Trump's One Big Beautiful Bill Delivers Wins for Pipeline Industry

Congress has escaped Washington for August recess, and Republican lawmakers are busy persuading voters back home that its cheekily named One Big Beautiful Bill, also known as the budget reconciliation, will deliver wins for their pocketbooks and the American economy.

After months of congressional deliberation and White House arm-twisting and intervention, the One Big Beautiful Bill Act (OBBBA) (H.R. 1) that President Trump signed into law on July 4, extends key 2017 Trump tax cuts and makes additional tax, workforce development, and energy policy changes of interest to APCA member companies, their employees, and industry stakeholders.

"The important tax and workforce development policies in the One Big Beautiful Bill will benefit American workers and businesses," said APCA President Kevin LaBauve, Senior Vice President of WHC Energy Services of Broussard, La., in an APCA statement on the OBBBA signing.

Fair Tax Treatment

The OBBBA delivers tax certainty and parity for large and small pipeline contractors and related businesses that will result in additional capital investment in materials, equipment, workers, and construction projects.

"The entire pipeline industry is particularly heartened to see improvements to the tax code, including restoration of 100 percent bonus depreciation on capital investments, extension of the research & development tax credit, permanent status of the small business deduction, and the elimination of taxes on overtime wages for hard-working Americans like the men and women in the pipeline industry," LaBauve said.

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Workforce Development

The OBBBA includes provisions allowing investment in the pipeline industry's workforce by expanding much-needed access to educational Pell grants to students enrolled in short-term accredited programs aimed at upskilling the workforce and attracting new entrance into the skilled trades.

In addition, the OBBBA allows 529 savings plan owners to make tax-free withdrawals for a broader population of workforce, on-the-job training, and continuing education programs and expenses. This includes tuition, miscellaneous fees, books, exam costs, and supplies for programs listed under the Workforce Innovation and Opportunity Act.

"Making career and technical education programs and apprenticeships eligible for 529 savings plans will help grow enrollment and increase completion of these plans," LaBauve said. "Developing the talent of a new generation of pipeline workers is vital to building and growing America's 21st Century energy infrastructure."

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Energy Tax Credit Changes Favorable to Pipeline Contractors

Significant changes to energy tax credits in the OBBBA are likely to result in increased construction of natural gas, hydrogen, and other pipeline-heavy forms of energy production. The OBBBA ended the electric vehicle and solar-heavy home clean energy tax credits and rapidly phases out wind and solar tax credits for project developers. Furthermore, tax credits for new nuclear, geothermal, and battery storage projects will phase out after 2033 and fully end by 2036.

With White House policy and communications teams emphasizing the need for reliable energy grids—a knock against inconsistent wind and solar production—to meet new demands from growing domestic manufacturing and AI infrastructure projects, pipeline contractors are well-positioned for growth.

What's Next

As GOP lawmakers and the White House sell the economic benefits of the OBBBA to constituents over August recess, Democrat lawmakers are home highlighting its cuts to Medicaid, Medicare, and Obamacare by more than $1 trillion over the next ten years, as well as new work requirements for Medicaid and SNAP eligibility.

Some Republicans will be taking intraparty arrows from budget hawks because the OBBBA raises the debt ceiling by $5 trillion, and the Congressional Budget Office estimates that it raises the federal deficit $3.4 trillion by 2034.

In addition, cuts to clean energy tax credits are likely to stop and delay construction of new clean energy projects, putting some Republicans in a difficult position with job creators and blue-collar voters back home.

OBBBA negotiations sucked up a significant amount of time and energy from the congressional appropriations process, which has stymied Congress from passing all 12 funding bills in regular order by August recess, despite promises to the contrary made by House and Senate leadership. When Congress returns to Washington in September, they face a September 30 government shutdown unless they pass all appropriations bills, a short or longer-term continuing resolution (CR), or a combination of these options through a cromnibus or minibus spending bill. In March, Congress agreed to a CR through the end of the fiscal year, but a deal may be more difficult to hammer out this time given the political climate in Washington.

The stakes for the forthcoming government funding showdown will be high as campaign season for the 2026 midterm election is around the corner. Mid-term elections traditionally have not been kind to the party occupying the White House. Expect Democrats to come back from recess energized and prepared to obstruct Trump administration nominees and any potential GOP legislative policy wins as they hammer constituents with negative messages about the OBBBA.

Permitting Reform Gains Momentum

The Trump administration continues to advance NEPA and permitting reforms through executive and regulatory actions, as Katherine Scarlett and David LaCerte, key nominees at the Council on Environmental Quality and the Federal Energy Regulatory Commission, await a full Senate confirmation, respectively.

To date, Congress held committee hearings touching on the cumbersome permitting process, signaling a bipartisan interest in permit reform. The House teed up a floor vote on the APCA-supported PERMIT Act (H.R. 3898), which would streamline permitting under the Clean Water Act, a tool often used to obstruct projects needed to build and improve water, energy, and other infrastructure. Unfortunately, a floor vote on this bill was postponed when Speaker Mike Johnson (R-La.) announced that Congress would be breaking for recess early in the face of mounting legislative maneuvering and pressure to fully disclose files related to the Epstein saga.

Pipeline Safety

Both the House and Senate recently held hearings on pipeline safety and PHMSA reauthorization, as PHMSA head nominee Paul Roberti awaits a full Senate confirmation vote.

The Common Ground Alliance's Damage Prevention Action Center, which APCA is a member of, continues to advocate for Congress to pass strong third-party damage prevention language contained in Section 18 of the PIPES ACT of 2023 (H.R. 6494), voted out of the House Transportation and Infrastructure Committee in 2024. DPAC's government affairs committee, co-chaired by APCA's Ben Brubeck and Google Fiber's Ariane Schaffer, are leading industry collaboration on this critical federal and state safety policy, working closely with 811 centers, utilities, and contractor stakeholders in the coalition.

Busy on the Labor Front

On July 17, the White House nominated Scott Mayer, chief labor counsel at the Boeing Corporation, and James Murphy, a former career official with the National Labor Relations Board (NLRB), to serve as members on the NLRB, which currently has three of its five board seats vacant following President Trump's unprecedented firing of Democrat-appointee Gwynne Wilcox. These nominees would fill two seats as the courts make a final determination about whether Wilcox's firing was lawful. Of note, the term of the lone Republican-appointed member and now NLRB Chair Marvin Kaplan expires on August 27. As a result, even if Mayer and Murphy are confirmed, there will likely be at least two vacancies (Kaplan and Wilcox) that the Trump administration must address swiftly in order to have an effective NLRB.

Unfortunately, those two nominees and President Trump's NLRB General Counsel nominee Crystal Carey face a perilous confirmation process as some Republican Senators, led by Senator Josh Hawley (R-Mo.), have signaled that they will join Democrat Senators in blocking these nominees from advancing out of the Senate Health, Education, Labor and Pensions committee. It is the latest effort by Hawley to curry favor with labor unions that has frustrated the business community. Earlier this year, he released a pro-labor framework and legislation dealing with labor contracts that he hopes will attract more union membership and leadership support for the Republican Party.

The House Education and Workforce Committee passed APCA-supported bills clarifying independent contractor and joint employer provisions that are often confusing and unworkable for businesses and employees alike. Of note, Biden-era NLRB and DOL regulations related to both issues remain paused after successful industry-led litigation. The regulated community anticipates further regulatory and legal action from the NLRB and Trump DOL, as it is unlikely the Senate will take up these bills.

APCA continues to advocate against anti-competitive and costly government-mandated project labor agreements (PLAs) on federal and federally assisted construction projects.

A controversial June 12 White House Office of Management and Budget memo (M-25-29) indicates the Trump administration will continue former President Biden's controversial policy mandating PLAs on federal construction projects valued at $35 million or more, roiling construction industry stakeholders and pro-free enterprise lawmakers. Despite the OMB's new PLA exception language exempting projects from PLA mandates if federal agencies determine that a PLA mandate will increase costs by 10 percent or more, it is very concerning that the Trump administration's default posture is pro-PLA.

In a July 17 letter, APCA leadership expressed appreciation to Senators Katie Britt (R-Ala.) and Bill Cassidy (R-La.) and Representative Clay Higgins (R-La.) for spearheading letters to President Trump, signed by almost 120 U.S. House and Senate lawmakers in opposition to the continuation of Biden's pro-PLA policy. The APCA letter stated:

"America's economy and energy dominance cannot be successful without contributions from all qualified pipeline contractors and their skilled employees, regardless of whether they choose to affiliate with unions as a condition of building taxpayer-funded construction projects.

"APCA is concerned that without strong opposition to anti-competitive and inflationary government-mandated PLAs from leaders like you and our industry stakeholders, the Trump administration and other policymakers may attempt to expand a pro-PLA posture to federally assisted projects and energy and pipeline construction projects. This would undermine positive steps by the Trump administration taken earlier this year eliminating Biden policies pushing government-mandated PLAs on federally assisted projects via federal agency government grant programs.

"For these reasons, APCA supports the Fair and Open Competition Act (H.R. 2126/S.1064), introduced by Rep. Higgins and Sen. Todd Young, R-Ind., that would prohibit controversial government PLA mandates and preferences on federal and federally assisted projects."

APCA members received a grassroots alert through Muster to take action and write the White House in support of a new fair and open competition policy. Litigation surrounding the Biden policy has not been resolved and may be further complicated by the Trump memo.

Please continue to stay engaged politically through grassroots communications and sustained outreach to elected officials during August recess and into the fall. APCA's government affairs team looks forward to representing your interests before Congress and the Trump administration and welcomes feedback on industry priorities, as always.