



The Master Builders of Iowa (MBI) holds true to a mission of promoting Iowa's commercial construction industry and works continuously to create a favorable business environment by focusing on expanded market development and sound regulatory policy. The success experienced at the Iowa Capitol during the 2009 Legislative Session is indicative of the efforts and volunteer leadership that serves as a foundation of the Association. MBI is proud of its accomplishments at the Iowa Capitol this year and is confident that each and every member will realize value from these efforts.

2009 Legislative Session Review

MBI's lobbying team maintained a constant presence at the Iowa Capitol each and every day during the 2009 legislative session. It is vitally important to Iowa's commercial construction industry that MBI be active at the Iowa Capitol. For instance, nearly 2,000 different pieces of legislation were introduced during this year and MBI takes time to review each and every bill to see what sort of impact, if any, each would have on the commercial construction industry in Iowa.

During the 2009 session, MBI's Lobbying Team:

- Reviewed every bill introduced to determine whether or not such legislation would have an impact (negative or positive) on Iowa's commercial construction industry.
- MBI registered either in favor, opposed or monitoring on nearly 100 bills.
- Participated in over 50 subcommittee meetings on various pieces of legislation.
- Researched infrastructure appropriations to determine if line items met existing vertical infrastructure definitions and reported those findings back to House and Senate appropriation chairs and professional staff.
- Met with House and Senate leadership on a regular basis to help further MBI's pro-business, pro-construction agenda.
- Worked cooperatively with other lobbyists representing construction and business interests on issues important to the industry.
- Maintained a constant presence at the Iowa Capitol during each day of the Iowa General Assembly.

Do No Harm Legislative Strategy, Part II

For the last two legislative sessions, MBI has been forced to oppose an anti-business, anti-construction agenda that would have swayed the pendulum in favor of organized labor and trial lawyers. Going into the 2009 legislative session, MBI once again employed this same strategy to avoid bad things from happening. MBI's lobbying team knew that success would not be measured by what was passed...but rather by what **did not** happen. The following lists a few of the more egregious legislative proposals that failed, due in part to MBI's lobbying efforts this past session. However, MBI was able to go on the offensive to help pass a number of construction-related issues. Here is a synopsis of this past legislative session:

WHAT DID NOT HAPPEN...

State Mandated Wages and Benefits on Public Projects

House File 333 was defeated on the floor of the Iowa House of Representatives and was deemed the longest vote in Iowa legislative history. Voting machines were left open over a weekend, giving the governor and legislative leaders an opportunity to find that one, single vote which would provide a Constitutional majority of 51 votes and allow passage of the bill in the Iowa House. Fortunately, with MBI's continued opposition, that one, key vote was never provided for the remainder of the legislative session.

HF 333 would have established an over-reaching regulatory burden on Iowa's construction industry with onerous record-keeping requirements, general contractor liability for subcontractor compliance and unfettered job-site access for the Labor Commissioner.

Contractor Prequalification / Disqualification

Contractors bidding on public projects would have had to go through an arbitrary screening process in order to be eligible to bid had this provision passed the legislature. The so-called pre-qualification language buried in Senate File 478 during the waning hours of the 2009 session would have been more of a disqualifier in which proprietary information and subjective criteria would have politicized the public procurement process to the detriment of the contractor, the owner and...the taxpayer. After an amendment to strike this provision failed in the Senate by one vote, the disqualification language was struck in the House by those sympathetic to MBI's adamant opposition.

Employee Choice of Doctor for Workers' Compensation Claims

Though attempts were made on numerous occasions by Democratic leadership in the House and Senate, a proposal that would have upset the balance on employer-directed care failed due in part to the work of pro-business legislators and a strong coalition of business groups in the lobby.

WHAT DID HAPPEN...

Contractor Immunity

MBI was active in helping pass SF 280, a bill that would establish a "good Samaritan" provision in Iowa law for contractors. In the event of an emergency, if a contractor provides assistance without a formal agreement or compensation, the contractor is protected from being sued for civil damages if assistance is rendered in good faith.

It is important to note that a similar effort has been going on at the federal level by the AGC of America, but nothing has been codified into federal law. With this bill being signed into law, Iowa is unique in comparison to many other states in giving protection to contractors providing emergency services.

Infrastructure Funding

The legislature and the governor worked cooperatively to develop a large bonding proposal that would provide a tremendous amount of resources for flood restoration and prevention. In total, \$765 million in bonding was authorized this past session. Allocations included in the bonding authority are:

- \$100 million for flood repairs at the University of Iowa and \$15 million for an ISU project
- \$185 million for various vertical infrastructure projects approved in FY 2009, but tobacco settlement bonds were never authorized due to the poor bond market last summer
- \$465 million, of which includes funding for the following projects and programs over the next two year:

- \$118.5 million for the Iowa Jobs Program which includes competitive grants for flood restoration, etc.
- \$46.5 million for targeted disaster rebuilding in Linn County
- \$55 million for small-town wastewater plants
- \$25.0 million for watershed flood prevention projects and soil conservation
- \$10.0 million for emergency and homeless shelters and disaster housing assistance
- \$25.0 million for affordable housing assistance and alternative energy grants
- \$25.0 million for public broadband technology grants
- \$50 million for bridge repairs

As a part of the Rebuild Iowa Infrastructure Fund (RIIF), the legislature and the governor approve \$230 million of funding. However, MBI was very disappointed that only one-quarter of the funding was allocated to the original purpose of the RIIF program, i.e. vertical infrastructure. In fact, nearly \$40 million was diverted for local and city road work. This marks the first time in the history of the RIIF fund that moneys were diverted from RIIF for roads.

Historical Preservation Tax Credits

In an effort to expand market development opportunities and renovate and preserve existing structures, MBI lent its full support towards passage of a new law that would increase the current threshold of \$20 million in tax credits for historical preservation to \$50 million per year.

OTHER LEGISLATIVE INITIATIVES...

Alternative Project Delivery

MBI was approached by Senate leaders with a request of identifying a process to bring projects funded through the various bonding proposal to fruition in a more expedited manner. In response, MBI offered a Design – Build legislative proposal that was developed through a cooperative effort with facility representatives from the Regents Institutions. The language was included in the original version of HF 822, Infrastructure Appropriations. However, the House did not agree with the Senate's language and it was eventually struck on the House floor.

Indemnification

MBI worked closely with the Senate Commerce Chair to draft a bill that would essentially eliminate broad form indemnification. A bill that reflected MBI's policy was introduced in the House and Senate, but resistance from investor-owned utilities, rail roads, architects and trial lawyers eventually killed the bill.