



The 81<sup>st</sup> Texas legislature convened on January 13, 2009. Unlike other state legislatures, Texas was designed for legislators to meet every other year and for a period of 140 days. This objective began in an attempt to keep legislators from passing too many bills that could create more of a bureaucracy. First order of business was the election of a new Speaker of the House, Joe Strauss from San Antonio.

Development of rules of order for both the House and the Senate followed. The next issue of *Texas Merit Shop Journal* will contain an outline of the changes in both houses' committee structures. Lt. Governor David Dewhurst finalized the Senate's Committee assignment and those are attached. Due to the new Speaker of the House, committee assignment have not been issued but are projected to come out on Thursday, February 12, 2009.

On February 2, 2009 started with the biennial Welcome Reception sponsored by ABC of Texas the evening before ABC of Texas Legislative Day. Attendance at the reception included about 100 ABC members, 31 Texas House members, 2 State Senators and about 30 staff members.

The next morning about 100 ABC of Texas members gathered for breakfast to hear Texas Governor Rick Perry's Legislative Director, former State Senator Ken Armbrister, talk about upcoming legislative priorities. Preceding that talk were remarks by ABC National Board Chairman Jerry Gorski.

Following Armbrister's talk, ABC members took pre-labeled chocolate boxes (with the ABC of Texas logo and molded hammers and hardhats), along with packets of materials on ABC of Texas and its legislative priorities, to legislative offices at the State Capitol. ABC of Texas members delivered materials and chocolates to about 120 of the 182 legislative offices, with the remainder delivered by the ABC of Texas President that afternoon and Wednesday. The issues discussed were the State of Texas' Priority Issues. Please see attached for more issue details.

On a federal level, January 6<sup>th</sup>, 2009 marked the date of the United States House of Representatives and Senate convening. With the Inauguration of President Obama on January 20<sup>th</sup>, the country is hoping for an economic plan.

The American Recovery and Reinvestment Act of 2009, also known as the stimulus package, passed the House last month. The highly controversial stimulus package is now in the Senate. Although two different legislations, ABC National in Washington D.C. is in support of the bill. Although not perfect, ABC contends that the stimulus package offers an influx of money into the

construction industry. President Obama issued Executive Order 13202 on February 6, 2009, which encourages the use of project labor agreements on federal construction. Please read ABC's analysis of EO 13202 attached for more details. **ABC strongly opposes union-only project labor agreements (PLAs)** on construction projects. These agreements not only exclude merit shop contractors from bidding on projects paid for by their own tax dollars, but also drive up the cost of construction by reducing competition for the work.

A union-only PLA is a contract that requires that the project be awarded only to contractors and subcontractors who agree to:

- recognize unions as the representatives of their employees on that job
- use the union hiring hall to obtain workers
- obtain apprentices exclusively from union apprenticeship programs
- pay union wages and benefits
- obey costly, restrictive and inefficient union work rules, job classifications and arbitration procedures

ABC in Washington is urging President Obama to not attach any further PLAs in this Senate economic legislation.

Associated Builders and Contractors of Greater Houston will keep you updated throughout the state and federal sessions on specific legislation that impacts the construction industry and you.