



Infrastructure Investment Will Help New York State Economy

The American Council of Engineering Companies of New York (ACEC New York), an organization representing over 270 engineering firms totaling more than 20,000 employees in New York State, supports robust investment in infrastructure across all sectors including transportation, energy and the environment. This will create jobs, reinforce New York's standing as the Empire State and global center of trade and finance, and improve the economic well-being of all New Yorkers.

New York's transportation infrastructure is in dire need of investment. 2,169 of its 17,420 bridges are considered "structurally deficient" while 4,718 bridges are "functionally obsolete." Additionally, 60% of New York's major roads are in poor or mediocre condition. In addition to commercial losses, crashes and traffic issues related to poor road conditions cost New Yorkers \$19.5 billion each year—more than \$1,000 per resident—in medical expenses, lost productivity, insurance and legal expenses. Funding and improving infrastructure not only makes New Yorkers safer and more productive, but it is the most direct way to improve the economy.

FHWA has estimated that for every billion spent on infrastructure, 27,000 jobs are created. More jobs will positively influence spin-off economies and related service and material suppliers throughout the state. For example, MTA goods and services are provided by small and medium-sized companies throughout all reaches of New York, and not just downstate. This investment will also result in new property tax, sales tax and income tax that will pay an immediate dividend. The additional reduction of unemployed people will reduce other state and local obligations, and the newly employed population will spend in excess of \$3 billion each year in consumer and related purchases. While improving the economy, this investment will provide necessary rehabilitation and improvements to our deteriorating infrastructure, the decline of which negatively impacts public health and impairs the ability of our nation to compete nationally and globally. Our transportation infrastructure has been challenged by Hurricanes Irene and Sandy, and while we have received federal support towards recovery, more state funding will be necessary in the future to support a robust and resilient transportation system.

The energy and environmental needs of New York cannot be overlooked. Increasingly severe weather has put a strain not only on New York's transportation infrastructure but on its water and sewer systems and its electrical grid. The Comptroller has estimated New York will need to invest nearly \$80 billion in its water and sewer systems over the next 20 years. This is a public health issues that cannot be ignored.

The changes in weather patterns affects all facets of environmental and energy infrastructure especially along the coastline. Oil and gas production, renewable energy resources and electrical transmission are all affected by severe weather. As New York seeks to improve and harden its infrastructure it must invest in fuel, modern electrical supply grid and energy/water efficient appliances, equipment and buildings. Innovative designs for every sector of infrastructure will make New Yorkers safer and enhance their quality of life.

While public funds must be invested to start the process, there are a series of other revenue sources that can offset initial costs. Congestion pricing, voluntary tolls for service lanes, usage related fees and public-private partnerships, all of which are already in use in the U.S., can generate billions of investment capital for infrastructure. Other user fees, such as when the beneficiary pays directly for the services, can also be implemented. Some income streams already exist, such as the Systems Benefit Charge and sales tax collected on motor fuel. Additionally, dedicated funding sources must not be used for funding needs that fall outside of the scope of the dedicated fun.

Increasingly, states are turning to solving their critical infrastructure needs within their own borders and without federal support. New York State needs to do the same. As an association representing the firms that design the infrastructure systems in New York State and throughout the world, we know that funding infrastructure is essential and that solutions will not be easy to find. Implementing solutions to raise the revenue necessary to fund our infrastructure needs will take political will, collaboration and commitment to the public good. We believe that through the examination, testing and implementation of new methods to raise revenue, the city, state and federal government can find solutions, maintain economic competitiveness and improve the quality of life for everyone in New York State.

Founded in 1921, the American Council of Engineering Companies of New York (ACEC New York) is the state's premier organization for consulting engineering firms, representing 280 companies and over 20,000 employees in New York. The organization's mission is to further the business interests of its members through advocacy, networking, education and business services. For more information, visit www.acecny.org.