



AMERICAN COUNCIL OF ENGINEERING COMPANIES

NEWS RELEASE

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Alan D. Crockett, 202-682-4301; acrockett@acec.org
Cell: 443-995-6364

ACEC Calls \$140 Billion Infrastructure Investment Essential For Economic Revival

WASHINGTON, D.C.—Congress should include infrastructure investment of up to \$140 billion in any economic stimulus legislation designed to revive America’s economy, ACEC President and CEO David A. Raymond told congressional leaders this week.

In a letter to House and Senate leadership, Raymond said: “An infrastructure-based economic stimulus package would spur immediate job creation and economic growth. At the same time, it would help create the critical infrastructure base needed for America to compete in the 21st century—an added benefit that an exclusively tax-based stimulus program can’t offer.”

Raymond emphasized that the impact of infrastructure investment would be immediate, as state departments of transportation have \$18 billion in approved projects that could be contracted within 30-90 days. Transit agencies have an additional \$3 billion in projects and public water utilities and sewer authorities have identified \$16 billion in ready-to-go drinking water and wastewater projects.

Studies show that each dollar invested in infrastructure generates \$1.80 of GDP in the near term. Each \$1 billion in infrastructure spending supports more than 34,000 jobs.

“Furthermore, infrastructure-based stimulus spending would help reduce the approximately \$120 billion annual gap between current highway and transit needs and available resources, as well as the \$20 billion annual gap between current water infrastructure investments and what is required,” Raymond said.

ACEC recommends infrastructure stimulus investment of at least \$30 billion (the sum included in House-approved H.R. 7110 – the Job Creation and Unemployment Relief Act) but up to \$140 billion (which reflects both the true infrastructure deficit and a realistic figure of what is required to jump start the economy).

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ACEC also encourages:

- Expansion of the Emergency Economic Stabilization Act, which will help states and municipalities access needed credit to fund infrastructure programs;
- Expansion of the Section 179 expensing and bonus depreciation, which would encourage contractors to purchase new equipment; and
- Repeal of the onerous and unfair 3 percent withholding on government contracts and payments, because it hampers job creation in small businesses, which employ most of America's workers.

(Click here http://www.acec.org/advocacy/pdf/econstim_ltr_111208.pdf for Raymond's letter)

The American Council of Engineering Companies (ACEC) is the oldest and largest business association of America's engineering industry, representing approximately 5,700 independent engineering companies throughout the United States engaged in the development of America's transportation, energy, environmental, industrial, and other public and private facilities. Founded in 1909 and headquartered in Washington, D.C., ACEC is a national federation of 51 state and regional organizations.