



March 27, 2023

U.S. House of Representatives Washington, DC 20515

Dear Representatives:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 68 chapters representing more than 22,000 members, we write in support of H.R. 1, The Lower Energy Costs Act. **ABC urges you to support H.R. 1 and will consider this a "KEY VOTE" for our scorecard on the 118th Congress.**

ABC welcomes tenets of H.R. 1 that seek to lower energy costs for Americans. The construction industry is facing significant supply chain challenges, with many in the industry finding it difficult to find consistently affordable and available building materials, thanks in part to persistently elevated energy input costs. According to ABC analysis of U.S. Bureau of Labor Statistics' Producer Price Index data, overall construction input prices are 38.8% higher since February 2020, with energy commodities leading all categories: crude petroleum (+63.5%), natural gas (+68.9%) and unprocessed energy materials (+76.3%).

H.R. 1 contains several permitting reform provisions, including the ABC-supported BUILDER Act, all of which will go a long way toward eliminating unnecessary delays that cause budget overruns in construction. The BUILDER Act codifies key elements of the One Federal Decision Framework, including development by the lead agency of a joint schedule; procedures to elevate delays or disputes; preparation of a single environmental impact statement; and joint Record of Decision—all to the extent practicable, set, reasonable time limits are imposed for environmental reviews and establish reasonable page limits for environmental documents.

H.R. 1 also includes important threshold considerations for agencies assessing whether the National Environmental Policy Act applies to a proposed activity or is otherwise fulfilled through another statute. The legislation also includes key reforms to the NEPA judicial process, requiring claimants to have participated meaningfully in the NEPA process before filing suit and providing a reasonable timeline of 120 days to file those lawsuits.

Further, the Water Quality Certification and Energy Project Improvement Act is included in H.R. 1, which would streamline the permitting process under Section 401 of the Clean Water Act and clarify Section 401's focus on water quality. This provision would codify ABC-supported reforms to the 401 process to ensure that states do not deny certification to projects for reasons outside of the section's scope.

Additionally, the energy and commerce division of H.R. 1 focuses on expanding American energy production potential by repealing certain provisions of the Inflation Reduction Act. For example, the bill would repeal the "methane emissions and waste

reduction incentive program" (commonly referred to as the "natural gas tax") and the "greenhouse gas reduction fund" (commonly referred to as the "green bank").

If passed, ABC urges the U.S. House of Representatives to consider strict implementation oversight of the bill to ensure that the Biden administration does not pursue further after-the-fact regulations and strings attached to grant programs, which will severely impact the allocation funds, restricting competition for taxpayer-funded construction projects to certain contractors and workers at the expense of fair and open competition that provides opportunities for all qualified workers while offering the best value for taxpayers.

In order to deliver construction work safely, ethically and economically, ABC members count on a coordinated, predictable and transparent process to the permitting process. H.R. 1's provisions to streamline permitting will enable the construction industry to plan and execute key projects throughout the country while safeguarding our communities, maintaining a healthy environment and stewarding public funds properly.

ABC urges you to support H.R. 1 and will consider this a "KEY VOTE" for our scorecard on the 118th Congress.

Sincerely,

Kristen Swearingen

Vice President, Legislative & Political Affairs