Comprehensive Immigration Reform

LiUNA was founded more than a century ago by proud immigrants who were tired of the abuse and exploitation of unscrupulous employers. They banded together to improve their lives, their families' lives and to make life better for all those who follow in their footsteps.

Our current immigration policy is failing both citizens and immigrants. We continue to fight for immigration reform and won't stop until it gets done. Republicans are retreating from the issue and opting to simply do nothing even though they have acknowledged time and time again that our immigration system is broken. This is not an acceptable path. Getting immigration reform done is not only the right thing to do, it is the necessary thing to do.

Citizenship

LIUNA supports comprehensive immigration reform that includes an earned path to citizenship for the 11 million undocumented workers in the U.S. Allowing these workers to step out of the shadows will block downward wage pressure that comes with an exploited underclass. Workers who pay taxes and contribute to their communities and whose only crime is lacking documents deserve a chance to be legalized and earn U.S. citizenship.

Enforcement

Reform should include strong and humane enforcement of our borders. A common sense approach should focus first on stopping criminals at the border. While border security is crucial, it is not the only step. Nearly half of unauthorized immigrants arrive lawfully, but overstay their visas. Reform should include a fair employer system to verify an immigrant's work authorization, but the current system should be overhauled to ensure accuracy, penalize employers who misuse the system, and provide workers due process.

The Time is Now

LIUNA continues to work alongside our union brothers and sisters and community partners to ensure that the U.S. House of Representatives gives us a vote on immigration reform. The Senate got it done, and now it is time for the U.S. House of Representatives to get it done.

LIUNA supports H.R. 15, the Border Security, Economic Opportunity, and Immigration Modernization Act which is a bi-partisan immigration reform that has been introduced in the U.S. House of Representatives and currently has more than 198 cosponsors.

All Members of Congress need to urge Speaker Boehner to put H.R. 15 or the Senate passed bill onto the House floor for consideration. It is irresponsible to let a handful of short-sighted Members of Congress stand in the way of this critical issue.

We need Congress to act now. Passing immigration reform legislation is the right thing to do for all workers and for all of America. We recognize that immigration reform is an uphill battle, however we are not willing to give up fighting for this reform until Congress gets it done.

Labor Protections

Labor standards must be enforced to protect workers' rights so that immigration does not depress wages or working conditions. Our current immigration system allows unscrupulous employers to engage in wholesale worker exploitation, driving down wages, using fear of deportation to cheat workers out of wages or cut corners on safety. LIUNA supports the Power Act which **ensures workers' ability to exercise their labor rights and hold employers accountable without fear of retaliation.**

Guest Workers

LIUNA is opposed to guest worker programs in the construction industry. With continued high unemployment in the sector, there is no shortage of workers willing to work in construction careers. Congress should not create another easily exploited underclass of workers. The U.S. has yet to prove it can implement a fair guest worker program. From the Bracero program to current temporary work visas, guest worker programs create a class of workers who are used to drive wage standards down for all workers. An independent commission should be established to assess and manage the future flow of immigrants, based on actual, proven labor market shortages.

Senate Immigration Reform Legislation

Last summer, **the Border Security, Economic Opportunity, and Immigration Modernization Act of 2013 (S. 744)** passed the U.S. Senate by a vote of 68 to 32. All of the Democratic Senators were joined by 14 Republicans to pass this bipartisan legislation.

The bill includes a 13 year path to citizenship, strong border and interior enforcement measures, and a limited worker visa program which caps the new flow of construction workers at 15,000 and includes labor surveys and wage protections.

The bill also included critical worker protections including the POWER Act to minimize immigrant worker abuses. The bill was a result of Senators coming together to compromise and get it done. It is time for the U.S. House of Representatives to do the same.

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Davis-Bacon Prevailing Wage Requirements

Davis Bacon prevailing wages protect local standards on living and prevent low road contractors from undermining the wages and benefits of local families. The original Davis-Bacon Act enacted in 1931 applies to contracts and subcontracts with the United States and the District of Columbia for the construction, repair and/or alteration, including painting and decorating, of public buildings and public works that cost more than $2,000.00. Since the first Davis-Bacon related act, Davis-Bacon prevailing wage provisions have been incorporated into more than 60 federal statutes that create federally assisted construction programs.

The Prevailing Wage law takes wage rates out of the competitive bidding process on public projects. With set labor rates, contractors compete for public projects on skill, productivity, and management abilities—not on who can scrape together the cheapest workforce!

The Davis-Bacon Act does not automatically apply to contracts and subcontracts for construction of projects that are federally-assisted in whole or in part without specific language that provides for the consistent application of prevailing wage requirements. Federal laws that include Davis-Bacon provisions are commonly known as "Davis-Bacon Related Acts." **It is important for Members of Congress to include and protect prevailing wage requirements in any government infrastructure spending legislation to ensure that the job is done well and provides family sustaining prevailing wages.**

Some in Congress claim that this requirement means that contractors and subcontractors working on Federal projects are automatically obligated to pay union rates even though they are not party to a collective bargaining agreement. This claim is false and neither supported by law nor the facts. There is no statutory mandate that prevailing wages must be based on wages negotiated by labor unions.

Attacks on Davis Bacon/Prevailing Wages

There is a movement in cities and states across the country by corporate interests and extremists to end prevailing wages. They want to pay the lowest possible wages no matter what the impact is on the worker, communities, or the quality of the construction job. Attacks on prevailing wage laws, such as Utah's repeal of Davis Bacon, has led to massive increases in cost overruns and expensive change orders; state-financed road costs overruns tripled over the following decade because of low-ball practices. LIUNA members continue to strongly advocate for the protection of Davis Bacon coverage on current and future federal infrastructure legislation. Current prevailing wage attacks are ill founded with faulty information aimed to selfishly dismantle America's infrastructure and economic stability.

Moreover, the facts are that the procedure adopted by the U.S. Department of Labor (DOL) make it extremely difficult for union wage rates to be recognized as the "prevailing wage." According to DOL only 25% of their wage determinations are based entirely on union wage rates.

Quality construction depends on well-trained construction workers. Workers experienced in their crafts and in health and safety procedures are less likely to make mistakes and, hence, are more productive. Construction work is undeniably dangerous—especially when workers are inexperienced, unskilled, or under pressure to cut corners and work fast. Without Davis Bacon, these hazards would be exacerbated. The U.S. Bureau of Labor Statistics Survey (BLS) has concluded that the existence of state prevailing wage regulations was associated with fewer injuries. At the national level, without this law, there could be an additional 76,000 new workplace injuries each year, including 30,000 more serious injuries resulting in missed days or work after accidents. This means reduced earnings, a lower quality of life, and costly, long-term health care.

We all benefit ultimately because Davis-Bacon produces better public construction competitively based on good management, good engineering, good design, and quality craftsmanship. Just as we need to know the credentials of our doctors and others with whom we trust our lives, we also need to know the credentials of skilled workers who construct and install the infrastructure we depend on daily.

Energy

LiUNA members are at the forefront of building America's energy infrastructure. Our workers labor across the energy sector, constructing and maintaining power plants and substations, digging trenches for power lines, building pipelines, and constructing renewable energy projects across this emerging sector.

We need a balanced and comprehensive energy policy that includes a plan to address climate change, investments in our energy infrastructure, and policies that encourage innovation in all of our energy sources. What we don't need is the attempts to kill off infrastructure project by infrastructure project across the country which is what we are seeing happen today across the country. The solution that is needed to address climate change is a thoughtful comprehensive climate change legislation, and LIUNA continues to stand ready to work with Congress in doing so.

America's Energy Future

LIUNA supports President Obama's "all-of-the-above" energy policy. For years to come, the U.S. will continue to be dependent on a variety of energy resources, including coal, oil, natural gas, hydro, and nuclear power. It is essential that the US become less reliant on oil from hostile nations by developing all of North America's energy resources safely and strategically. This will improve our economy, create jobs, and strengthen national security.

North America's newly developed oil and gas wealth has sparked a rapid growth in its production and exportation, creating jobs for our members across the country. Domestic sources of oil and natural gas also allow our country to be less dependent on foreign sources of oil —currently supplying 62 percent of our energy today— while creating jobs for our members and strengthening our economy.

In states across the country LIUNA members are seeing significant job growth in the expansion of the extraction and shipment of unconventional oil and natural gas reserves. In 2013, LIUNA members worked approximately 13 million hours under our National Pipeline Agreement.

Recovering gas and oil through hydraulic fracturing holds the promise of as much as $305 billion in investments through the year 2020 and will support 3.5 million jobs. Policymakers, including President Obama, have

Keystone XL – A Lifeline for LiUNA

We continue to urge the President to approve the Keystone XL pipeline. It will unlock new jobs for thousands of working men and women and harness energy that a trusted neighbor can provide. Keystone isn't just a pipeline – it is a lifeline for working men and women and for our nation's energy security.

TransCanada has executed a Project Labor Agreement (PLA) with the four construction crafts that are signatories to the National Pipeline Agreement that will cover the remaining pipeline construction. This PLA guarantees that the jobs created by the project will provide wage and benefit packages that set the standard for the pipeline construction sector.

Extensive safety measures, technological advancements, and mitigation efforts being planned by TransCanada will make the Keystone XL pipeline the most efficient and safest pipeline in service. According to the final environmental impact statement conducted by the State Department, the Keystone XL will not significantly exacerbate climate change, because it is unlikely to significantly affect the rate of extraction in oil sands areas. Without a pipeline, oil sands crude will still reach U.S. and Canadian refineries by other modes of transportation.

stated that the boom in natural gas creates jobs, reduces greenhouse gas emissions and lowers the utility bills of households across America. We must ensure that the extraction of natural gas is done responsibly and safely by a qualified workforce so as not to negatively impact workers or communities.

Natural gas usage is expected to grow dramatically and meet an increasing share of America's energy needs. Natural gas consumption is expected to rise from 24.4 trillion cubic feet annually to 28.7 trillion cubic feet in 2035 and 29.5 trillion cubic feet by 2040. Natural gas prices are projected to remain affordable and stable over the long-term. Responsible development of oil and natural gas resources is essential for the future economic prosperity of the United States.

Important pipeline projects are often slowed down due to extended reviews during the process of acquiring federal and state permits, grants of rights-of-way and approvals from various federal, state and local agencies. These delays often result in missed in-service dates and increased project costs, and hamper the vast economic benefits that accompany pipeline construction.

LIUNA supported H.R. 1900, introduced by Representative Mike Pompeo (R-Ks), the Natural Gas Pipeline Permitting Act, which would direct the Federal Energy Regulatory Commission (FERC) to approve or deny applications for natural gas pipeline projects no later than 12 months after providing public notice of an application. The bill passed the House, and is now waiting for Senate action.

LNG Exports

Exporting of Liquefied Natural Gas (LNG) uses a local resource, creates new jobs, supplies the increasing demand of natural gas globally and provides energy security to the United States.

A number of LNG terminals have been proposed for construction. **The Jordan Cove project in Oregon and the Cove Point project in Maryland** are of particular interest to LIUNA because both will be built under a Project Labor Agreements (PLA), which guarantee good jobs and benefits for our members. Both projects are going through a rigorous review process which has provided ample opportunity for state, local, and public input to ensure the project meets the highest environmental standards. Our workers stand ready to begin work on these facilities.

Investing in Renewable Energy

LIUNA has been working in the renewable energy field for a decade, building renewable energy systems across the United States and Canada. Recent legislation in California which expanded on their renewable energy portfolio requirement has created thousands of jobs in construction including many opportunities for LIUNA members. As the alternative energy field grows, LIUNA members are stepping up to new challenges and seeing growth in the renewable sector, especially in solar. In 2012, there were more than 1.7 million man hours in solar work for our members in California.

LIUNA supports H.R. 2502, introduced by Congressman Mike Thompson (D-CA) "The Renewable Energy Parity Act of 2013" which would modify the current "placed in service" language to a "commence construction" standard, giving renewable energy technologies the ability to more effectively utilize the investment tax credit (ITC) which in turn means potentially more projects and more jobs. **We also support S. 795 & H.R. 1696, the Master Limited Partnerships Parity Act** introduced by Senator Christopher Coons (D-DE) and Congressman Ted Poe (R-TX). This legislation would level the playing field between traditional and new energy businesses-- everything from oil to solar-- by forming Master Limited Partnerships (MLPs). MLPs combine the funding advantages of corporations with the tax advantages of partnerships.

The Affordable Care Act (ACA)

The Patient Protection and Affordable Care Act (ObamaCare) imposes dramatically higher costs on the "Taft-Hartley" multiemployer health and welfare trust funds that provide millions of union workers, dependents and retirees responsible comprehensive health care coverage. These benefits have been gained over the years through collective bargaining and are pools of workers' money contributed in place of wages.

During consideration of the law it was clear that the unique nature of the multi-employer plans was poorly understood. However, we were assured that our plans would not be adversely affected by the law and that as the law was implemented the issues unique to our universe would be addressed. Unfortunately, as the implementation of the law progressed the Administration's decisions have compounded the problem.

The ACA imposes substantially higher costs on multi-employer funds and union members, while enabling non-union employers to continue escaping responsibility and shift their employees' health insurance costs to the taxpayers. The temporary reinsurance tax alone will cost every health and welfare fund $63 per covered life, and in total $45 million in 2014 alone. The proceeds of this tax will be used to subsidize insurance companies offering health plans in the health exchanges. In effect, ACA takes money from the pocket of each worker and family member covered by a health and welfare fund and gives it to for-profit insurance companies. **The worker gets nothing in return.**

Additionally, the law allows low-road employers to avoid any cost for their employee health insurance, giving them a grossly unfair competitive edge. There is a "free rider penalty", but even that small amount applies only to "large employers" (employers with more than 50 em-

Transitional Reinsurance Tax Facts

The Administration has misinterpreted the ACA as applying the Transitional Reinsurance tax to multiemployer health and welfare funds even though they are self-funded, non-profit, non-commercial trusts.

- **This tax will impose $63 per covered life effective for 2014. An additional tax will be due in 2015 and 2016.**
- **This will cost health and welfare funds collectively about $1.3 billion in 2014 alone.**
- **It will cost LIUNA more than $40 million.**
- **In effect the tax takes money out of the pockets of union workers and gives it to insurance companies**
- **LIUNA supports H.R. 3489, a bill introduced by Representatives Tiberi (R-OH) and Lipinski (D-IL) that would repeal the ACA's reinsurance fee, often known as the "belly button tax." We urge Members of Congress to cosponsor the legislation.**

ployees) and can be easily evaded by any employer if they are even covered. In other words, non-union employees get Government-subsidized health insurance coverage, and union members get to pay for their own coverage through collectively bargained contributions to health and welfare funds.

The ACA's costs will inevitably require increases in collectively bargained contribution rates for health insurance coverage. This puts more pressure on the total wage package for members. In a competitive environment, higher labor costs generally means fewer jobs.

Also, starting in 2018, many of our plans will be subjected to a 40% excise tax, also known as the Cadillac Tax, which similar to the transitional reinsurance tax, is imposed as a funding mechanism for the ACA with no benefit to our members or our funds. Specifically, this tax would be imposed to the extent that the aggregate "cost" of all employer-sponsored health plan coverage for covered individuals exceeds an excess benefit threshold. Costs above the threshold ($11,850 for single coverage; and $30,950 for family coverage) would trigger the 40% excise tax.

At what point will responsible behavior be rewarded?

For many workers, their employers, and their health and welfare funds, the PPACA is proving to be a destructive force, many of the more than 20 million workers, retires, and their families now face the very real prospect of losing their health benefits: Something that they were promised would not happen.

Some of these problems can be mitigated immediately through regulatory decisions that are within the authority of the Administration and do not require enabling legislation. However, while the Administration has now provided multiple extensions for business, they have failed to address the concerns of workers. Unfortunately, the two rules that the Administration has proposed for multi-employer health funds thus far are not helpful.

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Transportation Infrastructure

LiUNA members are ready to work to build America! Adequate investment in surface transportation could create eight million jobs over four years according to the American Association of State Highway and Transportation officials. Not just good construction jobs, jobs throughout the economy across all sectors.

Transportation Reauthorization Bill

In 2012, after several short-term extensions, Congress passed MAP-21, *Moving Ahead for Progress in the 21st Century Act*. It funded surface transportation programs at over $105 billion for fiscal years 2013 and 2014. While the funding in MAP-21 was needed and long overdue, it was only a portion of the total funding needed to fix America's infrastructure, and it lacked the long-term investment in our transportation infrastructure that America needs. More than $600 million will be granted this year under the competitive TIGER grant program. So far more than $3.5 billion has been given to 270 projects across the country which has meant jobs for our members. MAP-21 expires at the end of September, and projections show that the highway account will run out of money as early as this August.

Congress must pass an extension of the Transportation Reauthorization Bill this year, and all funding options should be on the table. For too long now Congress has mended the Highway Trust Fund revenue shortfalls with general fund transfers. We need a long-term funding source to support federal transportation programs for decades to come. Congress has an opportunity this year to solve the growing funding crises in transportation. Failing to find long-term funding will prohibit the United States from investing in our future and from being able to establish a national transportation policy which is critical to states and communities across America.

Financing Options

No one source of revenue can possibly create enough resources for the needed investments into the United States' infrastructure. It is LIUNA's position that a variety of revenue options exist, and should be considered, as potential funding for this legislation. Any and all viable options should be used to fund robust transportation construction including increasing transportation fuel taxes, user fee increases, new bonding mechanisms, infrastructure banks, and public-private partnerships (PPPs).

LiUNA The Facts

- **$1 of every $10 of the gross domestic product is tied to moving goods and people.**
- **170,000 miles of US roads are in poor condition.**
- **4 billion hours in delays a year because of traffic congestion.**
- **$170 billion a year due to congestion.**
- **$710 wasted on gasoline per motorist every year due to traffic congestion.**
- **66,000 bridges have been deemed structurally deficient by the US Department of Labor.**
- **$1 trillion dollars in business sales, $324 billion in exports and $1.2 trillion in personal disposable income lost because of chronic underinvestment.**
- **1 million jobs will be lost annually by 2020 if the problem isn't addressed.**

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Most federal surface transportation programs are funded through the Highway Trust Fund, which was established in 1956. It is financed by the 18.4 cents per gallon of gasoline and 24.4 cents per gallon of diesel, which has not been raised since 1993. Improvements in vehicle fuel efficiency and reduced driving coupled with inflationary cost increases have substantially decreased the purchasing power of gas tax revenue deposited in the Highway Trust Fund each year.

LIUNA supports an increase in user based fees to help fund America's infrastructure. Last December, Congressman Earl Blumenauer (D-OR) introduced H.R. 3636—the UPDATE Act— that would raise the federal tax on gasoline and diesel by 15 cents over three years. Together with the U.S. Chamber of Commerce, AAA, and others, LIUNA supports H.R. 3636 and urges Members of Congress to cosponsor his bill.

There has also been discussion of implementing a Vehicle-Miles Traveled fee in order to raise revenue. H.R. 3636 would also set up a Road Usage Fee Pilot Program to study mileage-based fee systems. The legislation will ensure the system protects privacy and is simple to administer. Some states have successfully tested a Vehicle-Miles Travelled fee. It is time to test this systematically across the country.

Public dollars should be leveraged by tapping the growing interest in public-private partnerships and other innovative financing arrangements. These proposals have the potential to not only drive critical projects forward but also improve the economy by supporting businesses and communities. However, it is important to note that these private investments are not a substitute for systemic public resources. Also, any legislation that expands the use of innovative financing must include the consistent application of Davis Bacon prevailing wage protections.

Recently, President Obama asked Congress for a $302 billion, four year surface transportation bill. He has proposed ending some tax breaks in order to provide a one-time payment of $150 billion for transportation. While we appreciate and support this effort, it is important for Members of Congress to find long-term solutions to financing our transportation needs.

LiUNA Supports

HR 2084 & S 1957 – This Bipartisan Legislation introduced by Representative John Delaney (DE-MD) and Senator Michael Bennett (D-CO) would establish the American Infrastructure Fund (AIF) to provide more than $50 billion in bonds to create jobs and rebuild America's transportation, education, water, energy and communication infrastructure. The fund is capitalized by repatriating overseas earnings through a one-time sale of 50 year bonds.

HR 2553 – The National Infrastructure Development Bank Act of 2013, introduced by Representative Rosa DeLauro (D-CT) would establish an infrastructure bank which would leverage private sector dollars to invest in transportation, environmental, energy and telecommunications infrastructure projects.

S 1716: BRIDGE ACT – Senators Mark Warner (D-VA) and Roy Blunt (R-MO) have introduced a bi-partisan infrastructure financing bill that would establish a fiscally responsible Infrastructure Financing Authority (IFA) to complement our existing infrastructure funding through loans and loan guarantees. The authority would receive initial seed funding of up to $10 billion, which could incentivize private sector investment and make possible up to $300 billion in total project investment.

HR 3636 The UPDATE Act – Introduced by Representative Earl Blumenauer (D-OR) phases in a fifteen cent gas tax increase starting in 2014, indexes the gas tax to inflation, and then confirms Congress's intention to replace the gas tax with a more equitable, stable source of funding by 2024.