Based on the merit shop philosophy, ABC helps members develop people, win work and deliver that work safely, ethically and profitably for the betterment of the communities in which they live and work.

- ABC contractor members are the benchmark for health and safety in the construction industry, 200 percent safer than the industry average by 2023.
- Increase the political influence of ABC by enacting government neutrality in contracting in 28 states and the federal government by 2020.
- Be the leading force in construction for careers and workforce development by 2020.
- Attain a 90 percent retention rate and add 3,000 members per year by attracting and delivering value to a diverse, committed and engaged membership.
THE MERIT SHOP
More than 150 lawmaker visits to ABC member jobsites and chapter events and a successful media campaign raised awareness of merit shop priorities.

DEVELOP PEOPLE
ABC signed on to President Trump’s “Pledge to America’s Workers,” committing to educate and develop at least 500,000 construction workers during the next five years.

WIN WORK
ABC defended open competition in the bidding process, helping members win more than $5.6 billion in large-scale federal contracts.

WORLD-CLASS SAFETY
ABC’s Safety Training Evaluation Process helped top-performing members be 670 percent safer than the industry average.

ETHICS AND COMPLIANCE
The Trump administration’s regulatory reform efforts produced $23 billion in cost savings for American businesses and families.

PROFITABILITY
ABC helped members improve productivity, anticipate industry trends and save more than $34 million through member discount programs.

COMMUNITY
ABC members celebrated $11.7 billion in award-winning projects built nationwide.

WHAT’S NEXT
2019 ABC National Chair Tony Rader looks to the future.
In the truest sense of the word, ABC is a member-run organization, governed by a 172-person board of directors composed of members from each chapter. In addition, ABC offers its members an opportunity to serve on committees and affiliate boards that provide valuable input to the board of directors and help establish the association’s policies, priorities and objectives.
National Advocacy Efforts Near $4.3 Million in 2017-2018
The Free Enterprise Alliance raised $2.8 million to support research, outreach and local and national issue advertising campaigns advocating for open and fair competition, surpassing its fundraising goal. FEA also supported the development of ABCVotes.com and WeBuildAmerica.com to educate and engage voters. ABC PAC spent nearly $1.5 million to support pro-business candidates running for federal office during the cycle.

ABC Members Win Elections Up and Down the Ballot
- Bill Lee is now the governor of Tennessee.
- Carol Miller won the election for West Virginia’s 3rd Congressional District.
- Chuck Goodrich won the election for Indiana’s 29th State House District.
- Jeff Kipfmiller won a school board seat in Freeland, Michigan, and ABC Florida Gulf Coast Chapter President Steve Cona joined the Hillsborough County School Board in Tampa. The following ABC members were re-elected to the U.S. House of Representatives: Markwayne Mullin (R-Okla.), Francis Rooney (R-Fla.), Lloyd Smucker (R-Pa.), Rick Allen (R-Ga.) and Bradley Byrne (R-Ala.).

Media Campaign Raises Awareness of ABC Priorities
ABC generated nearly 9,200 stories in media outlets nationwide on issues ranging from infrastructure rebuilding to careers in construction. Cable television coverage including CNBC, Fox Business and Nightly Business Report generated almost $3 million in equivalent advertising visibility.

More Than 150 Lawmakers Visit ABC Member Jobsites and Chapter Events

For more than 65 years, ABC has been the leading voice for the merit shop philosophy in construction, defending the principles of free enterprise.
### Free Market Win: Prevailing Wage Repealed in Michigan

The number of states without prevailing wage laws increased to 24 when the Michigan legislature voted for repeal after a dramatic petition drive led by ABC of Michigan. As a result, the state had the seventh most positive construction environment in ABC’s 2018 Merit Shop Scorecard, up from 24th in 2017. Jimmy Greene, president and CEO of the ABC Greater Michigan Chapter and Greater Michigan Construction Academy, was interviewed on WNM-TV.
ABC Signs Presidential Pledge on Workforce Development
Greg Sizemore, ABC vice president of HSE and workforce development, attended a White House ceremony to sign on to President Trump’s “Pledge to America’s Workers,” committing to educate and develop at least 500,000 construction workers during the next five years.

Education Summit Energizes Chapter Leaders
ABC brought together workforce development professionals from chapters nationwide for conversations and learning sessions on conducting successful outreach, educational programming and career guidance for the craft workers of tomorrow. More than 70 professionals exchanged ideas and discussed challenges and successes.

Congress Hears ABC’s Workforce Development Priorities
ABC member Mike Holland, chief operating officer of MAREK, testified before a U.S. Senate committee on the need to include industry-recognized apprenticeships in a modernized national definition of approved programs. And ABC Keystone Chapter President and CEO David Sload highlighted the role apprenticeship programs play in equipping workers with the skills necessary to compete in the modern economy before a U.S. House of Representatives committee.

ABC Promotes Careers in Construction in Interviews
ABC leaders were interviewed on CNBC, Fox Business, PBS and other major news broadcasts to highlight the 500,000 open jobs in construction and opportunities for career-seekers. “We will teach you the trade you want to learn, we will pay you while you do that, and when you graduate from that competency-based or time-based apprenticeship program, you’ll be making a great living.” — Michael Bellaman on CNBC.
In 2018, Our Craft Professionals Served ABC Contractors with 5,362,318 Work-Hours.

…Emphasis was Placed on Safety, Productivity and Craftsmanship One Minute at a Time.

Tradesmen International is proud to be a strategic partner with Associated Builders and Contractors. Our goal is to support ABC members with custom staffing strategies as well as workforce productivity augmentation and labor-cost containment solutions.
ABC Builds Tomorrow’s Construction Workforce

ABC’s 70 chapters offered more than 800 apprenticeship, craft, safety and construction management education programs across the country. ABC member companies invest $1.1 billion annually in workforce development, educating 476,000 industry professionals.

workforce.abc.org

National Craft Championships Gold Medalists Take Center Field

After competing in a field of 170 craft trainees and apprentices at ABC Convention 2018, NCC gold medalists and the 2018 ABC Craft Professional of the Year were recognized at a Washington Nationals baseball game capped by Freedom Fireworks.
ncc.abc.org

Chapters Celebrate Career Pathways With Signing Days

ABC of Wisconsin, which has been training apprentices in 12 different trades for more than 30 years, hosted a signing day with state lawmakers for graduates of its nearly 1,500-person registered apprenticeship program.

ABC Honors Construction Management Competition Winners

The team of students from Florida International University, sponsored by the ABC Florida East Coast Chapter, was the overall CMC winner and earned awards in quality control, estimating and project management.
cmc.abc.org

ABC Celebrates Top Craft Pros

Craft Instructor of the Year
WILLIAM FULLER
ABC Greater Houston Chapter

Craft Professional of the Year
RICHARD BROWN
Gaylor Electric Inc.
Everything you need. Plus equipment.

From safety/operator training and equipment management technologies, to custom solutions engineered to meet specialized job requirements, United Rentals offers much more than just the world’s largest rental fleet. It takes a lot to get the job done right. We're here to help.

UnitedRentals.com | 800.UR.RENTS
© 2017 United Rentals, Inc.
Members Benefit From Small Business Initiatives
Larry Lopez, president and CEO of Baltimore-based Green JobWorks and chair of ABC’s Diversity Committee, testified before a U.S. House of Representatives subcommittee on how tax reform and other economic policies implemented by Congress and the Trump administration are benefitting small businesses.

United Rentals to Sponsor Diversity Program
ABC strategic partner United Rentals signed on as the program sponsor of the association’s diversity initiatives, including the Diversity & Inclusion Summit and Diversity Excellence Awards. United Rentals and ABC work together to help member companies become more inclusive and diverse and make the industry stronger. diversity.abc.org

Fair and Open Competition on All Federal Contracts
ABC prevented government-mandated PLAs on 100 percent of federal contracts exceeding $25 million in 2018, ensuring that contracts totaling more than $9.6 billion were awarded based on merit.

ABC Members Won More Than Half of the Value of Large-scale Federal Contracts in 2018
Total Value Won: $5.6B
Federal Contracts Exceeding $25 Million

58%

ABC Recognizes Top Contractors
Exclusively for ABC members, the prestigious Accredited Quality Contractor program recognizes an elite group of more than 360 chapter members for excellence in quality, safety, employee benefits, training and community relations. The AQC credential helps ABC members recruit and retain employees, win work and demonstrate corporate citizenship. AQC is presented by The Contractors Plan, specializing in benefits administration and compliance for prevailing wage contractors. abc.org/aqc

ABC creates opportunities for its members to bid on additional work, and then helps them win it.
Tax Reform Produces Results for ABC Members

ABC’s Executive Committee met with President Trump, Treasury Secretary Steven Mnuchin and Senior Advisor Ivanka Trump at the White House to talk about the positive economic effects of the Tax Cuts and Jobs Act during ABC Legislative Week 2018. According to a survey of ABC members, contractors were able to invest in workforce development, make capital investments, hire more employees and give pay raises and bonuses to employees as a result.

AS A RESULT OF THE TAX REFORM BILL, ABC MEMBERS HAVE . . .

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Invested in workforce development</td>
<td>54%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Made capital investments</td>
<td>61%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hired more employees</td>
<td>45%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Given raises or bonuses</td>
<td>47%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Construction Backlog Reaches New High in 2018

ABC Users Summit: Where Owners and Contractors Collaborate

The sixth annual ABC Users Summit brought industrial and health care contractors and owners together in Dallas to hear the latest economic outlook for the sectors and share insights on workforce development, safety, innovative processes, creating a win-win outcome and more. Among the owners represented at the summit were Children’s Health, MD Anderson Cancer Center, Sutter Health, Owens Corning and General Motors.

userssummit.abc.org

24 States Welcome All Americans to Compete on Construction Projects

The federal Fair and Open Competition Act garnered 101 cosponsors in the 115th Congress, laying the groundwork for future passage. In a survey conducted in December 2018, 97 percent of ABC members said that construction contracts subject to a government-mandated PLA would be more expensive than contracts procured via fair and open competition, and 98 percent would be less likely to bid on a project that required signing on to a PLA.
ABC’s STEP Program Grows
More contractors are committing to the best practices that make jobsites safer regardless of company size or type of work. ABC exceeded its goal for members using STEP as a prequalification tool to vet subcontractors by tenfold and recognized its first supplier STEP members. ABC conducted 13 safety academies nationwide in 2018 to increase STEP participation. ABC added four new Key Components to STEP for 2019 and strengthened requirements to qualify for Gold and Silver levels.

abc.org/step

ABC’s Safety Leadership on Display in Congress
Ryan Odendahl, Kwest Group president and chair of ABC’s National Safety and Health Committee, testified before a U.S. House of Representatives committee to call for a collaborative effort between industry and the federal government to increase workplace safety.

ABC sets world-class standards for health, safety, wellness and environment in the construction industry and helps its members achieve them.

 PARTICIPANTS IN ABC’S SAFETY TRAINING EVALUATION PROCESS ARE SAFER THAN THE INDUSTRY AVERAGE

2018 Safety Performance Report: STEP Diamond Members Are 670 Percent Safer
The best-performing STEP participants lowered their total recordable incident rate by 85 percent compared to the U.S. Bureau of Labor Statistics construction industry average, according to data gathered from

abc.org/spr

ABC member companies recording more than one billion hours of work in construction, heavy construction, civil engineering and specialty trades.

abc.org/spr

WORLD-CLASS SAFETY

ABC sets world-class standards for health, safety, wellness and environment in the construction industry and helps its members achieve them.
CNA and ABC

In partnership for safety and your success.

Through ABC and CNA’s strategic partnership, we leverage a unique understanding of the industry to provide comprehensive insurance products and services created exclusively for the needs of builders and contractors.

Experience the benefits of collaborating with a national carrier rated “A” by A.M. Best, whose local presence and industry experience can give you a competitive edge.

To learn more, contact your independent agent or visit www.cna.com/abc.
Nearly 6,000 People Sign Drug- and Alcohol-free Workplace Coalition Pledge

Implementing a world-class substance abuse program reduced jobsite incidents by 63 percent, according to the ABC 2018 Safety Performance Report.

drugfreeconstruction.org

“STEP has been part of our company’s safety progress since 1995. It has helped us move to and maintain our low incident rate while helping us build and reinforce our culture of safety.”

GORDON BEAVER, Senior Vice President
S & B Engineers and Constructors, Houston
STEP Diamond member

“STEP is a vital tool in our safety tool box. It’s as essential as the hammer, level or square is to a carpenter.”

TONY ROUSSEY, Chief Operating Officer
Elzinga & Volkers Inc., Holland, Michigan
STEP Platinum member

Record-breaking Safety Event in Michigan

ABC’s Western Michigan Chapter and Pioneer Construction hosted the biggest safety stand-down event in state history during 2018 Safety Week to teach approximately 400 attendees about fall protection.
As a Strategic Partner, The Contractors Plan helps ABC contractors compete for, win, and stay compliant on prevailing wage jobs by offering customized benefits and administration.

Preferred Pricing for ABC Members
800.328.1519 | abc.contractorsplan.com
Regulatory Reform Efforts Yield $23 Billion in Cost Savings

ABC members continued to see meaningful regulatory relief in fiscal year 2018 as the Trump administration issued 12 deregulatory actions for every new one it proposed. Additionally, presidential executive orders related to regulatory reform saved American families and business owners $23 billion in fiscal year 2018. See page 16 for a status report on ABC regulatory priorities, including the persuader final rule, electronic injury reporting and anti-retaliation final rule, and joint employer standard.

DOL Rulemakings Offer Small Businesses More Flexibility

The U.S. Department of Labor issued important rulemakings in 2018 aimed at increasing access for small businesses to offer critical employee benefits such as 401(k) plans and affordable health insurance to the benefit of American workers. ABC welcomed the DOL’s initiatives on association health plans, association retirement plans and health reimbursement arrangements.

NLRB Solicits Feedback on ‘Ambush’ Election Rule and Joint Employer Standard

Under a new Republican majority, the National Labor Relations Board solicited public feedback on the 2014 ambush election final rule, also known as Representation-Case Procedures, and joint employer standard, which was a long-awaited development for ABC members. ABC urged the board to rescind the controversial ambush election final rule and return to the election procedures that were in effect and working well prior to the rule’s adoption in 2014. ABC also supported the board’s proposal to establish an updated standard for determining joint-employer liability under the National Labor Relations Act.

ABC Keeps Members Informed

Check out ABC’s weekly newsletter, Newsline, for all the latest news and an archive of 1,500 stories on legislative, regulatory and legal issues. Plus, ABC’s Academy offers 150 webinars and toolkits to help members understand detailed compliance requirements and more.
<table>
<thead>
<tr>
<th>REGULATION</th>
<th>ABC ACTION</th>
<th>STATUS</th>
<th>DESIRED OUTCOMES</th>
</tr>
</thead>
</table>
| **PERSUADER** | • Filed lawsuit  
• Met with regulators  
• Submitted comments  
• Supported legislative efforts  
• Worked with stakeholder coalition | • DOL rescinded the rule effective Aug. 17, 2018 | ABC applauded the rescission of the persuader rule. ABC supports employers’ right to free speech and freedom of association and legal counsel, as well as the right of employees to obtain balanced information about union representation. |
| **“AMBUSH” ELECTIONS**  
(Representation Case Procedures) | • Filed lawsuit  
• Submitted comments  
• Supported legislative efforts  
• Worked with stakeholder coalition | • NLRB’s final rule went into effect on April 14, 2015  
• NLRB issued a request for information on the final rule in December 2017  
• In 2018, NLRB listed a proposal to revise the final rule as a long-term action | In revising the Obama-era rule, ABC encourages the NLRB to return to the election procedures that were in effect and working well prior to adoption of the 2014 final rule. |
| **ASSOCIATION HEALTH PLANS** | • Submitted comments  
• Supported legislative efforts  
• Met with regulators | • DOL’s final rule took effect Aug. 20, 2018 | ABC supports expanding the availability of quality, affordable health insurance by creating the conditions for associations to offer viable plans to their members. |
| **ASSOCIATION RETIREMENT PLANS** | • Submitted comments  
• Supported legislative efforts  
• Met with regulators | • DOL is currently reviewing public comments on its proposed rule, which was issued in October 2018 | ABC backs expanding access to affordable retirement saving opportunities through ARPs and decreasing the barriers for ABC members to offer high-quality workplace savings plan options. |
| **ELECTRONIC INJURY REPORTING AND ANTI-RETALIATION**  
(Improve Tracking of Workplace Injuries and Illnesses) | • Filed Lawsuit  
• Submitted comments  
• Supported legislative efforts  
• Met with regulators  
• Worked with stakeholder coalition | • OSHA issued the final rule on May 12, 2016  
• A proposal to revise the final rule was issued in July 2018  
• On Oct. 11, 2018, OSHA issued a memo clarifying the anti-retaliation provisions in the 2016 rule  
• Lawsuit pending | ABC continues to promote healthy and safe work environments and is actively engaged with DOL on improving the workability of the 2016 final rule. |
| **JOINT EMPLOYER STANDARD** | • Submitted comments  
• Supported legislative efforts  
• Worked with stakeholder coalition | • The expanded definition of joint employer is in effect following NLRB’s 2015 decision in Browning-Ferris Industries  
• NLRB issued a proposal to restore the previous joint employer standard in September 2018 | ABC supports the NLRB’s 2018 proposed rule and other legal and legislative efforts to restore the joint employer standard that was in place for more than 30 years prior to the NLRB’s decision in BFI, bringing stability back into the economy for contractors and subcontractors across the country. |
| **OVERTIME** | • Filed lawsuit  
• Submitted comments  
• Supported legislative efforts  
• Met with regulators  
• Worked with stakeholder coalition  
• Spoke at DOL listening session | • DOL’s 2016 final rule was blocked by permanent injunction  
• DOL issued a request for information on the final rule in July 2017  
• DOL plans to issue a proposed rule in March 2019  
• Lawsuit pending | ABC is pleased DOL is moving forward with a revised proposal in 2019 and hopes it will restore workplace flexibility for employers and employees alike. |
| **RESPIRABLE CRYSSTALLINE SILICA** | • Filed lawsuit  
• Submitted comments  
• Supported legislative efforts  
• Met with regulators  
• Worked with stakeholder coalition | • Effective Oct. 23, 2017, OSHA is fully enforcing all appropriate provisions of the Silica in Construction Standard  
• OSHA issued 53 FAQs to provide guidance to employers  
• OSHA plans to issue a request for information seeking feedback on potential revisions to Table 1 | ABC is committed to promoting healthy and safe construction job sites and continues to work with OSHA to make the silica rule more workable for the construction industry. |
| **WATERS OF THE UNITED STATES** | • Submitted comments  
• Supported legislative efforts  
• Met with regulators  
• Worked with stakeholder coalition  
• Spoke at EPA listening session | • The 2015 EPA WOTUS final rule is in effect in states not covered by court injunctions  
• A proposal to repeal the 2015 final rule has been issued  
• EPA and the Army Corps of Engineers proposed a new definition of WOTUS in December 2018 | ABC supports the 2018 proposal to redefine WOTUS. ABC has long advocated for a definition of WOTUS that protects the nation’s waterways while providing clear regulations for business owners to follow. |
ABC and JLG Form Strategic Partnership to Advance Innovation in Construction

ABC strategic partners help members with tough challenges like risk and information management, benefits administration and skilled manpower strategies. As ABC’s newest strategic partner, pioneering access equipment manufacturer JLG Industries Inc. helps members solve industry challenges safely and productively with world-class education, training and equipment solutions. 

[abc.org/strategicpartners]

Members Saved More Than $34 Million With ABC Discount Programs

Six new programs were launched in 2018: Nissan, Lowe’s, Hotel Engine, Travelers Haven, Rugged Depot and Source Inc. 

[abc.org/discounts]

Productivity Tool Ready to Be Tested in 2019

In 2018, ABC completed development of its Productivity Assessment Framework, which will be piloted in 2019. Similar to STEP, the assessment is a benchmarking tool that will provide members with a roadmap to world-class productivity.

Economic Outlook: Momentum Persists, But Stay Vigilant

ABC’s exclusive economic indicators and analysis by Chief Economist Anirban Basu help members understand the market and plan strategies for growth. 

[abc.org/economics]

ECONOMIC INDICATORS: YEAR-OVER-YEAR PROGRESS

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>VALUE</th>
<th>% CHANGE</th>
<th>YOY TREND</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonresidential Construction Spending</td>
<td>$763.8 billion</td>
<td>7.3%</td>
<td>▲</td>
</tr>
<tr>
<td>Construction Employment</td>
<td>7.312 million jobs</td>
<td>4%</td>
<td>▲</td>
</tr>
<tr>
<td>Construction Input Prices (PPI)</td>
<td>232 (Index Value)</td>
<td>5.3%</td>
<td>▲</td>
</tr>
<tr>
<td>Construction Backlog Indicator</td>
<td>9 months</td>
<td>-4.3%</td>
<td>▼</td>
</tr>
</tbody>
</table>

Data released through December 2018

99 Percent of ABC Insurance Trust Clients Renew Their ABC Membership

The ABC Insurance Trust is the leading group benefits purchasing resource for ABC members, offering an array of employee benefits packages and health insurance products. In 2018, the trustees extended the rate guarantee on the ABC dental plan until January 2022 and negotiated an exclusive member discount on an Aetna health insurance program now available in 34 states. 

[ABCInsuranceTrust.org]

Construction Executive Magazine Launches New Website

The new, award-winning ConstructionExec.com logs 50,000 user sessions a month. A new newsletter, CE This Week, delivers customized updates from the magazine for the business of construction. 

[ConstructionExec.com]
If there is one thing this industry needs less of, it’s complexity. That’s why our Office / Team / Field solutions are built from the ground up as a complete, integrated platform. Rather than software add-ons that communicate poorly, we provide smooth workflows and centralized information for complete visibility and control. It’s time to simplify your solution.

Visit us at VIEWPOINT.com
ABC Members Build America: $11.7 Billion in Award-winning Projects
From military combat training facilities and boutique hotels to luxury senior living complexes and swing bridges, each year ABC recognizes the best merit shop construction projects at the Excellence in Construction® awards. In 2018, nearly 100 projects were selected for national honors based on complexity, attractiveness, unique challenges, completion time, workmanship, innovation, safety and cost.

abc.org/eic

ABC Members Are #ABCMeritShopProud
ABC, its chapters and members have posted more than 20,000 stories with the #ABCMeritShopProud hashtag, sharing the projects, events, awards and success stories of the ABC community.

ABCMeritShopProud.org

Members Give Back to Communities
Callahan Construction Managers, Bridgewater, Massachusetts, provides job shadowing for career and technical education students at a local high school. “We give them real-world experience by applying class lessons to actual day-to-day jobsite activities,” said Phil Dinan, business development and community relations manager.

Hundreds of volunteers from ABC Metro Washington partnered with Rebuilding Together and contractors from Shapiro & Duncan for “She Builds,” which highlights female builders and the challenges some women-led households face. The volunteers repaired a women’s shelter and two homes in Maryland.

constructionexec.com/community

From award-winning projects to community service, ABC members build America.
Every crew has a specialist chosen for specific skills. Choosing the right equipment is no different. JLG delivers the booms, scissors, telehandlers, low-level access and training solutions you need to boost productivity and improve job site safety. And with a comprehensive portfolio of aftermarket services, JLG is committed to supporting your machine after the sale.

When you choose JLG by name, it shows you won’t settle for anything less than the best for your crew.

To learn more about JLG products and services or to enter our Choose Your Crew Sweepstakes, please visit chooseJLG.com today.
With steady economic expansion and a more challenging political environment post-election, it’s more important than ever for ABC to help members develop people, win work and deliver that work safely, ethically and profitably for the betterment of the communities where we live and work.

I look forward to leading ABC in 2019 as we focus on four strategic goals to fulfill the promise of our value proposition.

- Increase the value of STEP to grow participation and make ABC members the benchmark for safety in construction.
- Pass merit shop priorities in statehouses and Congress through increased member political engagement and advocacy campaigns.
- Expand work-based learning, continuing education and re-skilling programs to enhance opportunities for 500,000 construction professionals in the next five years.
- Strengthen the ABC brand to continue growing membership and market share.

Together, we are building America.