FCA INTERNATIONAL
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Building a Better Future for Our Families

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Congressional Overview – House Passes FY 24 NDAA
The annual defense bill and longer-term reauthorizations for aviation, farm and nutrition programs will dominate the congressional agenda in July as Congress simultaneously tackles government spending before the Sept. 30 deadline. The House passed its FY 24 National Defense Authorization Act (NDAA) by a 219-210 vote.

However, the House's version contains several amendments that make it unlikely to pass the Democrat-controlled Senate as is. The Senate is set to consider its version of the FY 24 NDAA next week, and then both chambers will likely have to work out a compromise between the two bills.

FCA International Urges Change Order Reform in FY 24 NDAA
FCA International and its allies in the Construction Employers of America (CEA) sent a letter to House leadership urging their support of including change order reform in the FY 24 NDAA. An amendment that would have required timely partial payments for agency-directed changes to a federal contract was not ultimately included in the House's NDAA, but there is still opportunity for it to be included in the Senate's version. If change order reform isn't part of the FY 24 NDAA, FCA's legislative team will pursue other legislative vehicles during the 118th Congress.

OSHA Convening Small Business Panel on Potential Heat Illness Rule
OSHA has officially announced its intention to convene a Small Business Advocacy Review panel on its potential rulemaking covering heat illness and injury prevention in indoor and outdoor work settings, and has set a target date of around August 21. The Small Business Administration's Office of Advocacy is looking for Small Entity Representatives (SER) from various impacted industries, including construction, to participate on the panel.

Emergency Disaster Funding Supplemental Spending
Pressure is growing in both chambers for an emergency supplemental spending bill for disaster relief. Rep. Jared Moskowitz (D-FL), a former Florida emergency management director, introduced legislation (H.R. 4295) that would provide $11.5 billion in supplemental funding for disaster relief. FEMA's most recent estimate shows the agency is expected to run out of money in August and run up a $10 billion deficit by the end of September. While FEMA could get a nearly $20 billion cash infusion in a continuing resolution (CR), that measure may come too late with hurricane season approaching. The House legislation mirrors a Senate bill (S 2029) introduced by Sens. Marco Rubio (R-FL), Tim Scott (R-FL), Roger Wicker (R-MS) and Thom Tillis (R-NC).

Senators Introduce the Safeguarding Domestic Energy Production & Independence Act
Sens. Bob Casey (D-PA) and Chris Coons (D-DE), and Reps. Brian Fitzpatrick (R-PA), Dennis Norcross (D-NJ), Mary Gay Scanlon (D-PA), and Brendan Boyle (D-PA) introduced the *Safeguarding Domestic Energy Production & Independence Act* to bring down rising compliance costs associated with the Renewable Fuel Standard (RFS) and ensure our Nation's independent refiners can afford to continue production. This legislation will protect the jobs of refinery workers while also creating a new revenue stream that would fund investments in conservation, agricultural production and advanced biofuel development.

The Renewable Fuel Standard was created to reduce greenhouse gas emissions and expand the United States' renewable fuels sector while reducing reliance on imported oil. In order to comply with the RFS, refiners must submit credits known as Renewable Identification Numbers (RINs), which in recent years have sharply risen in price. As compliance costs have surged, many refiners are now spending more on RINs than all other operating costs combined, putting their long-term viability at risk.

The Safeguarding Domestic Energy Production and Independence Act will reduce the cost of the RFS without adversely impacting ethanol consumption. Specifically, this bill would direct the Environmental Protection Agency (EPA) to issue and sell "conventional biofuel waiver credits" at a low, fixed price for refiners to use for RFS compliance if they are unable to obtain RINs cost effectively in the marketplace. The program would operate similarly to EPA's waiver credit program for cellulosic biofuel.

The creation of a conventional biofuel waiver credit would create a new revenue stream that would be directed towards the following activities:

- Grants and technical assistance for petroleum refiners to make investments in the development and deployment of advanced biofuels, such as sustainable aviation fuel or clean hydrogen.
- Financial and technical assistance for agricultural producers to support investments in advanced biofuel crops and diversified cropping systems.
- Conservation funding to support wildlife and habitat restoration in areas that have experienced significant land-use conversion.

FCA Joins the CEA and Allies in Opposition to FOCA

FCA International joined the Construction Employers of America (CEA) in opposing H.R. 1209, the "Fair and Open Competition Act" (FOCA). This bill would upend the structure and stability that project labor agreements (PLAs) provide to large-scale construction projects, facilitate the misclassification of employees as independent contractors and depress wages for American workers. In Feb. 2022, President Biden issued Executive Order (EO) 14063 that reiterated the policy of his two predecessors that federal agencies should use PLAs to "promote economy and efficiency" on large-scale construction projects.

The EO and its implementing regulations did not mandate the use of PLAs, despite the fact that the use of these pre-negotiated agreements between project owners, contractors and subcontractors protects taxpayer-provided funds by guaranteeing project deadlines and ensuring high standards for quality, safety and health.

The EO did not discriminate against non-signatory contractors or prevent them from bidding on projects, nor did it create an uneven playing field between signatory and non-signatory contractors. Rather, it provided a more level playing field between construction companies that fully honor their commitment to treat their workers as employees and those attempting to reduce their labor costs and depress wages by evading their obligation to pay overtime, health and retirement benefits, and even employment taxes.

The use of PLAs for public construction projects will ensure the federal government realizes the same benefits that the private sector and large U.S. corporations have known about for decades: PLAs help save money in the long run by providing structure and stability to projects that involve multiple employers and hundreds of skilled tradespeople. It is for these reasons that we urge the Committee to reject H.R. 1209 and enable federal agencies to utilize PLAs when they are deemed in the best economic interest of the project owner on behalf of the taxpayer.