



November 14, 2016

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Harry Reid  
Minority Leader  
United States Senate  
Washington, DC 20510

The Honorable Paul Ryan  
Speaker of the House  
United States House of Representatives  
Washington, DC 20515

The Honorable Nancy Pelosi  
Minority Leader  
United States House of Representatives  
Washington, DC 20515

Dear Majority Leader McConnell, Minority Leader Reid, Speaker Ryan, and Minority Leader Pelosi:

As Congress wraps up its end of year business, NECA recognizes the difficult task you have in the coming weeks to complete several key bills that are important to the electrical construction industry. NECA's 4,000 electrical contractors perform a wide variety of commercial and industrial work across the country and the vast majority of our firms are small or closely-held businesses. NECA urges Congress to address the following issues before the end of this session:

- **Omnibus Appropriations Act** – Swift passage of an omnibus spending bill will provide the federal construction agencies and contractors they hire with needed predictability during the construction season. A well-funded long-term bill would also ensure projects are awarded in a timely manner and allow the 115<sup>th</sup> Congress to focus its attention towards FY 2018 efforts.
- **Multiemployer Pension Reform** - The challenges facing the multiemployer pension system continue to require urgent action. Failure to do so would exacerbate the current issues, making it more difficult to address these problems later on, and potentially subjecting these plans to insolvency. NECA supports the discussion draft offered by Chairman John Kline, which would authorize the voluntary use of Composite Plans. The Kline discussion draft ensures legacy plans will be protected and also imposes greater funding discipline on the composite plan than is required under current defined benefit rules.
- **Investment Tax Credit Extension** – NECA greatly appreciates passage of the Consolidated Appropriations Act, 2016, which extended and gradually ramped down the Sec. 48 business investment tax credit (ITC) and Sec. 25D residential tax incentive for solar while also allowing projects to qualify so long as they have commenced construction before the deadline. We encourage you to approve legislation that would allow other technologies such as combined heat and power, microturbines, fuel cells, small wind, and geothermal, to be included as qualifying technologies eligible for a tax credit of 30 percent of the capital costs of equipment.

NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION

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- **Finalize the Water Resources Development Act (WRDA)** – This legislation represents an affirmation of the government's pledge to authorize, modify, and improve projects, programs, and policies protecting the nation from floods and keeping our waterways open to navigation. Regular authorizations of water resources development projects fulfill these important missions. As the Senate and House have already passed bipartisan versions of this legislation, Congress should come to swift agreement on a final passage as soon as possible.
- **Finalize Comprehensive Energy Policy Legislation** – NECA supports a comprehensive energy policy that increases all avenues of domestic production including domestic oil and natural gas exploration, as well as clean and renewable energy sources. The Senate and House have worked extremely hard to pass legislation that includes many provisions that can bring about bipartisan agreement, and we urge both chambers to find common ground and finalize this important legislation.
- **Fully Repeal the Cadillac Tax** – We thank you for approving a two-year delay in the implementation of the 40 percent tax on health benefits, also known as the "Cadillac Tax." Although the tax does not go into effect until 2020, employers are already being compelled to reduce benefits, or implement increased cost-sharing, in order to avoid being on a trajectory to trigger the tax thresholds. Full repeal of this tax is needed to bring certainty to our contractors who are in regular negotiations with their union counterparts. A strong bipartisan majority in Congress supports repealing the Cadillac tax, with over 300 Members of the House and 37 Senators cosponsoring bipartisan legislation to eliminate the tax. Congress should act now to ensure the tax does not hurt millions of Americans with employer-sponsored health care.

Thank you for your attention to these important policy priorities. We look forward to seeing prompt action on these items in the weeks ahead and NECA looks forward to continue working with you on these critically important issues.

Sincerely,



Marco A. Giamberardino  
Executive Director, Government Affairs