

September 7, 2010

President Barack Obama
The White House
1600 Pennsylvania Ave. NW
Washington, DC 20500

Mr. President:

Your Labor Day announcement of a new \$50 billion transportation initiative recognizes the critical link between investing in infrastructure and economic recovery. On behalf of the more than 5,500 member firms of the American Council of Engineering Companies (ACEC) – the national association of America’s engineering industry – we want to commend you for taking this step, and urge you to work with Congress both on this initiative as well as the multi-year aviation, water and surface transportation bills already pending in the House and Senate.

Infrastructure investments have been shown to stimulate the economy more than any other fiscal measures. The Congressional Budget Office reports that the infrastructure investments from the Recovery Act had an estimated economic output multiplier of 1.0 - 2.5, significantly higher than other provisions.¹ Similarly, according to a recent report from the Conference Board of Canada assessing that country’s response to the recession, “Of all the fiscal stimulus measures, infrastructure spending has the largest impact on economic growth”, providing more “bang for the buck” than tax cuts or credits since “infrastructure projects add to economic output, lower business costs, reduce commute times, and bolster productivity.”²

In addition to the initiative you announced yesterday, the three very critical infrastructure measures pending before the House and Senate right now are:

- **Surface Transportation:** As you outlined on Labor Day, passage of a new multi-year surface transportation authorization will bolster job creation while reducing congestion, enhancing mobility and improving safety. A reauthorization of highway and rail programs will do more to foster economic growth than any other policy or bill that Congress could take up.
- **Aviation:** Aviation investment, a key component of your Labor Day speech, is an active part of the Congressional agenda and is now in final negotiations. The

¹ [*Estimated Impact of the American Recovery and Reinvestment Act on Employment and Economic Output from April 2010 Through June 2010*](#), Congressional Budget Office, August 2010.

² [*Executive Action: Lessons From the Recession and Financial Crisis*](#), The Conference Board of Canada, March 2010. The Conference Board of Canada is a preeminent non-profit, non-partisan applied research organization in Canada.

FAA Reauthorization bill (H.R. 915) will promote significant improvements to airports and air traffic control facilities across the country, supporting job creation and facilitating travel and shipping vital to economic productivity.

- **Water:** The Clean Water Act and Safe Drinking Water Act State Revolving Fund reauthorization bills (H.R. 1262/S. 1005) will support investments in critical water and wastewater infrastructure to preserve existing systems, support job creation and community development and protect the environment.

These initiatives represent the core of a very effective jobs and economic package that can be accomplished this year. It is also important to note that these bills are regular order reauthorizations of existing, successful programs.

Quite frankly, these are actions that need to be taken anyway, and failure to renew these programs contributes to the uncertainty and constriction in these markets. The current economic climate makes the legislation all the more timely.

Thank you for your leadership and consideration.

Sincerely,

David A. Raymond
President & CEO