



Laborers' International Union of North America

Midwest Regional Office

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Federal Legislative Update

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LiUNA Opposes House Republican Highway Bill

The Laborers' International Union initially expressed optimism about the House Republican majority's willingness to move forward on a new, multi-year federal "Highway Bill." But those hopes were dashed when the details of the proposal came to light on Capitol Hill.

In a letter to House Speaker John Boehner (R-OH) sent last week, LiUNA General President Terry O'Sullivan did not mince words. He expressed his "disappointment in the direction" the bill had taken, turning it into "a wish list of bad ideas in an effort to appease the radical fringe..." The General President concluded the letter by saying that "we are committed to helping (pass a bill), but we cannot support the legislation now being considered in the House."

LiUNA originally planned to support the House bill knowing that differences with the bi-partisan Senate bill could not be worked out until the House had passed a bill. The hope was to have a final version pass both chambers and sent to the President before the most recent extension of the transportation bill expires on March 31.

The Laborers are not alone in opposing the House GOP Highway bill; it, literally, has opposition on all sides.

Democrats are threatening to oppose the bill because of cuts to current highway spending levels and future mass transit funding. Conservative groups don't like the fact that the bill includes more spending than current federal Motor Fuel Tax revenues can support and, therefore, view it as excessive spending. And some moderate Republicans don't like the cuts to mass transit and the fact that the bill would open up the Alaskan National Wildlife Refuge and additional offshore areas to more oil and gas drilling – the royalties from which would help make-up the projected shortfall of gas tax revenues under the Republican plan.

The House Republicans are pushing for a vote on the House floor by Friday and are expected to allow consideration of numerous amendments. Thus far, no less than six amendments have been filed to strip out Davis-Bacon wage protections from the bill. LiUNA will, of course, be opposing those amendments.

Among the issues of concern LiUNA has with the House GOP Transportation Bill as it currently reads are it:

- **Eliminates mass transit funding from the highway trust fund.** After 5 years, mass transit would have to compete with all other federal programs for federal dollars;
- **Triples pension contributions for current federal workers and increases future federal employee contributions by 500% while cutting their retirement benefits by 40%.** This change would come on top of an existing 2-year wage freeze and represents more than \$44 billion of the bill's total price tag. It would have a huge effect on LiUNA members working for the postal service and for Indian Health Systems;
- **Seems drafted to generate partisan vote.** Transportation bills have, historically, been bi-partisan bills. The last long-term highway bill (SAFETEA-LU) passed the House with only 8 no votes. The issue of road and transit construction – and the thousands of workers employed on those projects – has not previously been used as a political football as in this proposal.

Meanwhile, President Obama released his proposed budget for the next fiscal year yesterday. A major component of that spending plan is a six-year, \$492 billion transportation plan funded by standard gas tax revenues and \$231 billion from the "peace dividend" created by ending more significant U.S. troop involvement in Iraq and Afghanistan.

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