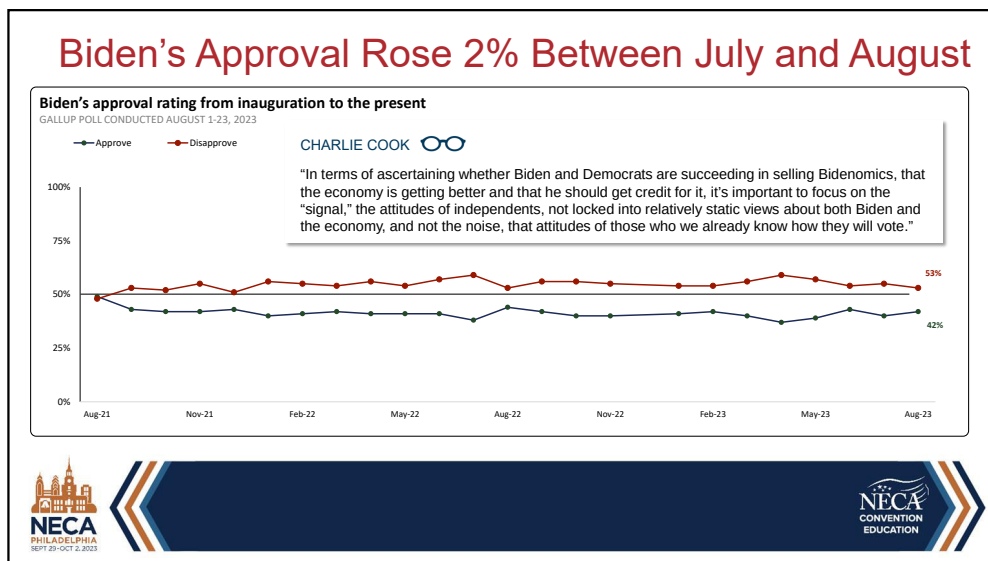
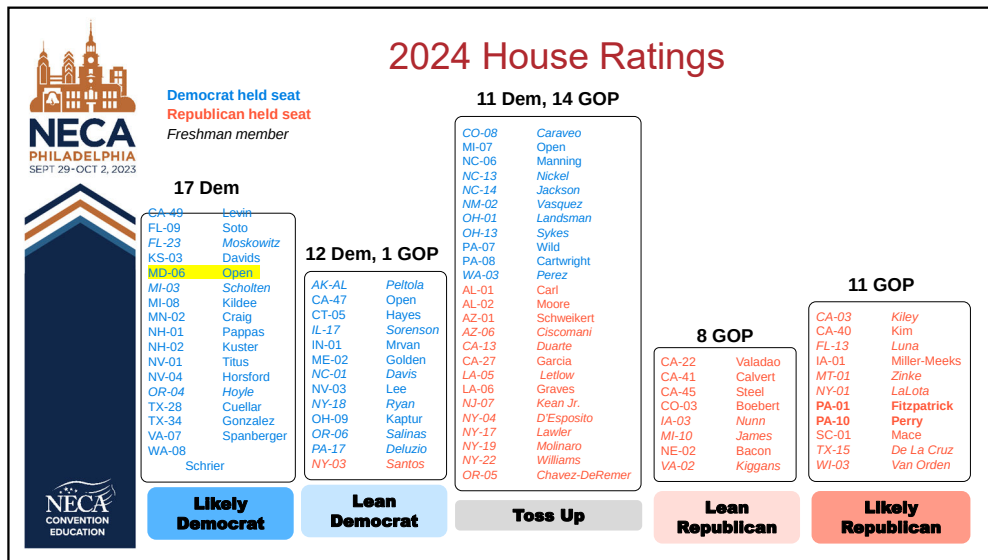
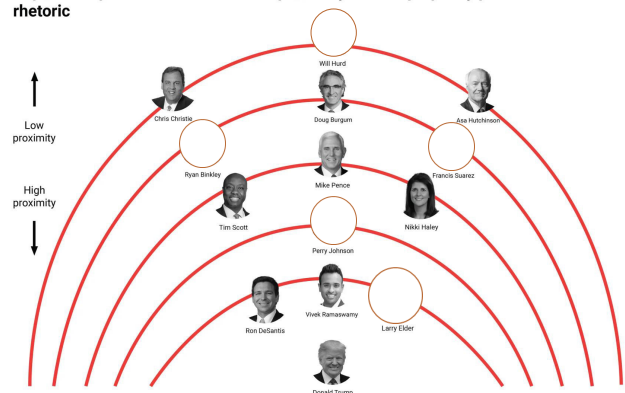


FIGURE 1
Republican presidential candidates' proximity to Trump's policy positions and rhetoric



Note: This figure is a qualitative representation of the extent to which each Republican presidential candidate aligns with Donald Trump's policy positions and rhetoric.
Source: Authors' determination using campaign websites, speeches, statements, social media posts, interviews, and media coverage.

B Governance Studies
at BROOKINGS

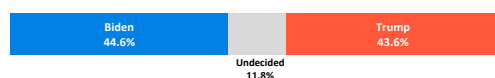
8 of the 9 GOP 2024 Presidential Candidates who qualified for the first Primary Debate on August, 23, 2023 in Milwaukee, Wisconsin.



Polls Have Biden Favored to the Top Two GOP Candidates

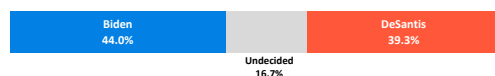
Joe Biden vs. Donald Trump

REALCLEAR POLITICS POLLS AVERAGE AUGUST 10-27, 2023



Joe Biden vs. Ron DeSantis

REALCLEAR POLITICS POLLS AVERAGE AUGUST 11-27, 2023



CHARLIE COOK

"A Biden-Trump rematch would be the first time in 132 years that voters have an opportunity to make a choice based on a side-by-side comparison of two presidencies. Of course, no four-year period can replicate the previous or next four years, but that won't stop voters from consciously or unconsciously making that comparison, fairly or not. Naturally, next year Democrats will vote Democratic and Republicans will cast Republican ballots, but for the narrow sliver of pure independents—about a tenth of the electorate—a side-by-side comparison of each man's presidency is inevitable."

Trump Holds Strong Polling Lead for Nomination

2024 Republican presidential nomination

REALCLEAR POLITICS POLLS AVERAGE FROM AUGUST 17-26, 2023

■ Trump ■ DeSantis ■ Ramaswamy ■ Pence ■ Haley ■ Other



CHARLIE COOK

"The first Republican presidential debate did **nothing to diminish Trump's position as the prohibitive favorite for the 2024 Republican nomination**. In fact, a GOP presidential debate without Trump reminds me of the old line asking, "If a tree falls in a forest and no one is around to hear it, does it make a sound?"... Another **advantage that Trump has is that the field of alternatives is both too large and too diverse to allow for the consolidation necessary to stop his nomination**. Someone leaning toward or backing Ron DeSantis is very different from a Chris Christie backer, who is different from a Tim Scott backer. **A lot of polling finds that when those backing one of the alternatives to Trump are asked for a second choice, as often as not, the second choice is Trump**. So the field of alternatives narrowing doesn't necessarily make him any less likely to prevail."

VISIT US AT
BOOTH #829

NECAPAC Sweepstakes

Contribute to NECAPAC to be automatically entered to win!

THREE DAILY PRIZE DRAWINGS:

Saturday, September 30 at 4:30 pm
Bartesian Cocktail Maker and Theragun Mini



Sunday, October 1 at 3:30 pm
Powerbeats Pro and Theragun Mini



Monday, October 2 at 2:30 pm
Bartesian Cocktail Maker and DJI Mini 3 (DJI RC)



Questions?



Sign up for our newsletter to stay up
to date on the latest Government
Affairs news

CONVENTION EDUCATION

Complete the Online Evaluation

