

# INFRASTRUCTURE INVESTMENT

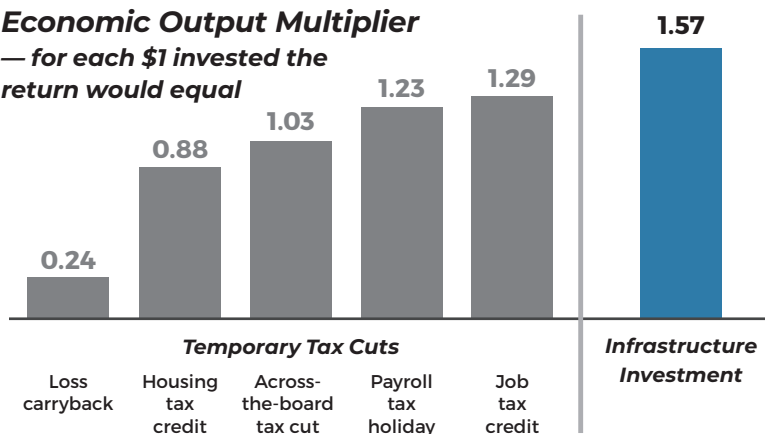
Federal Investment would restart green-lighted projects immediately — fueling our economic recovery and putting America back to work.

## Best Action for Congress to Take

- Thousands of high priority green-lighted projects would be put back on-line immediately, employing millions of Americans across the country.
- GDP would increase by \$3.15 trillion and over 21 million jobs would be created with a \$2.1 trillion investment, according to the Economic Policy Institute study.<sup>1</sup>
- The U.S. is 30 years behind on its infrastructure, getting a grade of D+ from Civil Engineers.<sup>2,5</sup>
- Strong bi-partisan and stakeholder consensus that vital needs exist and action must be taken.

The short and long-term impacts are enormous.

### Economic Output Multiplier — for each \$1 invested the return would equal



<https://www.epi.org/publication/the-potential-macroeconomic-benefits-from-increasing-infrastructure-investment/>

## What \$2.1 Trillion in Infrastructure Could Mean for the U.S. Economy



### A Bigger Pie

\$5.7 trillion more in U.S. economic activity, 10 times recession losses



### Faster Rebound

GDP back to pre-crisis levels in four quarters, not seven



### Big Investment Return

For each dollar spent, the return is \$2.70



### Lift Off

Productivity up an extra 0.3% per year with an average potential growth to 2.2% from 1.7%



### People at Work

2.3 million jobs added by 2024



### Economic Rise

Economy creates 713,000 more jobs by 2029



### Bigger Paychecks

Average wages up 35 basis points per year



### Income rises

Personal income grows \$2,400 by 2029



### Money to Spend

Households spend \$3.5 trillion more over 10 years

COVID-19 has caused thousands of green-lighted state and local projects to be shelved or postponed indefinitely. Infrastructure investment can get these critical projects back on track.

## PRE-COVID-19

### Trillions Needed to Maintain Current Infrastructure

- U.S. infrastructure investment needs are estimated at **\$4.7 Trillion+** to keep pace with current GDP, according to the OECD and WEF.<sup>2</sup>
- In 2017, the American Society of Civil Engineers rated America's infrastructure as a D+ and anticipated a **\$3.9 trillion loss in GDP by 2025** due to the lack of funding.<sup>3</sup>

## POST-COVID-19

### Infrastructure Crisis: High-Priority Green-Lighted Projects Can Start Immediately Creating Jobs

- There are a significant decrease in state motor fuel tax and toll receipts as vehicle traffic **declined by 50% in most of the country**.<sup>6</sup>
- Most states will face an estimated 30% decline in transportation revenue during the next 18 months, with some **as high as 45%**.<sup>4</sup>
- Rural and urban departments of transportation are severely impacted and need assistance to get projects moving again.

### Job Loss and Economic Impact:

#### GDP and Construction Sector Jobs Hit Hard

- The **construction industry lost 975,000 jobs in April**, the worst one-month decline in history, according to the Associated General Contractor's survey.<sup>5</sup>
- 67% of firms report having a project canceled or delayed since the start of the outbreak.

**Federal action is needed to get stalled and canceled infrastructure projects back on track.**

**We could add \$5.7 trillion to the U.S. economy in the next decade and create over 2.3 million jobs by 2024 with a \$2.1 trillion investment in public infrastructure over a 10-year period.<sup>6</sup>**

## ADDITIONAL SOURCES

- <sup>1</sup> <https://www.epi.org/publication/the-potential-macroeconomic-benefits-from-increasing-infrastructure-investment/>
- <sup>2</sup> <https://www.weforum.org/agenda/2020/03/covid-19-recession-us-infrastructure-solution/>
- <sup>3</sup> <http://www.infrastructurereportcard.org>
- <sup>4</sup> <https://policy.transportation.org/wp-content/uploads/sites/59/2020/04/2020-04-06-AASHTO-Letter-to-Congress-on-COVID-19-Phase-4-FINAL.pdf>
- <sup>5</sup> <https://www.agc.org/news/2020/05/22/construction-employment-shrinks-49-states-and-dc-april-new-association-survey-finds>
- <sup>6</sup> <https://www.spglobal.com/en/research-insights/featured/infrastructure-productivity-boost-coronavirus>

