## **Bond Case Briefs**

Municipal Finance Law Since 1971

## Infrastructure is Key to Economic Growth.

Lately, Americans are barraged with news stories about exciting developments in transportation technology or personal mobility that match our on-demand, life-at-our-fingertips society. Smart cities that monitor vehicle traffic congestion, or driverless cars and trucks that will convey people and goods to their destination on time — these are very compelling.

Yet these stories are missing a major fact: the underlying infrastructure needed to make such advancements in modernization possible is not getting congressional support needed to connect rubber and road, so to speak.

Senior representatives from the nation's cement and concrete companies — the North American Concrete Alliance — are here this week to help make the connection for Congress: you won't have strong, safe and long-lasting transportation networks and cities without taking action on infrastructure.

NACA comprises 12 cement- and concrete-related organizations that collectively represent 600,000 employees and contribute \$100 billion annually to the U.S. economy.

America's cement and concrete industry are joining forces to urge Congress to take action on several fronts. We will be pressing lawmakers to act now — not next year, not in another Congress. How can a below-average national highway system, for example, rise to meet the vision for even greater transportation networks of tomorrow?

The cement and concrete industry is asking Congress to consider several key elements as part of any legislative approach that addresses infrastructure renewal.

The first is funding. Congress should pass a long-term, robust and sustainable funding mechanism that addresses Highway Trust Fund shortfalls, and allows for much-needed increases in highways and mass-transportation investments. Currently, lawmakers pay for highway upkeep through the fund, which is chronically under-resourced. All funding mechanisms should be on the table, including a fuel tax increase, a freight charge, a vehicle-miles-traveled tax and sales tax. Financing mechanisms, such as preserving the tax-exempt status of municipal bonds and lifting the cap on private activity bonds, should also be considered.

The second priority shifts from how you fund infrastructure to how you spend those funds. Our industry is seeking renewed competition for infrastructure projects to promote the best use of limited taxpayer dollars. To accomplish this, Congress should require the use of life-cycle cost analysis (LCCA) for infrastructure projects using federal taxpayer dollars. LCCA levels the playing field among project construction materials and enables competition in the marketplace. It is a long-proven, and widely supported process that helps planners, engineers and policy makers understand the full cost of a project over its lifetime, which results in greater accuracy, better performance and lower costs.

According to an analysis by economists from my organization, the Portland Cement Association, by

leveraging LCCA on federally funded infrastructure, Congress can save \$91 million for every \$1 billion spent on infrastructure, or 9.1 percent. That means taxpayers would have saved \$2.6 billion if Congress had included an LCCA provision in the FAST Act passed in 2015. If LCCA is incorporated in the Trump Administration's proposed infrastructure package, American taxpayers could see savings of as much as \$90 billion.

Third, Congress should pass long-term Federal Aviation Administration (FAA) reauthorization legislation that increases funding for aviation infrastructure and critical agency operations. FAA reauthorization should provide robust funding for local agencies to use in improving safety, security and both runway and terminal capacity.

Lastly, Congress should require the reauthorization of the Water Resources Development Act every two years and promote the use of resilient, durable and sustainable materials that protect health, life and property and facilitate commerce. By requiring sustainable materials and resilient construction techniques, water infrastructure will provide the best return on taxpayer investment, while using the latest technology and minimizing risk to life and property.

President Trump has reiterated his call for major infrastructure investment. Americans want strong, safe and smart transportation networks to make their lives, and the lives of future generations, better and more modern. Congress must act soon to pass an infrastructure package. U.S. cement and concrete producers are standing by.

THE HILL

BY MICHAEL IRELAND, OPINION CONTRIBUTOR — 04/23/18

Michael Ireland is president and CEO of the Portland Cement Association, which represents U.S. cement manufacturers

THE VIEWS EXPRESSED BY CONTRIBUTORS ARE THEIR OWN AND NOT THE VIEW OF THE HILL

Copyright © 2025 Bond Case Briefs | bondcasebriefs.com