

**A DISCUSSION
AROUND THE
IMPACTS OF
ARIZONA
GOVERNMENT ON
THE
CONSTRUCTION
INDUSTRY**



Overview

- A discussion of the 2024 Election and some of the impacts anticipated at the time
- Some of the impacts we are currently experiencing
- Key takeaways

ARIZONA LEGISLATIVE RESULTS



□ STATE SENATE

- 17 Republicans and 13 Democrats
- The Republicans gained one seat in this election

□ STATE HOUSE

- 33 Republicans and 27 Democrats
- The Republicans gained two seats in this election

FEDERAL ELECTION



□ US SENATE

- 53 Republicans and 47 Democrats
- The Republicans gained four seats in this election

□ US HOUSE

- 220 Republicans and 215 Democrats
- The Democrats gained one seat



POTENTIAL IMPACT?

INVESTMENT IN INFRASTRUCTURE



- *Focus on traditional forms of infrastructure versus alternative energy – “Energy Dominance”*
- *IIJA and IRA Potential clawbacks*
- *Potential defunding*
- *In Arizona, Prop 479 and 486*

DIVERSITY AND EMPLOYMENT FOCUSED REGULATIONS

Limitations on DEI initiatives. There is speculation around subpoenas to the private sector.

Revisions to the DOT's DBE program.

However, expect a growing trend around private legal actions.

ADDITIONAL REGULATORY CHANGES

- Changes tied to OSHA site visits.
- Shift from federal to state regulation and monitoring of expansion of artificial intelligence.
- Deregulation within the EPA



2025 IN ARIZONA POLITICS



EXAMPLES OF ITEMS WE SAW DURING THE SESSION



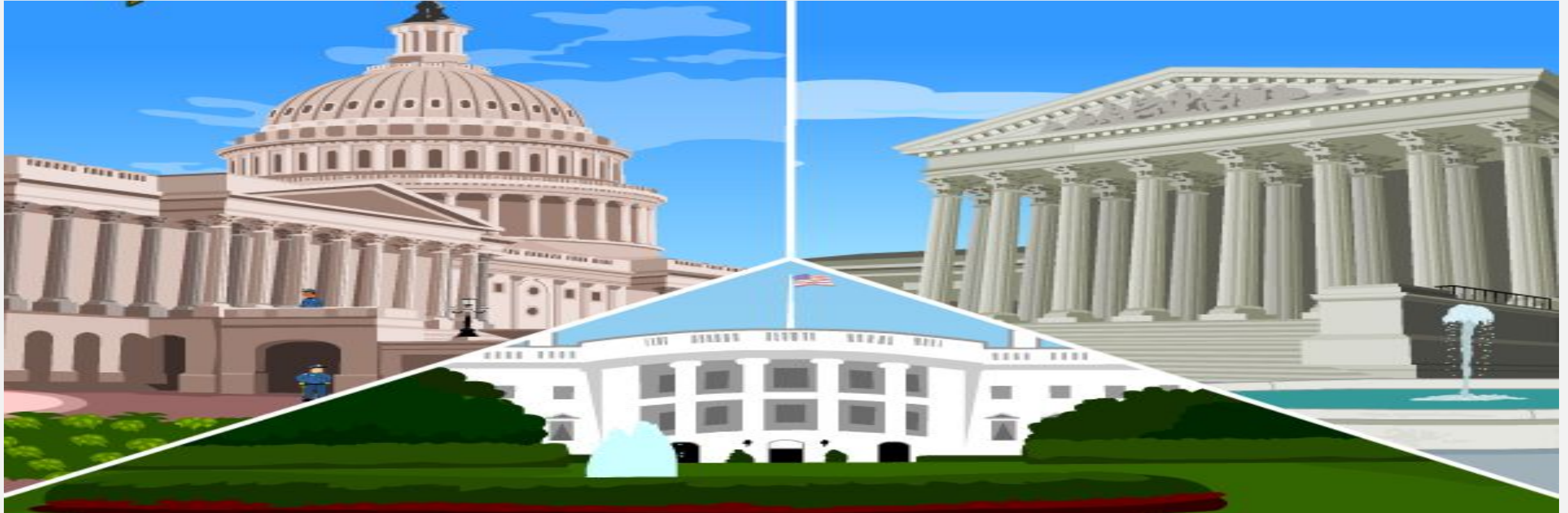
- ✓ Effort to deregulate commercial contractors' licenses
- ✓ Sb 1543 (the "Axon Bill")
- ✓ Efforts by unions to incorporate PLAs into the passage of bills funding projects
- ✓ Kickoff of the 2026 race for Governor

FY26 BUDGET



- ✓ Tourism funding
- ✓ Funding for the Arizona Commerce Authority
- ✓ Workforce development funding
- ✓ Funding for the SR 24 and SR 347

2025 IN U.S. POLITICS



TARIFFS AND TRADE DEALS



- ✓ The current state
- ✓ How does one anticipate impacts?

ICE ENFORCEMENT ACTIONS

- ✓ Construction sites in Florida, Texas and Louisiana
- ✓ Protests in California
- ✓ Arizona?



WHAT ARE SOME KEY TAKEAWAYS?

- The importance of staying on top of Governmental actions, while being able to differentiate soundbites versus actual government action.
- What is true today may not be true tomorrow.
- Working as a team and sharing what we are seeing as there is a lot to stay on top of.
- The importance of trade associations

