

Washington Office  
25 Massachusetts Ave., NW  
Suite 500  
Washington, D.C. 20001  
(202) 789 -7850  
Fax: (202) 789-7859

**Statement for the Record of**  
**The American Society of Civil Engineers**  
**on**  
**“Considering the Presidential nomination of Peter Buttigieg to be Secretary of the United States**  
**Department of Transportation”**  
**United States Senate**  
**Committee on Commerce, Science, and Transportation**  
**January 21, 2021**

## **Introduction**

The American Society of Civil Engineers (ASCE)<sup>1</sup> appreciates the opportunity to submit a statement for the nomination of Mr. Peter Buttigieg to be Secretary of the U.S. Department of Transportation (DOT). ASCE congratulates Mr. Buttigieg on his nomination and we are eager to work with DOT and Congress to modernize our nation's transportation systems and to make sustainable infrastructure a central component of our nation's economic recovery. As mayor, Buttigieg has seen first-hand how infrastructure policy and investment impact families, businesses, local economy, and quality of life, which we appreciate and respect. We are eager to work with the DOT and incoming Secretary Buttigieg to modernize our nation's transportation systems and build a better quality of life for all Americans.

As the pandemic continues to have sweeping economic consequences across all sectors in the United States, many American families and businesses are looking to Congress and the Administration to provide both short-term relief and long-term economic recovery. While the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Pub.L. 116–136) and the Consolidated Appropriations Act of 2021 (Pub.L. 116–260) provided much needed relief to our nation's infrastructure system amid the pandemic, more needs to be done. ASCE urges policymakers to prioritize our nation's infrastructure and get people back to work, using the economic slowdown to make strategic and sorely needed investments to strengthen the networks that are the foundation of our economy.

Presently, many of our transportation infrastructure assets have reached the end of their design life. Coupled with long underinvestment and inadequate support, a large and growing investment gap of \$1.3 trillion over the next ten years has emerged. This gap must be closed if we hope to both repair and modernize our surface transportation infrastructure systems to be competitive in the 21<sup>st</sup> century.

### ***Failure to Act: Closing the Infrastructure Investment Gap for America's Economic Future***

As our infrastructure continues to age, and investments do not keep pace with needs, the gap between identified investments and the public commitments to meet those needs widens every year. Our most recent report released on January 12<sup>th</sup> found that infrastructure inadequacies will stifle U.S. economic growth, cost each American household \$3,300 a year or \$63 a week, cause the loss of \$10 trillion in GDP and lead to a decline of more than \$23 trillion in business productivity cumulatively over the next two decades if the U.S. does not close a growing gap in the investments needed for bridges, roads, airports, power grid, water supplies and more.

For these reasons alone, now is the time to invest in our nation's infrastructure. Compounded by the current crisis, infrastructure investments can provide both an immediate and long-term boost to the struggling American economy, and ensure we remain globally competitive in trade and commerce.

### ***ASCE's Infrastructure Report Card***

Infrastructure is the foundation that connects the nation's businesses, communities, and people, serves as the backbone to the U.S. economy, and is vital to the nation's public health and welfare. Every four years, ASCE publishes the *Infrastructure Report Card*, which grades 16 major infrastructure categories using a

---

<sup>1</sup> ASCE was founded in 1852 and is the country's oldest national civil engineering organization. It represents more than 150,000 civil engineers individually in private practice, government, industry, and academia who are dedicated to the advancement of the science and profession of civil engineering. ASCE is a non-profit educational and professional society organized under Part 1.501(c) (3) of the Internal Revenue Code. [www.asce.org](http://www.asce.org),

simple “A” to “F” school report card format. ASCE released its *2017 Infrastructure Report Card*<sup>2</sup>, giving the nation’s overall infrastructure a grade of “D+.” Our transportation network did not fair well with roads, aviation, ports, and bridges receiving the grades of a “D-,” “D,” and “C+.”

The release of the *2021 Infrastructure Report Card* on Wednesday, March 3<sup>rd</sup> will provide a comprehensive assessment of the nation’s infrastructure across 17 sectors, with stormwater a new addition in the upcoming report.

## **Solutions**

ASCE recommends the inclusion of key investments to maintain and modernize our nation’s infrastructure, create jobs, support economic growth, and increase the resilience of our systems. As the Administration works with Congress to improve and modernize our nation’s infrastructure, ASCE asks that you take the following key priorities under consideration:

**Prepare for a Sustainable, Resilient Future.** ASCE supports federal initiatives that increase resilience of infrastructure against man-made and natural hazards. ASCE urges the development of performance criteria and uniform national standards that establish minimum performance goals for infrastructure, as well as the inclusion of comprehensive risk assessments that encourage mitigation strategies and address recovery and return to service. Furthermore, ASCE supports the development, adoption, and enforcement of a national model building code as a key to creating disaster resilience in communities. The following ASCE documents offer a sound basis upon which such a model code can be developed:

- ASCE 7, *Minimum Design Loads and Associated Criteria for Buildings and Other Structures (ASCE/SEI 7-16)*, currently an integral part of U.S. building codes, describes the means for determining soil, flood, tsunami, snow, rain, atmospheric ice, earthquake, and wind loads, and their combinations for resilient structural design;
- ASCE 24, *Flood Resistant Design and Construction*, prescribes a standard for cost effectively increasing resiliency by reducing and eliminating risks to property from flood hazards and their effects;
- ASCE 41, *Seismic Evaluation and Retrofit of Existing Buildings*, standardizes methods for the retrofit of existing buildings to increase resiliency in communities after a seismic event; and
- ASCE Manual of Practice 140, *Climate-Resilient Infrastructure: Adaptive Design and Risk Management*, provides guidance for and contributes to infrastructure analysis/design in a world in which risk profiles are changing due to climate change per the Fourth National Climate Assessment.

**Prioritize Asset Management and Operations and Maintenance (O&M) Needs.** ASCE supports prioritizing investments that increase safety and resilience, as well as focusing on state of good repair and the operations and maintenance of the current systems. The use of performance-based ownership of infrastructure, which encourages the use of sustainable engineering practices and life-cycle performance, will be critical to the long-term use of our infrastructure systems. Therefore, ASCE supports:

- Making federal grant or loan funding contingent on the development of an asset management plan and annual reporting to the appropriate federal agency, such as United States Maritime Administration (MARAD) for ports and the Federal Highway Administration (FHWA) for DOTs;

---

<sup>2</sup> <https://www.infrastructurereportcard.org/>

- Requiring continuous oversight and accountability for completed plans to ensure that they meet stated goals and can be implemented, and do not become a “check the box” exercise;
- The creation of a new grant or low interest loan program to assist localities or states with setting up a comprehensive asset management inventory as well as education and training programs;
- Consolidating best standards that are currently developed for different infrastructure assets across agencies into one center for best practices and adopting; and
- Encourage communities to move beyond paper reports and implement innovative asset management solutions.

**Restore a Strong Federal Partner in Infrastructure Investment.** To close the estimated investment gap, meet future needs, and restore our global competitive advantage, we must increase investment in our infrastructure across all levels of government and the private sector and authorize programs to improve specific categories of deficient infrastructure by fully funding them. Failing to close this investment gap is not only a public safety issue, but has a cascading impact on our economy, impacting business productivity, gross domestic product (GDP), employment, personal income, and international competitiveness. The first step should be to address major infrastructure priorities at the federal level: fixing the Highway Trust Fund (HTF) and increasing the cap on the Passenger Facility Charge (PFC).

The HTF, which pays for improvements and construction of roads, bridges, and transit systems, is funded by the federal gasoline tax, currently 18.4 cents a gallon. The tax has not been raised since 1993, and the revenues have not kept pace with system needs. If Congress does not act and find a long-term revenue solution, the Highway Trust Fund will have a total revenue deficit of \$92 billion between FY2021-2025, or a yearly average of \$18.6 billion. This comes at a time when we are already face a backlog of maintenance needs for our nation’s roads, bridges, and transit systems, which has only been worsened by the COVID-19 pandemic.

The next iteration of a federal surface transportation bill should continue to support the proven user-fee system by raising the gas tax to ensure it is sustainable over the upcoming years. Furthermore, Congress and the Administration should also explore alternative user fees such as vehicle miles traveled to identify a long-term user fee solution for the Highway Trust Fund, as well as a tax on electric vehicles that would account for their presence on our nation’s roads. Furthermore, other methods of revenue generation, including state, regional, and/or local sales taxes, dynamic pricing, container fees, and transit ticket fees should be considered for surface transportation maintenance and improvement. These actions will ensure the Highway Trust Fund can continue supporting critical transportation projects across the country to keep our country and economy moving and raise the ASCE Infrastructure Report Card grades.

As a result of the COVID-19 pandemic, U.S. airports face at least \$23 billion in operating losses and passenger traffic through U.S. commercial airports are down by nearly 80% from this time last year. This comes at a time when the nation’s airports were already experiencing nearly a \$500 million shortfall for capital needs over the next five years according to the Airports Council International-North America (ACI-NA). ASCE urges Congress and the Administration to support investments in airports by removing the cap on PFC and increasing funding for the Airport Improvement Program (AIP).

Eliminating the cap on the PFC, while increasing AIP funding would allow airports of all sizes to address deteriorating or outdated infrastructure and grow the economy, as ACI-NA has also found that investing in America’s airports could create 2.1 million jobs. An uncapped PFC, set by individual airports in response to their needs and the market, would allow for a modernized funding stream to meet the growing infrastructure demands of airports nationally.

## **Conclusion**

Across the nation, our future recovery depends on reliable, modern infrastructure to provide a good quality of life for Americans and to support economic growth. There is a unique opportunity during these challenging times, while traffic is minimal and people stay home, to maintain and modernize these critical assets and jump-start job growth.

ASCE looks forward to working with Congress and the Administration as it develops an economic relief bill that makes these much-needed investments in our nation's vital systems. Continuing to underinvest in our infrastructure is already costing American families and businesses in wasted time, increased congestion, leaky pipes, and ongoing repair work. Therefore, investing in our infrastructure now, will not only create jobs and help our economy, but these investments will act as a down payment for future infrastructure projects.