

House Advances Budget Reconciliation Bill

Today, the House of Representatives voted to pass the [Build Back Better Act](#) by a party-line vote of 220-213. As previously reported by NDA, the roughly \$2 trillion proposal calls for new investments in social programs related to climate change, housing, health care, labor, education and child care. President Biden and congressional Democrats are attempting to advance the bill through the budget reconciliation process which requires only a simple majority of the vote in each chamber of Congress.

The legislation would fund the new programs through tax increases on America's wealthiest individuals and largest corporations. NDA was successful in getting Democrats to drop their demands for several tax increases that would have negatively impacted demolition contractors, including proposed increases to individual and corporate rates, capital gains, pass-through businesses and estate taxes.

The Build Back Better Act now moves to the Senate where it is expected to face significant revisions due to concerns among moderate Democratic senators. While Senate Majority Leader Chuck Schumer (D-NY) has said he would like to vote on the legislation before the holiday break in December, negotiations could spill into 2022 as Democrats work through a number of unresolved policy disagreements between the House and Senate.

NDA will now focus its advocacy efforts on the Senate in order to address concerns related to the House bill, including mandatory paid FMLA leave, unreasonable increases to OSHA penalties, and other demolition industry priorities. NDA will be sure to keep members updated regarding the latest developments on Capitol Hill. Below you will find a brief summary of key provisions in the bill.

Summary of H.R. 5376 - Build Back Better Act

Programs:

- **OSHA Penalties:** Includes ten-fold increases to certain civil penalties (fines) for OSHA violations.
- **SALT Deduction:** Increases state and local income tax (SALT) deduction cap to \$80,000 through 2025.
- **Paid Leave:** Establishes a mandatory paid family and medical leave (FMLA) program.
- **Labor:** Includes a provision from the Protecting the Right to Organize (PRO) Act which would establish new civil penalties for employers who are found to have discriminated against an employee for joining a union.
- **Education and Workforce Development:** Expands access to education beyond high school by raising the maximum Pell grant, and investing in workforce development, including community college workforce programs, sector-based training, and apprenticeships.
- **Infrastructure:** Includes funding for the Community Development Block Grant (CDBG) program.
- **Immigration:** Provides work authorization for undocumented people living in the United States.

Tax Increases:

- 15% corporate minimum tax on corporations with \$1 billion in profits.
- 1% surcharge on corporate stock buybacks.
- Adopt a 15% country-by-country global minimum tax on foreign profits of U.S. corporations.
- Expands the 3.8% Net Investment Income Tax to individual (pass-through) income over \$400,000.
- New 5% surtax on individuals making over \$10 million and additional 3% surtax on individuals making over \$25 million.
- Continue limitation on excess business losses.
- Increased IRS tax enforcement.

Update on OSHA COVID-19 Vaccination and Testing Mandate

Last weekend, the U.S. Court of Appeals for the Fifth Circuit affirmed their stay against the Occupational Safety and Health Administration's (OSHA) Emergency Temporary Standard (ETS) on COVID-19 vaccination and testing and instructed OSHA to stop enforcing the ETS until further court order. On Wednesday, OSHA announced they have suspended activities related to the implementation and enforcement of the ETS pending future developments in the litigation.

Due to the number of lawsuits filed across the federal court system, the Judicial Panel on Multidistrict Litigation consolidated all 34 pending cases into a single case and held a lottery on Tuesday to determine which federal appellate court will hear arguments on the ETS moving forward. The Sixth Circuit Court of Appeals was chosen in the lottery and will determine the fate of the ETS in the coming days. The case is expected to eventually reach the U.S. Supreme Court by December.

While the courts have put a temporary hold on the ETS, it remains unclear how any legal action will impact the future of the ETS so NDA members should continue to follow guidance issued by OSHA on complying with the rule's requirements. NDA continues to monitor all legal activity surrounding the ETS and will keep members updated accordingly.

Members can find the text of the ETS [here](#) and additional guidance from OSHA [here](#). NDA has also prepared a [members-only guide](#) to help members navigate and understand the ETS in order to comply with new rules. Please note that the information provided does not, and is not intended to, constitute legal advice; instead, all information, content, and materials listed in the guide are available through the Department of Labor. NDA encourages all members to consult legal counsel.

For any questions, please contact NDA Director of Government Affairs Kevin McKenney at kmckenney@demolitionassociation.com.

NDA Applauds Enactment of Infrastructure Investment and Jobs Act into Law

On Monday, NDA released the following statement after President Joe Biden signed the recently passed bipartisan infrastructure bill, known as the Infrastructure Investment and Jobs Act, into law:

"NDA applauds President Biden and policymakers from both parties for their efforts in enacting this \$1.2 trillion package into law which will benefit the American people, communities and the nation's infrastructure", said NDA President Scott Homrich of HOMRICH. "For the last several months, NDA has worked with Congress on including crucial priorities for the demolition industry in this bill including funding for critical projects, streamlined environmental permitting, and funding for the EPA Brownfield Program, among others. NDA member companies are ready to continue the vital work they do in their local communities and this legislation will facilitate that effort moving forward."