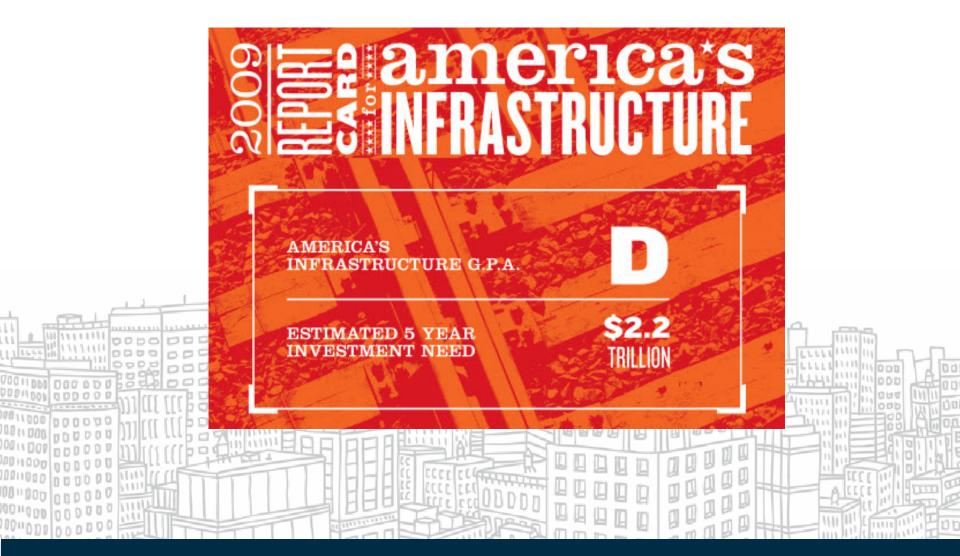
## FAILURE TO ACT

THE ECONOMIC IMPACT OF CURRENT INVESTMENT TRENDS IN SURFACE TRANSPORTATION INFRASTRUCTURE ★ ★ ★ ★







The Economic Impact of Current Investment Trends in Surface Transportation Infrastructure



# Bridges and Roads

- Bridges Grade: C
  - 26% Structurally Deficient or Functionally Obsolete
  - Higher percentage in urban areas
  - \$17 billion needed annually to fix all deficiencies
  - Current spending: \$10.5 billion
- Roads Grade: D-
  - Increased congestion costs \$78.2 billion to the economy, \$710 per motorist
  - Current spending: \$70.3 billion

## Maintenance Costs



# \$1 in road maintenance = \$16 in savings

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#### FAILURE TO ACT

THE ECONOMIC IMPACT OF CURRENT INVESTMENT TRENDS IN SURFACE TRANSPORTATION INFRASTRUCTURE \* \* \* \*

#### FAILURE TO ACT

THE ECONOMIC IMPACT OF CURRENT INVESTMENT TRENDS IN WATER AND WASTEWATER TREATMENT INFRASTRUCTURE \* \* \* \*

#### FAILURE TO ACT THE ECONOMIC IMPACT OF CURRENT INVESTMENT TRENDS IN ENERGY TRANSMISSION

INFRASTRUCTURE  $\star \star \star \star$ 

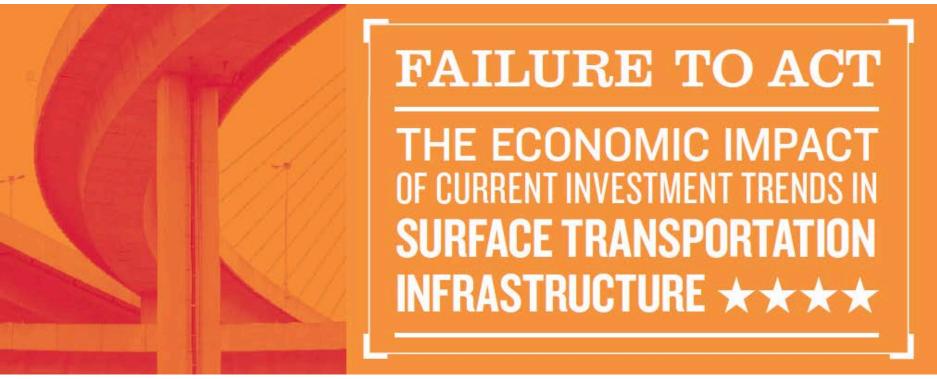
FAILURE TO ACT

THE ECONOMIC IMPACT OF CURRENT INVESTMENT TRENDS IN AIRPORTS AND SEAPORTS INFRASTRUCTURE \* \* \* \*

# What are the consequences if we fail to act?

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# ROUGH ROAD AHEAD



#### TABLE 2 \* Summary of Impacts on Economic Performance Over Time (billions of 2010 dollars)

IMPACT OF DEFICIENCIES	CUMULATIVE IMPACT BY 2020	CUMULATIVE IMPACT BY 2040
Personal Income	-\$930	-\$3,135
US Value Added (Impact on GDP)	-\$897	-\$2,662

SOURCE LIFT/INFORUM model, University of Maryland. Calculations by University of Maryland using the personal consumption expenditure deflator. Income loss exceeds GDP because the deterioration of infrastructure has a disproportionately negative effect on high-wage industry sectors.



# **Costs Imposed:**

- Facilities in poor condition cause:
  - Damage to vehicles
  - Detours and wasted time
  - Increased maintenance costs
- Decreased reliability causes:
  - Longer travel time for on-time arrivals and deliveries
- Environmental and safety costs from:
  - Wasted energy
  - o Higher emissions
  - Exposure to public health risks



## TABLE 1 \* The Mounting Cumulative Cost of Deficient and Deteriorating Surface Infrastructure Imposed on Americans\*

PERFORMANCE AREA	COST OF CURRENT DEFICIENCIES	COST BY 2020	COST BY 2040
Pavement and Bridge Conditions	\$10	\$58	\$651
Highway Congestion	\$27	\$276	\$1,272
Rail Transit Conditions	\$41	\$171	\$370
Bus Transit Conditions	\$49	\$398	\$659
Inter-City Rail Conditions	\$2	\$10	\$20
TOTAL COST TO SYSTEM USERS	\$130	\$912	\$2,972

\*Present value of cost stream in billions of constant 2010 Dollars

SOURCE EDR Group, Transportation Regional Economic Impact System (TREDIS) analysis.



#### American businesses and workers PAY A HEAVY PRICE.

America would lose **877,000** jobs.

\*\*\*\*\*\*\*\*\*\*

\*\*\*\*\*\*\*\*\*\*

Another **234,000** jobs exist only if many more workers agree to paycuts.

..........

Between now and 2020 transportation costs increase \$430B.

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### AMERICA LOSES GROUND in the global economy.

# U.S. exports would drop by **\$28 billion**.

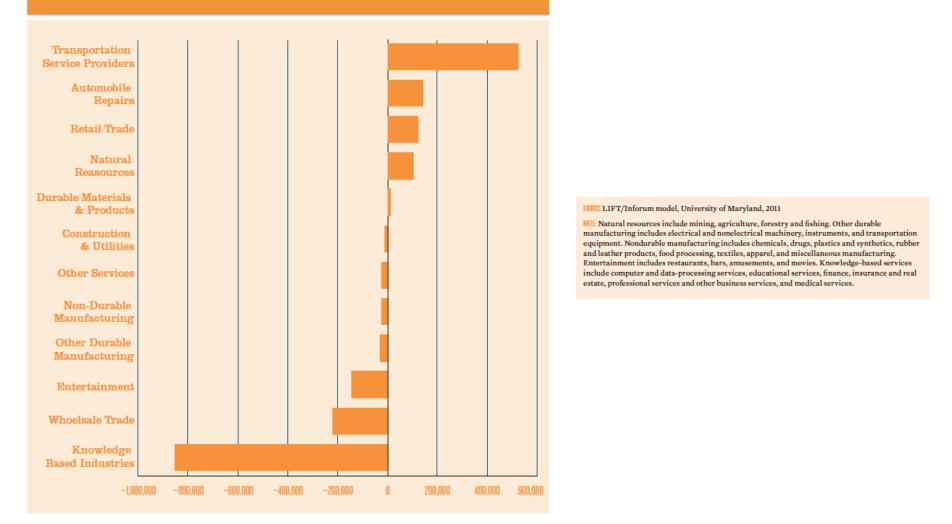
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Exports drop in **79 of 93** different tradable commodities.

America's gross domestic product underperforms by \$897B.



#### FIGURE $3 \star$ Change in U.S. Jobs in 2040 Attributable to Infrastructure Deficiencies



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#### Families have a LOWER STANDARD OF LIVING.

American families would earn **\$700 less** each year.

\*\*\*\*\*\*\*\*\*

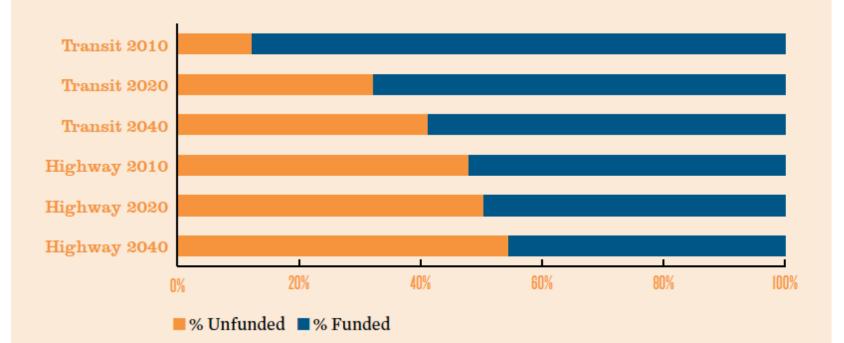
# And spend \$360 more

each year.

#### Total impact on each family's budget: \$1,060 per year.



#### FIGURE 1 \* National Funding Gap by Mode



SOURCES EDR Group analysis using 2010 USDOT Highway Economic Requirements System for States (HERS-ST) and 2008 Highway Performance Monitoring System (HPMS) data, USDOT Transit Economic Requirements Model (TERM), and 2010 National Transit Database.

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# Where do we go from here?





america's	ASCE America of civil SE	n Society Engineers ARCH
$\star$ home $\star$ report cards $\star$ states $\star$ categories $\star$ solutions $\star$ take	ACTION * NEWSROOM *	
	2009 Grade	es
	Aviation	D
	Bridges	С
	Dams	D
	Drinking Water	D-
	Energy	D+
	Hazardous Waste	D
	Inland Waterways	D-
	Levees	D-
	Public Parks and Recreation	n C-
	Rail	C-
	Roads	D-
	Schools	D
	Solid Waste	C+
	Transit	D

### WHAT CAN YOU DO?

	Need: \$2.2 ITHION
Get Involved	It's Your State
Blog: "Our Failing Infrastructure" Join Our Facebook: "Save America's	What's the state of your State's infrastructure? Find out now
ASCE Member? Join the Key Contact Program	Key Solutions
Tell a friend	ASCE offers five ambitious ways to raise the grades.
	Blog: "Our Failing Infrastructure" Join Our Facebook: "Save America's Infrastructure" ASCE Member? Join the Key Contact Program

## **Questions?**

ASCE Report Card: <u>www.infrastructurereportcard.org</u>

Failure to Act Economic Studies: <u>www.asce.org/failuretoact</u>

> Contact ASCE: govwash@asce.org 202-789-7850

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