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January 30, 2019

U.S. Congress Washington, D.C. 20515

RE: FY 2019 APPROPRIATIONS CONFERENCE COMMITTEE BIPARTISAN COMPROMISE

Dear Conferee,

On behalf of the Associated General Contractors of America (AGC), I strongly urge you to use the opportunity you have on the FY 2019 appropriations conference committee to help address our nation's border security, immigration system and infrastructure needs. Following the longest government shutdown in history, our country and construction industry yearn for a broad, bipartisan compromise to help not only restore confidence in the ability of its leaders to govern, but also address the substantive issues of our time in a sensible manner.

Firstly, the failure to reform our nation's immigration laws has contributed to the construction workforce shortage, which is compounded by the lack of any legal immigration process for construction employers to fill year-round jobs.¹ There are an estimated 120,000 construction workers with Temporary Protected Status (TPS) and in the Deferred Action for Childhood Arrivals (DACA) program whose work authorizations near expiration and await final legal determinations on their future. I urge you to provide an earned pathway toward permanent legal status or citizenship for DACA and TPS status holders, while also strengthening the security of our borders as part of a FY 2019 funding compromise.

Secondly, millions of Americans endured dozens of declared natural disasters in 2018, including western wildfires, Hurricanes Florence and Michael, Hawaii's volcanic eruption, and the Alaskan earthquake. Disaster-aid infrastructure funding is critical to restoring, improving, and building more resilient infrastructure and should be part of a compromise on FY 2019 funding. Similarly, Congress should keep its promise under the Bipartisan Budget Act of 2018 to provide at least \$10 billion above FY 2017 funding levels for federal infrastructure programs in FY 2019.

A broad, bipartisan compromise is needed to avert another government shutdown. While the construction industry saw limited impacts of this shutdown, it was impacted, and there may be lingering impacts. For example, several state departments of transportation cancelled bid lettings for transportation improvements and federal permitting processes came to a halt, all of which lead to further infrastructure delivery delays.² These effects are not only disruptive to construction contractors' business operations, but also come at the expense of communities they would benefit.

For these reasons, I again urge you to make productive use of the conference committee opportunity before you and reach a broad, bipartisan compromise on border security, immigration and infrastructure funding and policies.

Sincerely,

Stephen E. Sandheer CEO, AGC of America

¹ For information on the construction workforce shortage, visit: <u>https://www.agc.org/news/2018/08/29/eighty-percent-contractors-report-difficulty-finding-qualified-craft-workers-hire</u>

² The Oklahoma DOT delayed bid lettings for 45 highway and bridge projects totaling \$137M and the New Mexico DOT canceled January bid lettings. Visit: <u>https://www.enr.com/articles/46218-two-state-dots-delay-highway-bid-lettings-citing-federal-funding-issues</u> AGC members reported that the Tennessee DOT indefinitely suspended bid lettings for two transportation construction contracts valued at about \$100M. Seven projects were delayed in Arizona because third party federal consultations needed for environmental clearances were suspended. Similarly, AGC members in North Carolina and South Carolina reported project delays because of a frozen federal environmental permitting process.