Dear Chairman Boxer, Ranking Member Inhofe, Chairman Mica and Ranking Member Rahall:

On behalf of the American Council of Engineering Companies (ACEC) – the business association of the nation’s engineering industry – I urge you to finalize a conference report on the transportation authorization bill (H.R. 4348/S. 1813) before June 30, when the current extension expires. I am confident that you all recognize that the infrastructure investments and program reforms in this bill will reap huge economic dividends across the country and should be enacted as soon as possible.

As you work to reconcile the House and Senate bills, I urge you to adopt the Senate-passed funding levels for Fiscal Years 2012 and 2013. Transportation infrastructure is a key element to economic growth because it supports commerce, facilitates trade and puts people to work in sustainable jobs. By contrast, short-sighted underinvestment in our nation’s infrastructure will only exacerbate persistent problems of congested roads, deficient bridges and overburdened transit systems. The Senate bill affirms the need to at least maintain the FY 2011 funding levels plus a modest inflationary adjustment.

ACEC also endorses the expansion of innovative financing options for state and local governments to supplement their regular program apportionments. In particular, we support the increase in funding for the Transportation Infrastructure Financing and Innovation Act (TIFIA) from its current level to $1 billion annually. This additional investment through TIFIA, coupled
with broader financing terms and conditions, will leverage even more state and non-
governmental investment in transportation facilities, unleashing long-term infrastructure
improvements and job creation opportunities.

In a similar vein, we also support the inclusion of Section 40205 of the Senate bill to waive the
state volume cap on tax-exempt private activity bonds (PABs) for water and wastewater projects.
This simple provision would expand the ability of local governments to develop public-private
partnerships for water infrastructure projects, giving them and their equity partners greater
flexibility in using PABs to finance water and wastewater needs. With a PAB-financed project,
the private equity partner, not the local government, assumes the financial risk of the bonds that
are sold for the project. Section 40205, which is based on House and Senate legislation that have
strong, bipartisan support, will enable communities to raise an estimated $5 billion per year in
bond financing to support critical water needs.

The engineering industry is heartened by the program reforms included in both H.R. 4348 and S.
1813 that will facilitate more efficient project delivery, reduce costs and bring project benefits to
the public faster. In particular, ACEC strongly supports integrated planning and environmental
reviews, accelerated project delivery decisions, authorization for pre-NEPA design activities and
property acquisition, and the expansion of categorical exclusions. We also support the
consolidation of numerous federal highway programs, which will enhance state flexibility while
focusing on core national needs.

Finally, I encourage you to include a provision in the conference report to promote a greater
utilization of the nation’s engineering firms by state and local transportation agencies. Engaging
the private sector allows agencies to meet fluctuating workloads, demanding time schedules and
varied technical needs in an efficient and cost-effective manner without unnecessarily bloating
government offices.

We know you share our urgency to enact a final long-term transportation bill, as failure to pass a
bill will only subject our national transportation programs to further uncertainty and financial
instability. As such, we urge all conference committee members to negotiate in earnest toward
enactment of a robust reform bill before the current program extension expires.

Sincerely,

[Signature]

David A. Raymond
President & CEO

cc: Members of the House-Senate Conference Committee