



January 23, 2009

The Hon. David Obey, Chair
Committee on Appropriations
H-218 Capitol Building
Washington, DC 20515

Dear Mr. Chairman:

The Construction Management Association of America represents more than 5,400 individuals, corporations and government agencies dedicated to the sound professional management of construction projects and programs. These members include individual practitioners of Construction and Program Management, companies providing CM/PM services, and owners. Among our major owner organizations are the U.S. General Services Administration, the U.S. Army Corps of Engineers, and a long roster of school districts, transit agencies, and other organizations both public and private.

We are concerned that according to the Congressional Budget office, the current version of the American Recovery and Reinvestment Act of 2009 contemplates deferring large amounts of this vital spending for several years. For renewable energy, for instance, two thirds of the authorized spending is expected to take place in FY 2012 or later. For transportation, more than 70 percent of spending is similarly deferred, and for the Federal Buildings Fund, more than 60 percent.

We suggest there are several reasons to accelerate this spending. First, funds spent on infrastructure construction – including schools, water/wastewater, power grid, transit, high speed rail, highways and other purposes – generate an immediate economic benefit in terms of hiring and spending on equipment, materials and supplies. Each supplier, in turn, will increase employment and spending on its own needs. The overall economic impact of this investment will far exceed the short-term benefits of tax cuts.

Second, and just as important, this is an investment America needs to make anyway. Our infrastructure has been woefully neglected for many years. Many of the so-called shovel-ready projects being advanced for funding are projects that were already in progress and stopped midstream by lack of funds. Others are fully designed and engineered and can begin in a very short period of time. Still others may be further from a construction start but require funds to complete the vitally important design and planning processes.

We would also urge you, as chairman of the Appropriations Committee, to consider an important additional dimension to the oversight and transparency this big new initiative will require. Professional Construction and Program Managers, acting as agents of owners, make it their business to act in the project's best interest and assure optimum outcomes. The recovery legislation should encourage or require the involvement of an independent, qualified professional Construction or Program Manager in as many projects as possible.

This legislation represents a unique opportunity to combine short-term stimulus with long-term investment, helping to return America to prosperity *and* create the basis on which that prosperity can endure.

We would be glad to discuss this further with your staff. Thank you for your attention.

Sincerely,

Bruce D'Agostino
President & CEO