January 04, 2019

The President
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. President:

The over 27,000 members of the Associated General Contractors of America (AGC) appreciate your continued commitment to investing in our nation’s infrastructure and to the workers who build it. As you prepare to deliver your State of the Union address, I want to take this opportunity to urge you to offer bipartisan solutions to addressing our nation’s growing infrastructure and workforce skills gap.

You should be commended for your “Legislative Outline for Rebuilding Infrastructure in America,” as it showed your steadfast support to providing significant new investment in our nation’s infrastructure. We also thank you for your administration’s efforts to improve the lengthy and burdensome process for reviewing and permitting infrastructure projects. And, although a robust and broad infrastructure bill has remained elusive, AGC also applauds your leadership in moving a host of legislation that will help maintain our infrastructure, while also providing billions of additional dollars for transportation infrastructure programs.

Mr. President, now is the time to build on these successes and quickly address our infrastructure and workforce needs as the 116th Congress convenes.

As you well know, the state of our union’s infrastructure is poor. Our nation suffers from an infrastructure deficit of deferred maintenance, postponed modernization, and delayed expansion that fails to accommodate a growing population and economy. Your leadership is integral, and the State of the Union provides you the perfect opportunity to outline to Democrats and Republicans your plan to work with them to increase public and private investments in our roads, bridges, ports, airports, waterways, water systems and building infrastructure.

Specifically, I urge you to provide workable revenue options to avoid the upcoming insolvency of the Highway Trust Fund (HTF). The HTF is a successful infrastructure funding mechanism that must be strengthened by increasing revenue to meet current and future transportation needs. While your “Legislative Outline for Rebuilding Infrastructure in America” calls for new investments in infrastructure, it fails to offer any material solutions for addressing the pending crisis facing the HTF. Failure to fix the HTF as part of any infrastructure plan would undermine such a plan’s impact. Therefore, it is our hope that you will use the State of the Union to pledge to work with Congress to once and for all fix the HTF with real, dedicated, and growing revenue sources.
In addition, our aging drinking water and wastewater infrastructure systems, airports, inland waterways, ports, pipelines and the energy grid have suffered from years of underinvestment. Your State of the Union should also address those types of infrastructure as well as highlight the need to provide federal funding to invest in military housing, veterans’ hospitals and other federal facilities.

Our members recognize that the federal government is not solely capable of solving our nation’s infrastructure funding challenges. The simple fact is that insufficient investment at all levels of government continues to add to our country’s mounting infrastructure needs. Effective, innovative financing programs, such as the Transportation Infrastructure Finance and Innovation Act (TIFIA) and Water Infrastructure Finance and Innovation Act (WIFIA) programs have proven to be effective tools that encourage private sector participation in surface transportation and water infrastructure projects. In addition, private activity bonds and municipal bonds continue to play a critical role in funding and financing billions of dollars of infrastructure projects.

The support for infrastructure investment provides an opportunity to reinvigorate the once robust pipeline for recruiting and preparing new construction workers. While your Administration should be applauded for recognizing the contributions and investments in Career and Technical Education AGC believes that greater federal investment will help close the skills gap. We also commend you and the Department of Labor for prior support of expanding apprenticeships and creating new opportunities for American workers. Additional apprenticeship flexibility should support registered and industry recognized approaches equally in all respects.

Mr. President, you have an historic opportunity to do what other Presidents before you could not: break our country from the cycle of status quo investment in our nation’s infrastructure, while leveraging those investments to reinvigorate the once robust pipeline for recruiting, training and employing new construction workers. The State of the Union provides the perfect opportunity for you to lay out such a vision. AGC stands ready to work with you and Congress to make such a vision a reality.

Sincerely,

Stephen E. Sandherr
Chief Executive Officer
The Associated General Contractors of America