



**Independent Electrical Contractors**  
2900 South Quincy Street, Suite 720  
Arlington, VA 22206  
Ph 703.549.7351 • 800.456.4324 • Fx 703.549.7448  
[www.ieci.org](http://www.ieci.org)

May 26, 2021

The Honorable Ron Wyden  
Chairman  
Senate Finance Committee  
United States Senate  
Washington, DC 20510

The Honorable Mike Crapo  
Ranking Member  
Senate Finance Committee  
United States Senate  
Washington, DC 20510

Dear Chairman Wyden, Ranking Member Crapo and Members of the Senate Finance Committee:

On behalf of the Independent Electrical Contractors (IEC), I am writing to express our support for the development and implementation of clean energy technologies. However, I want to express our concern with the labor and workforce provisions included in the *Clean Energy for America Act* and urge the Senate Finance Committee to reconsider its prevailing wage and apprenticeship requirements.

Established in 1957, Independent Electrical Contractors is a trade association representing 3,300 members with more than 50 chapters and training centers nationwide. Headquartered in Arlington, Va., IEC is the nation's premier trade association representing America's independent electrical and systems contractors. IEC National aggressively works with the industry to establish a competitive environment for the merit shop—a philosophy that promotes the concept of free enterprise, open competition, and economic opportunity for all. During the 2021-2022 school year, IEC's merit shop contractors and chapters will educate over 13,500 electrical apprentices across the country.

As crafted, the *Clean Energy for America Act* would require construction contractors to pay its workers prevailing wage rates. Under current law, only companies that obtain construction contracts with the government are obligated to follow these burdensome and complicated wage rules. Imposing such complex requirements on a private sector project would place small contractors at a competitive disadvantage as they are less likely to possess the resources and expertise necessary to comply. In addition, the costs incurred by these prevailing wage requirements would further negate the incentive itself. As a result, this provision would ultimately limit competition, increase costs, and offset much of the tax incentive thereby reducing the number of businesses that ultimately pursue it.

The bill also requires contractors to utilize registered apprentices and subjects them to other requirements to qualify for its tax incentives. Specifically, the bill mandates that at least 15 percent of the work be performed by registered apprentices, that there be at least one apprentice on the job should there be more than four workers on the project and imposes Department of Labor (DOL) ratio requirements on merit shop contractors.

While IEC is at the forefront of electrical apprenticeship and is constantly recruiting qualified individuals to its registered program, we have concerns with the federal government dictating to contractors how they should specifically allocate their workforce on a given project. Since each job is different, IEC

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believes it is best left up to the contractor to decide the proper mix of journeyworkers and apprentices and not burden them with an arbitrary percentage dictated by the federal government. In addition, we strongly oppose the bill subjecting merit shop contractors to the DOL ratio requirements of journeyworkers to apprentices. As you may know, apprenticeship programs within an occupation that fall under a collective bargaining agreement (CBA) may be exempt from the ratio dictated by DOL. Consequently, this legislation is endorsing an uneven playing field by subjecting some contractors to an arbitrary ratio methodology while exempting those in the same industry that happen to part of CBA.

IEC contractors welcome the opportunity the *Clean Energy for America Act* may give to upgrade and expand our nation's clean energy infrastructure. However, we urge the Senate Finance Committee to reject the bill's unprecedented prevailing wage mandates and reconsider its apprenticeship requirements.

Sincerely,  
Jason E. Todd  
Vice President, Government Affairs  
Independent Electrical Contractors