



AGC of America
THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA
Quality People. Quality Projects.



2015 For Utility Contractors

What To Expect
What You Can Do

Quality People.
Quality Projects.



Topics to Cover

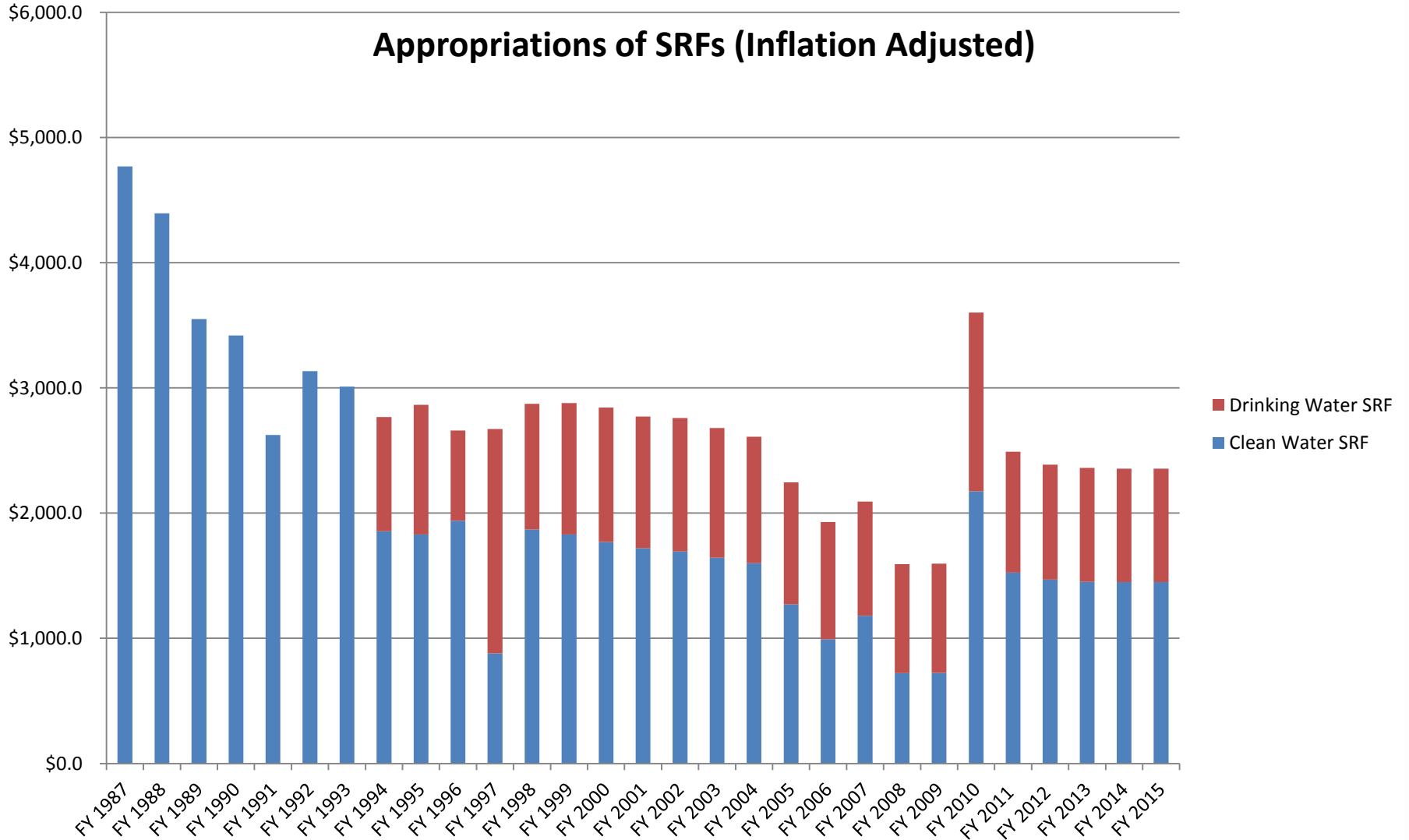
- What to Expect in 2015
 - Where we started
 - What's coming up
- What You Can Do

WHAT TO EXPECT

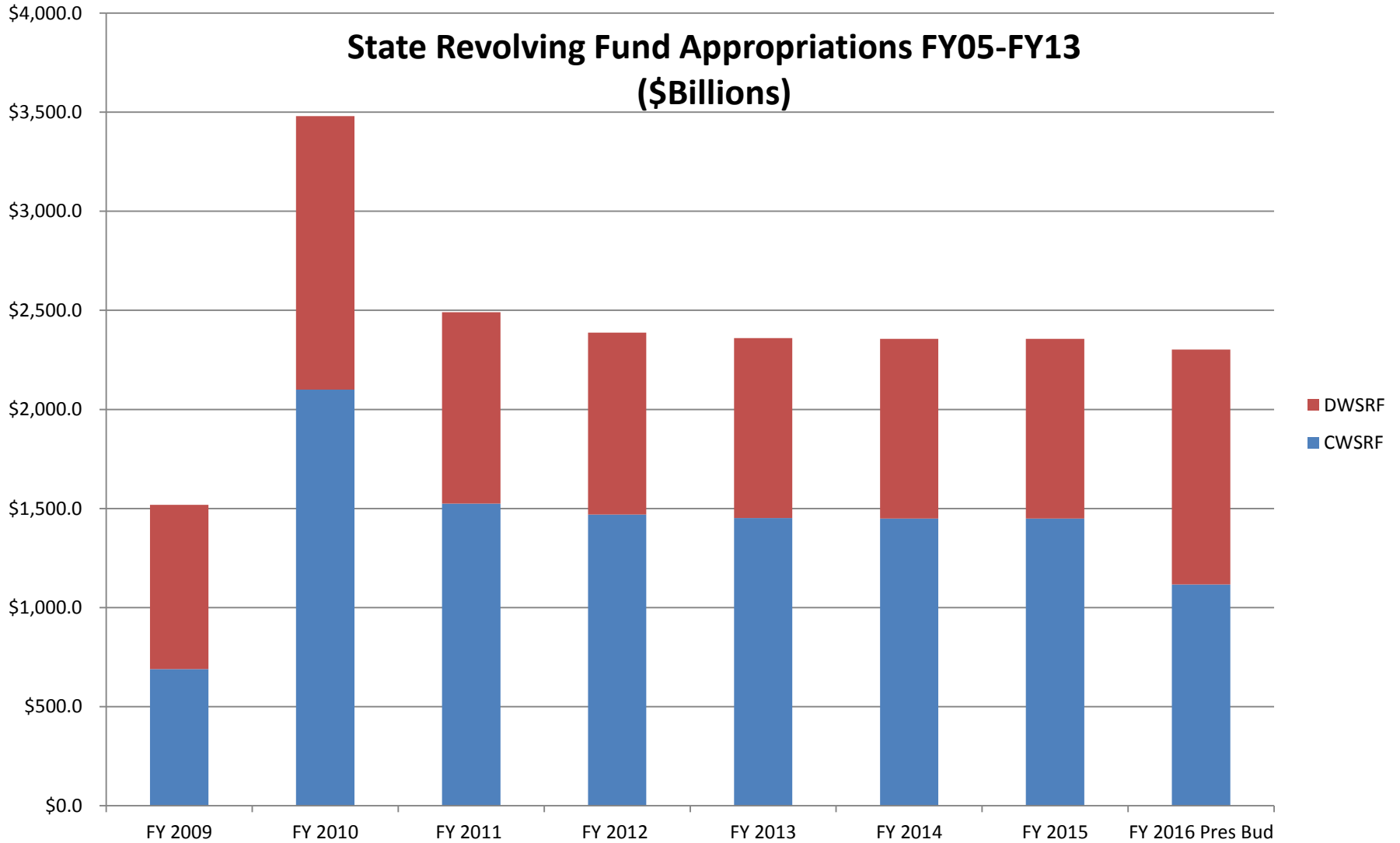
Appropriations from last year

- 2014 “CRomnibus”
- Held the line on funding levels
- First time in more than a decade of two consecutive years of no cuts

Appropriations of SRFs (Inflation Adjusted)



State Revolving Fund Appropriations FY05-FY13 (\$Billions)



FY 2016 President's Budget

- about 30% Cut to Clean Water SRF
- about 30% Increase to Drinking Water SRF
- Double set-aside amount for Green Infrastructure (from 10% to 20%)
- 4% increase for RUS loans, added authority for loan guarantees

President's New Water Initiatives

- Water Infrastructure and Resiliency Finance Center
- Rural Opportunity Investment Initiative
- Qualified Infrastructure Finance Bonds

Water Resources Reform & Development Act (WRRDA)

- Clean Water SRF provisions adopted
 - More flexible SRF loan terms
 - Allowing lower interest rates
 - Principle forgiveness
 - Extended repayment periods of 30 years
 - Expand eligible SRF funding uses to include implementation of watershed plans, water conservation, stormwater recapture, and technical assistance to small and medium treatment works
 - Permanent “Buy American” provisions
 - WIFIA pilot program
 - Study on Formula



2015 Legislative Outlook

- Surface Transportation Reauthorization
- FY 2016 Appropriations

Looking Ahead to 2016

- WRRDA Reauthorization
- Pipeline Safety Reauthorization

2015 Regulatory Outlook

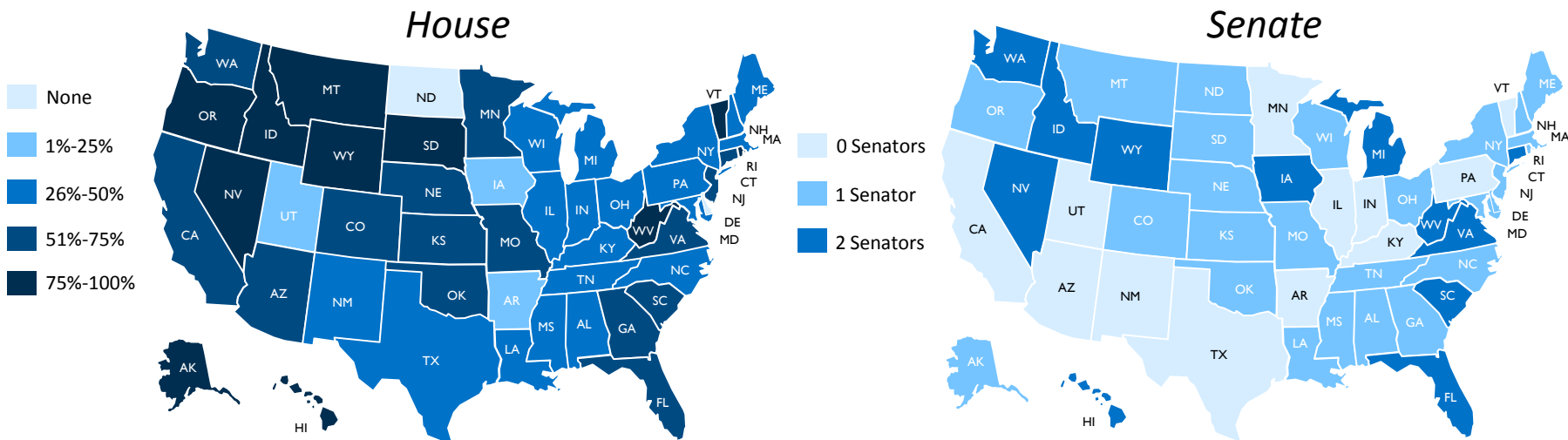
- State Damage Prevention Programs – PHMSA Final Rule
 - OST approved in Dec 2013
 - expected first half of this year
- Waters of the U.S. – EPA/USACE Final Rule
 - 900,000 comments submitted
 - EPA Target is April 2015

WHAT YOU CAN DO

State & Local Level Education

Many Lawmakers Begin Careers in Statehouses

114th Congress Members With Prior Experience as State Legislators or Governors, by State



Analysis

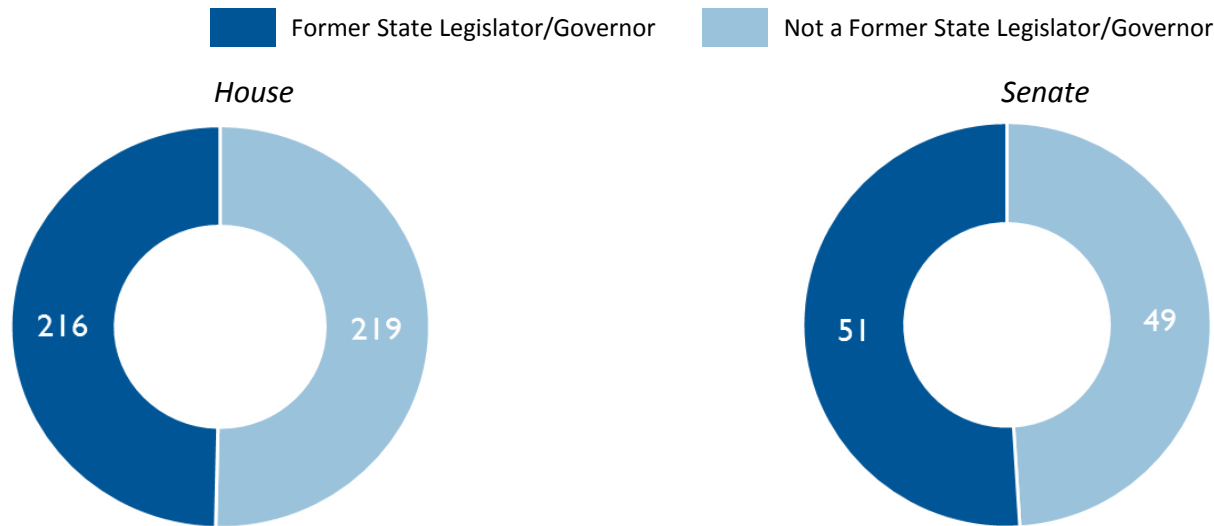
- 50% of U.S. Senators and 51% of U.S. Representatives in the 114th Congress served as state legislators and/or governors prior to their election to federal office
- This trend isn't isolated to a few populous states, either; the vast majority (48 of 50) of House delegations and a large proportion (38 of 50) of Senate delegations have members with prior experience as state legislators or governors
- Advocacy relationships built with state lawmakers can often carry over to the federal level when state officials are elected to higher office

Sources: National Journal Research, 2014; National Conference of State Legislatures, 2002-2014; Linda Lingle and Jim Douglas, "Former Governors' Caucus Looks to Change Tone in Senate," Bipartisan Policy Center, Jan. 3, 2014; "SANFORD, Mark, (1960 -)," Biographical Directory of the United States Congress, 2013.



Half of Current Members of Congress Have Prior Legislative, Gubernatorial Experience

Current House and Senate Membership by Prior State Legislative and Gubernatorial Experience



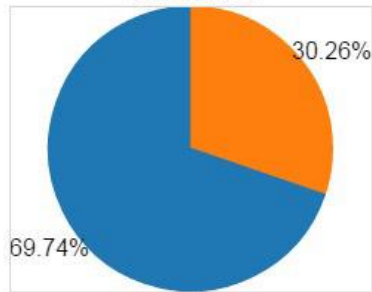
Analysis

- Slightly over half of the Senate and slightly under half of the House membership is comprised of individuals with prior experience serving as a state legislator and/or governor
- 11 senators are former governors, 5 of whom also served in state legislatures
- One representative, Mark Sanford (R-SC), is a former governor (but not a former state legislator)
- Past experience in state government is a strong credential for those seeking to serve in Congress, as it shows direct policymaking experience. Those with gubernatorial experience are particularly well-positioned for a Senate run, as they have already been elected to a state-wide office

Nearly a Third of Freshman Class has Previous Experience in City Government

From City Hall to Capitol Hill: Meet the Newest Members of Congress

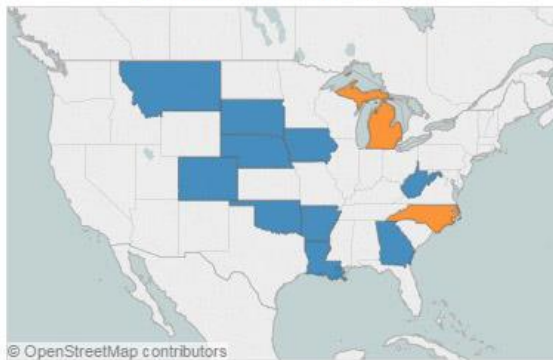
New Members of Congress
with City Government
Experience



Member of Congress Has Previous City Government Experience

Yes No

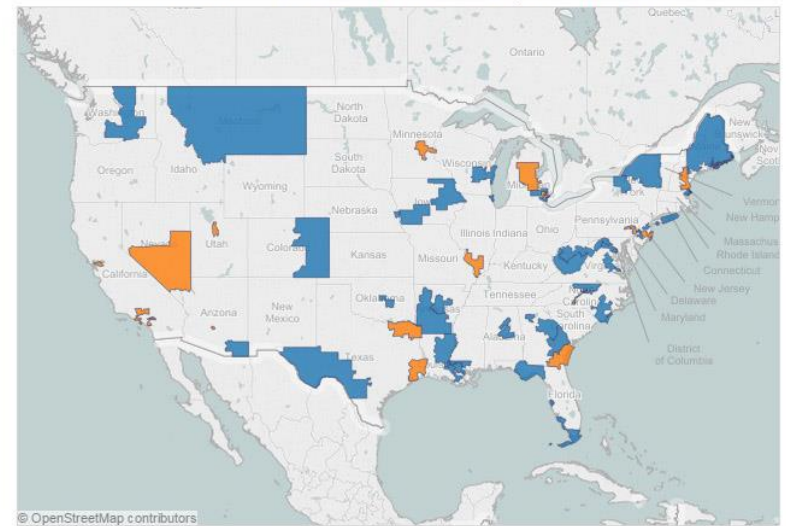
New Members of the Senate



Member of Congress Has Previous City Government Experience

Yes No

New Members of the House of Representatives



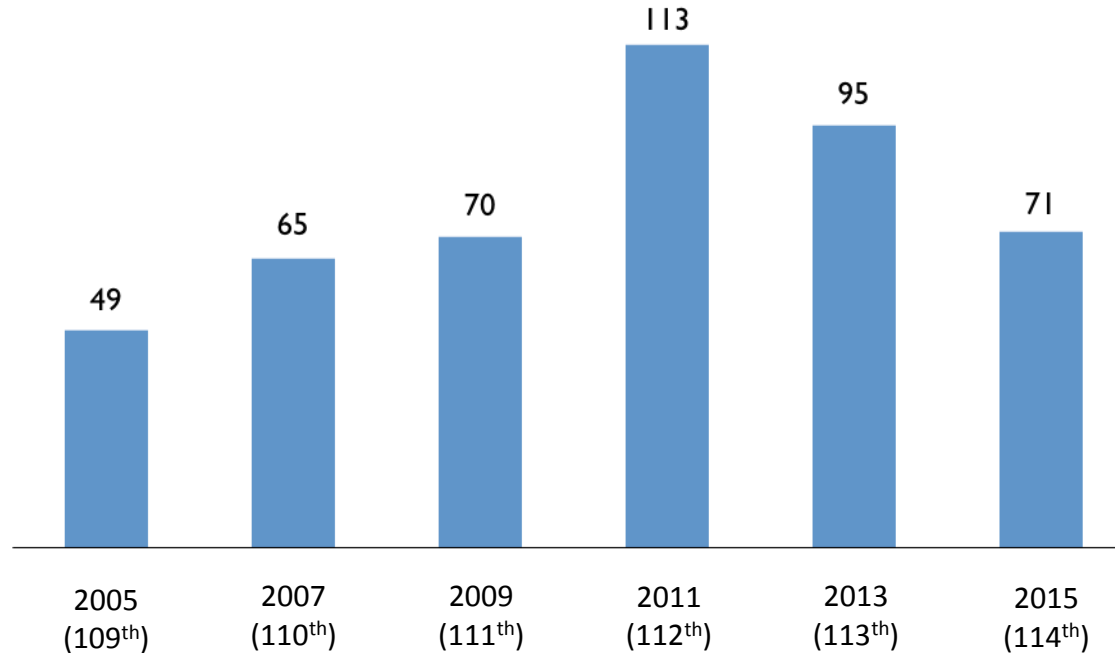
Analysis

- Twenty one representatives and two senators of this new freshman class previously served as council members, commissioners, selectmen, and mayors

Federal Level Education

Turnover in Congress

Number of Freshmen Lawmakers in the 109th-114th Congresses



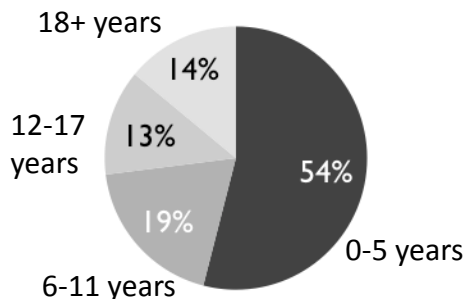
Analysis

- The 112th and 113th Congresses had more freshmen lawmakers than average because of a large wave of Republican newcomers to Congress and many retirements among senior Democrats
- The 114th Congress has less freshmen lawmakers than average because many of the members originally elected in 2010 and 2012 kept their seats

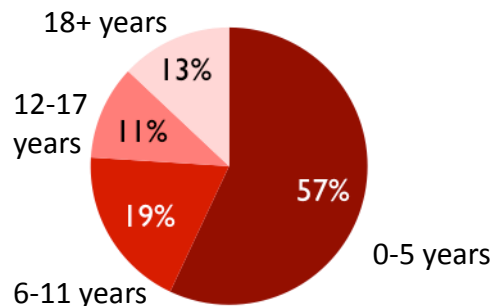
Source: Micah Cohen, “Retirements Contributing to Largest Senate Turnover in Decades,” NYTimes.com. National Journal Research, 2014.

Most Lawmakers Have Fewer Than Six Years of Experience

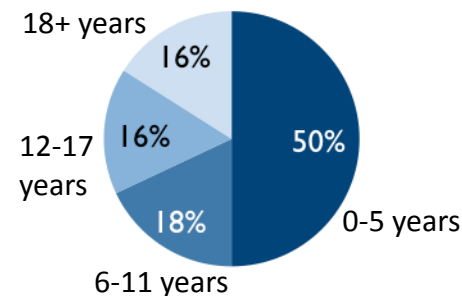
Senate by Tenure



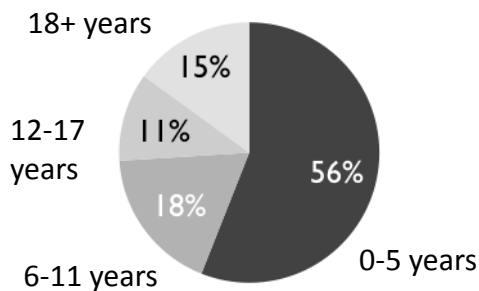
Senate Republicans by Tenure



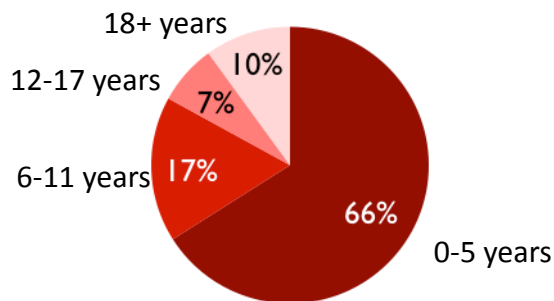
Senate Democrats by Tenure



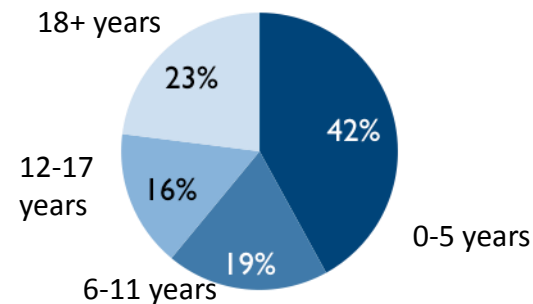
House by Tenure



House Republicans by Tenure



House Democrats by Tenure



Analysis

- The proportion of junior and senior lawmakers is roughly even in both chambers
- In the House, Democrats have the smallest share of junior lawmakers (42%), while Republicans have the largest share of junior lawmakers (66%). In the Senate, Republicans have the largest share (57%) of members with 0-5 years of experience

Why is this relevant

- Construction is complex
- Most in congress do not understand:
 - the process of how things get built
 - the hurdles you face and hoops you jump through

What You Can Do

- Create and maintain relationships with city and county officials, state legislators, and federal representatives
- Educate them on your business and what you face
- Write your representatives/make comments when the call goes out
(www.agc.org/takeaction)

AGC Utility Contractors Conference at ICUEE 2015

- Sept 30th
- Louisville, KY
- International Construction and Utility Equipment Expo



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