



## **Trump Infrastructure Plan Ambitious, but May Be Tough to Pull Off**

By Jaclyn Diaz, January 6, 2017

President-elect Donald Trump made a campaign pledge to invest in an infrastructure overhaul, promising \$1 trillion to fix the country's bridges and highways. But businesses, unions and lawmakers should be prepared for a legislative battle ahead.

And while some labor and construction groups are optimistic of what's to come, unions should be wary of what might end up in a final infrastructure plan, union and contractor representatives and academics told Bloomberg BNA.

Trump's plans envision a combination of private investment and \$137 billion in tax credits that would generate \$1 trillion in infrastructure. Providing the tax credit would lower project costs by 18 percent to 20 percent, according to an Oct. 27 analysis by Trump advisers.

By leaning on the private sector to fund this project, lawmakers, unions and construction organizations likely won't agree on one bill, David Bensman, a professor of labor studies and employment relations at Rutgers University, told Bloomberg BNA Dec. 30.

He said he's pessimistic any bill could be drafted and passed successfully.

"The Republicans will want to make sure it will be a privately funded program and Democrats won't be interested in that," Bensman said. "It would take someone who is a really skilled negotiator for it to be approved by Republicans, Democrats and unions. I don't know if there's anyone in the current administration that's skilled enough to get that done."

### **Trump Plan a 'Great Opportunity.'**

Representatives for Associated Builders and Contractors said they hope to work with Trump to get a bill on the table and are eager to do away with prior administrations' infrastructure policies.

"Federal construction contracts should be awarded based on sound and credible criteria, such as quality of work, experience and cost—not a company's union affiliation and willingness to execute a PLA," Michael Bellaman, president and chief executive officer of Associated Builders and Contractors, said in a letter sent to Trump's transition team and provided to Bloomberg BNA Jan. 5.

In the letter, Bellaman expressed desire to work with the Trump transition team to undo President Barack Obama's executive order on project labor agreements.

Executive Order 13,502 urges federal agencies to encourage project labor agreements on some federal construction projects exceeding \$25 million.

Trump's infrastructure plan is a "great opportunity" for the creation of construction jobs for all, a spokesman for ABC told Bloomberg BNA Jan. 4.

"ABC believes it is important to rebuild America's infrastructure in a manner that provides the best return on taxpayers' investment by guaranteeing all qualified contractors are able to bid for government contracts on a level playing field," said Jeff Leieritz, senior media relations manager for Associated Builders and Contractors Inc.

Representatives of the Trump administration didn't respond to a request for comment.

### **Steelworkers Interested**

The president-elect's plan is clearly something the United Steelworkers are interested in seeing, based on information released so far, Holly Hart, legislative director for the United Steelworkers of America and assistant to the union president, told Bloomberg BNA Dec. 23.

The USW legislative team has been speaking "indirectly" to people in the Trump team and is willing to work closely with the administration to make sure quality union jobs and buy-American policies are included in any bill, Hart said.

"The horrible deficit in our infrastructure is concerning. The bottom line is that we want to see something really robust" anytime there is any talk of an infrastructure plan, she said.

The USW is open to a plan that is funded in any number of ways, including through direct federal dollars or through some combination of private and public dollars, Hart said.

### **Unions Proceed With Caution**

The Trump plan is just a policy paper so far, but it would be no surprise if a future bill includes anti-labor language, Ronald Klain, who served as assistant to Obama and oversaw the American Recovery and Renewal Act from 2009 to 2011, told Bloomberg BNA Dec. 22.

Every time Congress has tried to move infrastructure legislation in the past, there have been attempts from Republicans to insert anti-union provisions, Klain said.

As the bill "moves through the House, it is likely to be stuffed full of provisions to weaken prevailing wage protections and project labor agreements. And the existing draft paper is a tax break giveaway to industry investors with no guarantees of job creation whatsoever," he said.

Bellaman's anti-labor-agreement comments came as no surprise, Klain said.

Union leaders should proceed with caution, Adam Litwin, an associate professor of industrial and labor relations at Cornell University, told Bloomberg BNA Dec. 30.

"Union leaders should certainly be skeptical about the degree to which the new administration's infrastructure plan will deliver for their rank-and-file," he said. "Particularly to the extent that the plan eschews prevailing wage protections and that contracts are allocated to the lowest bidder."

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