

The logo for the American Council of Engineering Companies (ACEC) features the acronym "ACEC" in a large, white, serif font. Above the letters is a thin, curved line that arches over the top of the text.

AMERICAN COUNCIL OF ENGINEERING COMPANIES

Federal Issues Briefing
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New Jobs Program

- **Congress, Administration developing new jobs initiative in response to continued high unemployment numbers (10%).**
- **Package to include new investments in transportation and water infrastructure, aid to states, small businesses, and other components.**
- **ACEC pushing for spending on major projects.**
- **Funding to come through unused funds from the Troubled Asset Relief Program (TARP), possibly redirect stimulus funds from ARRA.**
- **House, Senate action possible this month.**

New Surface Transportation Program

- **Passage of a six-year program essential part of ACEC's recovery agenda; SAFETEA LU expired on September 30, 2009.**
- **House and Senate negotiating possible three or six month extension into 2010.**
- **Revenue is the major issue; boosting the gas tax not politically viable.**
- **Plan offered by Reps. David Obey (D-WI) and Jim Oberstar (D-MN) would use TARP or stimulus funds to fund first two years – over \$100 billion.**
- **Remaining four years funded by Highway Trust Fund.**

Looking Ahead – Policy Changes

- **Original Oberstar bill introduced in June proposed \$500 billion over six years: Highways (\$337.4 billion), Transit (\$98.8 billion), Safety (\$12.6 billion), High Speed Rail (\$50 billion non-HTF authorization).**
- **Significant program consolidation, with emphasis on asset preservation, multimodal projects and funds to metro areas.**
- **Numerous program reforms: new performance standards, accountability measures, climate change considerations in planning and design.**

AASHTO's Uniform Audit and Accounting Guide

- **Blueprint for State DOTs to follow in how they compensate and audit A/E firms.**
- **ACEC worked with AASHTO, FHWA to improve audit consistency, recognition of a single cognizant audit, and compliance with the FAR.**
- **Update driven by legislative mandates, GAO report, and the US DOT Office of the Inspector General Audit.**
- **AASHTO approved in October; FHWA to follow with rulemaking in 2010 to enforce changes.**
- **ACEC education effort underway.**

Water Infrastructure

- Expanded water program part of ACEC's recovery agenda going forward.
- House passed HR 1262 – authorizes \$13.8 billion for the Clean Water Act SRF program, eases program requirements for communities, requires QBS for SRF projects.
- Senate committee passed \$38.5 billion water bill (S. 3500) – \$20 billion for wastewater, \$15 billion for drinking water, \$3 billion-plus for CSOs, QBS for communities over 10,000.
- ACEC also supporting HR 537 to lift the private activity bond cap for water projects.

FAA Reauthorization

- **Airport construction bill a part of the ACEC stimulus agenda.**
- **Vision 100 (AIR-21) expired in 2007; FAA operating under an extension through December 31, 2009.**
- **ACEC Priorities in the FAA Bill include boosting funding for the Airport Improvement Program (AIP), expanding the Passenger Facility Charge (PFC) program, applying QBS to PFC-funded projects.**
- **House-passed bill (HR 915) includes PFC and AIP increases, language to apply QBS to “air side” facilities.**

Energy/Climate Change

- ACEC seeking improvements in House and Senate climate change bills (HR 2454 and S 1733).
- Both create “cap and trade” systems to limit emissions, sell emission allowances; ACEC seeking revenues for infrastructure investments.
- Both likely to include renewable electricity standard – ACEC seeking broad definition.
- Senators John Kerry (D-MA), Lindsey Graham (R-SC) compromise: cap and trade with incentives for nuclear facilities, off-shore gas and oil production.
- EPA regulation of greenhouse gas emissions?

Health Care Reform

- Employer, individual mandates; insurance “exchange” with public option or alternative (expansion of Medicare, access to federal employee health plans among options).
- Paid for by cuts in Medicare/Medicaid; taxes on high income individuals/families, “Cadillac” plans.
- ACEC supports cooperatives or group purchasing (Life/Health Trust model), allowing firms to obtain health insurance products across state lines.
- ACEC backs liability reform; \$54 billion in savings.
- Information: www.acec.org.

ACEC's "Private Client" Agenda

Enhance the private market through legislation and regulatory reforms:

- Extension of the \$8,000 homebuyer tax credit;
- Wetlands – S 787, Senator Russ Feingold (D-WI), Rep. Jim Oberstar (D-MN), significantly expands federal jurisdiction.
- Water Infrastructure – SRF, bonding capacity;
- Tax incentives for building improvements, environmental remediation, research and development.

Additional Challenges

- **Contracting out – the Filner bill (HR 2105).**
- **3% withholding mandate repeal (HR 275/S 292).**
- **Tax code changes that could affect the industry, such as repealing the 9% A/E tax deduction.**
- **Union “card check” legislation.**
- **Passage of any meaningful tort reform, such as ACEC’s Good Samaritan legislation (HR 2067), Maloney bill on 9/11 compensation (HR 847).**

ACEC's Political Program

- With Washington State's help, ACEC/PAC has over tripled in size, from \$330,000 in the 2004 election cycle to nearly \$1.2 million in the 2008 cycle (now in top 4% of all PACs).
- Coordinated giving through the Chairman's Club and other activities has grown from \$89,500 in the '04 cycle to \$468,500 in '08; ACEC hosted 50 fundraising events in Washington and around the country in 2008 alone.
- Political program is integrated closely with legislative priorities.

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