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### ACPPA Says Farewell to Lawhun

On Jan. 1, Rick Lawhun, who has served as ACPPA's president and CEO since 2007, will leave the association to head to the North American Equipment Dealers Association. *Actionline* caught up with Rick during this busy transition period to talk about his time at ACPPA and what's in store for the future.



**Actionline:** What are your proudest accomplishments during your time at ACPPA?

**Lawhun:** I am extremely proud of everything we accomplished during my six years with ACPPA. We took a relatively small association and raised its visibility and effectiveness in a variety of ways. Perhaps, I am most proud of two particular accomplishments:

Rebranding – A few years ago, we undertook a major effort to create a new brand for the association. With the help of our marketing firm, Red Thinking, we developed a new logo, tagline, website, marketing material and other collateral. Essentially, every aspect of the association was given an updated, consistent look that reflects a vibrant, healthy organization. The brand made a significant impact on our ability to raise the visibility of the organization.

Bylaws – In October 2011, we revised the bylaws to allow for international members. This was something the association had been contemplating (without success) for several years before my arrival. The development of an application process, dues structure, benefits program, and governance model took nearly two years to create, and the board enthusiastically endorsed the changes. Thanks to these changes, we recently added our first international member, Amiantit Concrete Products from Muscat, Oman.

**Actionline:** What advice do you have for your successor?

**Lawhun:** Be consistent, honest, and most of all patient. Significant changes take a lot of time and effort, so don't be afraid to roll up your shirtsleeves and do whatever it takes to get the job done.

**Actionline:** What do ACPPA members have to do to ensure the success of the organization over the next decade?

**Lawhun:** I am very confident about the future of the organization. Right now, ACPPA is as healthy and active as it has ever been. Over the past few years, we've identified strategic initiatives and developed a framework for ensuring the continued success of the organization. As long ACPPA members maintain the same level of participation and focus on the initiatives, the organization will continue to prosper.

**Actionline:** Tell us a bit about your new position and role?

**Lawhun:** I accepted an offer to be the next president and CEO of the North American Equipment Dealers Association (NAEDA) in St. Louis, Mo. It's an exciting opportunity to work with a broad membership of U.S. and Canadian dealers who serve the agricultural industry as well as the construction and outdoor power equipment industries. Much like ACPPA, the organization is seeking to increase its visibility and better serve its members. I'm looking forward to working with the members, board of direction, and staff in leading NAEDA into a promising future.

**Actionline:** What are you going to miss most about your time at ACPPA?

**Lawhun:** Without a doubt, it will be the people. I've developed some wonderful relationships with members, industry colleagues, and professional staff. Hopefully, our paths will continue to cross from time-to-time.

*ACPPA would like to thank Rick Lawhun for taking the time to share his insights and for his service to the concrete pressure pipe industry. The association wishes him the best in his new endeavor.*

## **Canadian Chamber Releases Infrastructure Report**

Infrastructure advocates in Canada have a new tool to help make the case for critical government investment in roads, bridges, water systems, sewers, and airports thanks to the Canadian Chamber of Commerce (CCC).

On Dec. 18, the CCC released its report titled "[The Foundations of a Competitive Canada: The Need for Strategic Infrastructure Investment](#)" examining the poor state of Canadian public infrastructure and recommending a long-term investment strategy to bring Canada's infrastructure back to the level needed to support economic growth and job creation.

Among other things, the report highlights the linkage between increased productivity and infrastructure investment, noting the critical economic importance of well-maintained transportation networks. The study recommends sustained, consistent, transparent, and reliable investment in strategic infrastructure by all levels of government; examining the viability of user fees and other innovative funding models; cost sharing by higher levels of government in municipal capital programs; and increasing public-private partnership in urban centers across Canada.

ACPPA is a member of the Canadian Chamber. ACPPA Counsel Christian Klein is a member of the Chamber's transportation committee and provided input throughout the report's development process.

## **Use 'Em While You Can: Depreciation Bonus, Increased Sec. 179 Levels Set to Expire at Year's End**

The clock is ticking for companies to take advantage of the temporary capital investment incentives Congress enacted during the Great Recession. These stimulus measures provide big tax write-offs for companies that buy new capital equipment in 2013.

Fifty percent bonus depreciation is set to expire at midnight on Dec. 31. At that time, Sec. 179 expensing and phase-out levels will also fall from \$500,000 and \$2 million respectively to \$25,000 and \$200,000.

Since Sec. 179 is a permanent part of the tax code and has bipartisan support on the Hill, it's possible that Congress may reinstate higher expensing levels in 2014. However, depreciation bonus is a temporary economic stimulus measure, so it's a good bet lawmakers will choose to put the medicine back in the cabinet for the next time the economy slows.

Remember that to take advantage of depreciation bonus, you must buy the equipment and put it in service before the end of the year, so don't wait to act. More information is at <http://www.DepreciationBonus.org>.

## **Legislation Would Raise Gas Tax, Study VMT User Fee**

On Dec. 3, Rep. Earl Blumenauer (D-Ore.) introduced two bills that would boost funding for the Highway Trust Fund (HTF), the nation's principal highway infrastructure funding mechanism, by increasing fossil fuel taxes and exploring a new vehicle-miles-traveled (VMT) user fee.

The Update, Promote, and Develop America's Transportation Essentials Act ([H.R. 3636](#)) would increase the federal gas tax by 15 cents per gallon over a three year period. The proposal nearly doubles the current fee of 18.4 cents per gallon, which hasn't been raised in 20 years, and indexes it to inflation to ensure the purchasing power of the HTF doesn't decrease over time.

Alternatively, the Road Usage Fee Pilot Program Act ([H.R. 3638](#)) would establish a competitive grant program to fund studies looking at the feasibility of implementing a national VMT initiative largely based on a similar effort currently underway in Oregon. Among other things, the studies would examine the protection of personal privacy, the ease of public compliance, the potential for fraud, and the cost of implementation and enforcement. The bill would provide \$35 million up front to fund the pilot program and to publish its findings.

Rep. Blumenauer's proposals seek to address the impending insolvency of the HTF. ACPA has been raising the issue on Capitol Hill, citing a College of William & Mary [study](#) that determined continuing under the existing system would result in a \$365.5 billion deficit to the HTF by 2035.

Additionally, a July 23 Congressional Budget Office [report](#) indicated the HTF will be unable to support current highway or transit spending in FY 2015 if it is to remain solvent, jeopardizing more than \$50 billion in annual investment – the “year zero” scenario.

The association has long stressed the need to find alternative revenue streams to ensure the solvency of the federal highway program. ACPPA commends Rep. Blumenauer for his leadership and willingness to put politics aside to advance commonsense solutions to our nation's infrastructure funding crisis. Visit [ACPPA-action.org](http://ACPPA-action.org) to urge your lawmakers to make highway investment a priority today!

### **House, Senate Pass Bipartisan Budget Agreement**

On Dec. 12, the U.S. House of Representatives approved the [Bipartisan Budget Act of 2013](#) in strong bipartisan fashion, 332-94. The bill passed the Senate Dec. 18, preventing a new round of automatic spending cuts known as sequestration and avoiding a last-minute fight over funding priorities for the upcoming year.

Negotiated by Budget Committee Chairs Rep. Paul Ryan (R-Wis.) and Sen. Patty Murray (D-Wash.), the legislation sets spending at \$1.012 trillion for the current fiscal year (FY) and \$1.014 trillion next year, while preventing \$45 billion in automatic cuts and increasing discretionary spending through FY 2014. Over the next ten years, the Congressional Budget Office [estimates](#) the bill would reduce the federal deficit by \$85 billion largely through an extension of automatic cuts for two more years—2022 and 2023—beyond the period during which sequestration will apply under current law.

The agreement does nothing to address the impending funding crisis facing the Highway Trust Fund, which is on track to be insolvent by Sept. 30 if lawmakers don't increase the gas tax or identify alternative revenue streams (the "[Year Zero](#)" scenario). Year Zero puts \$50 billion in annual highway, bridge, and transit funding in jeopardy. Additionally, the legislation fails to lay out a path forward on comprehensive tax reform and doesn't raise the nation's debt ceiling, which will once again be a contentious issue on Capitol Hill early next year.

### **Senate Alters Filibuster Rules with Nuclear Option**

On Nov. 21, the U.S. Senate approved changes to longstanding filibuster rules following Democratic frustration with Republican efforts to block presidential nominees.

Senate Majority Leader Harry Reid (D-Nev.) proposed, and the Senate adopted, a change to the upper chamber's rules which require only 51 votes to stop debate (or end a filibuster) of executive and judicial nominations, as opposed to the normal 60 vote threshold typically needed to overcome a filibuster. Supreme Court nominees and legislation would still be subject to prior filibuster rules.

Dating back to 2005 when the Republicans held the Senate majority and George W. Bush occupied the White House, the "nuclear option" has been threatened by leadership in both parties to allow for a "simple up or down" vote on the president's judicial and executive nominations. While the filibuster had been reserved for judicial nominees viewed to be out of the mainstream by the minority party, in recent years Republicans set on preventing the Obama administration from implementing its regulatory agenda filibustered an increasing number of executive branch appointees.

The filibuster changes establish a precedent allowing lawmakers to do more with a simple majority in the Senate, likely creating more volatility over the next few years. To Americans frustrated with gridlock, limiting

the filibuster may sound positive, as elections should have consequences and the president has a constitutional right to make judicial and executive nominations. However, no matter where you stand today on the issue, you will probably be on the other side in a few years when Senate leadership changes hands or the GOP wins the White House.

Ultimately, these changes don't mean the death of American democracy; our system still contains robust checks and balances to limit executive overreach. But, it is likely the changes will create even greater friction in the Senate chamber, which used to be known for its comity and bipartisanship.

Stay tuned as ACPPA continues to monitor key developments.