



AMERICAN COUNCIL OF ENGINEERING COMPANIES

## A National Infrastructure Plan

### ISSUE

Investing in the nation's critical infrastructure has attracted strong, bipartisan support in Congress over the years. The President's support for infrastructure as a key piece of his agenda has created a unique opportunity in 2017 to pass legislation that will enhance the nation's transportation, water, energy, and communications infrastructure, while creating jobs and boosting competitiveness in the global marketplace. **ACEC urges Congress to enact a bold infrastructure package that includes (a) robust funding for core federal programs, (b) innovative financing mechanisms to promote Public-Private Partnerships (P3s), with provisions to encourage the use of U.S. engineering firms, and (c) responsible regulatory reforms to facilitate efficient project delivery.**

### BACKGROUND

Congress has supported a series of bipartisan infrastructure bills in recent years – including the FAST Act, WRRDA, and the WIIN Act – to reauthorize and expand federal programs and funding for the nation's transportation and water systems.

Despite these successes, our nation's infrastructure remains severely deficient and underfunded. According to the USDOT, improving the condition and performance of highways and bridges requires \$142 billion annually from all levels of government; we currently invest approximately \$105 billion. For public transit, current investment totals \$17 billion per year, while the cost of preservation and expansion needs is 50% higher. Airports have identified \$100 billion in capital needs over the next 5 years, while current funding sources only provide for half of that total.

For water and wastewater, the EPA and the Government Accountability Office (GAO) have documented over \$500 billion in funding shortfalls over the next 20 years.

Problems with inadequate funding are compounded by regulatory uncertainties which drive up costs and delay the safety, environmental, and economic benefits of investment. Congress has made progress in passing bipartisan reforms in recent years to streamline regulatory reviews for projects, but more can be done to advance responsible reforms to promote more efficient project delivery.

A more efficient and streamlined regulatory process will also be needed to facilitate new investments in energy infrastructure – such as pipelines and electricity transmission – estimated to be \$30 billion annually over the next 3 to 5 years. Reforms such as establishing a lead agency for permit reviews and expediting the permitting process will help to modernize the nation's energy system.

### KEY POINTS

- A national infrastructure plan should combine incentives to promote private investment, such as tax-preferred financing, with additional investments in core federal programs that support road, bridge, transit, airport, water and wastewater, and other critical needs throughout the country.
- Congress should promote the use of U.S. engineering firms on P3 projects, and additional direct funding should be allocated through existing programs to ensure effectiveness and efficiency.
- Congress must include a long-term, sustainable solution for the Highway Trust Fund, which will be depleted again in 2020. More than \$140 billion has been transferred into the HTF since 2008 because of the failure to address systemic funding shortfalls with real revenue solutions.
- Federal investments should be coupled with reforms to streamline reviews and permitting for infrastructure and energy projects.