

STEPHEN E. SANDHERR, Chief Executive Officer

AGC of America
THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA



Quality People. Quality Projects.

July 27, 2009

The Honorable Alonzo Fulgham
U.S. Agency for International Development
1300 Pennsylvania Avenue, NW
Washington, DC 20523

Dear Acting Administrator Fulgham:

On behalf of the Associated General Contractors of America (AGC), I am writing to you concerning the implementation of the American Recovery and Reinvestment Act ("Recovery Act").

The infrastructure investment sections of the Recovery Act were designed to fund a dedicated list of much-needed projects necessary to help rebuild our nation. According to the Recovery.gov web site, only \$187.4 billion of the recovery funds have been obligated and \$67.3 billion has been spent as of July 17, 2009. Excluding the \$211 billion in tax cuts enacted in the legislation, the total amount obligated so far is less than one-third of total appropriations made available to the Federal agencies to implement the Recovery Act. With our members hungry for work and 19 percent unemployment in the construction industry, it is imperative these funds are pushed out quickly in the form of competitive contracts.

More than one million construction workers have lost their jobs over the past year. Our members have made numerous inquiries to us about their need for additional work and they are eager to be a critical component of the recovery. AGC estimates that an additional \$1 billion of investment in nonresidential construction supports or creates 28,500 jobs. That said, we believe that the remaining infrastructure investment provisions in the Recovery Act would create or support more than 1.85 million new jobs between now and the end of 2010, including over 620,000 construction jobs, 300,000 jobs in supplying industries and 930,000 jobs throughout the broader economy. Timely obligation and delivery of Recovery Act funds is critical for putting our workforce back to work and to turning our economy around.

We want this program to be a success. In light of this, we would like to know if there are schedules for letting work that we can begin to publicize, whether there are impediments to getting the work on the street that we can try to eliminate, and whether there is any education that we need to provide the industry so that contractors are ready to bid these important projects. AGC greatly values its partnerships with the Federal agencies and we look forward to continuing being a resource as we work together to ensure the recovery of our economy is a great success.

Sincerely,

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

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