

Infrastructure

NECA contractors play a crucial role in building and maintaining our nation's infrastructure. Our members power buildings, hospitals, and schools; light our highways and streets; connect transit and rail switches; install complex electrical systems at airports; operate and maintain the plants that keep our water clean; and much more.

The Infrastructure Investment and Jobs Act (IIJA) of 2021 authorized approximately \$1.2 trillion to upgrade our infrastructure through fiscal year 2026, with significant funding distributed to states, localities, and territories. As the IIJA enters its final year of authorization, approximately 70% of available grant funding has been obligated and 41% has been outlaid. However, additional investments beyond the current authorization period ending September 30, 2026, will be necessary for our nation to meet the infrastructure needs of the 21st century. Economic studies show that every \$1 billion in infrastructure investment creates 28,500 direct and indirect jobs, providing our economy and the American taxpayers with a high return on investment.

KEY POINTS

Airports. The Federal Aviation Administration (FAA) reauthorization ensures long-term investment and stability in aviation infrastructure for America's large, small, and rural communities, and it addresses issues to help maintain the safety of our system. NECA contractors play a crucial role in ensuring the safety and efficiency of our aviation network through the construction and maintenance of our airports. In May 2024, the FAA Reauthorization Act was passed, providing \$105.5 billion in funding through fiscal year 2028.

Broadband. The United States faces an unprecedented expansion of technology that will transform our nation. With the arrival of 5G, 6G and more, Congress must ensure the private sector has the capital ready to invest in these technologies.

AI Data Centers. The rapid expansion of Artificial Intelligence has led to a surge in data center construction across the country, with spending in this sector reaching record highs. These facilities require massive, high-density electrical infrastructure and high-voltage grid connections. NECA supports policies that prioritize grid modernization and streamlined interconnection processes to meet the immense power demands of the nation's growing AI infrastructure.

Clean Water and Wastewater. Congress should increase investment in the Clean Water and Drinking Water State Revolving Funds (SRFs). These programs are essential programs that allow communities to leverage federal dollars to fund critical water and wastewater sewer projects. The American Society of Civil Engineers' 2020 economic study, "The Economic Benefits of Investing in Water Infrastructure: How a Failure to Act Would Affect the U.S. Economic Recovery" found that the annual drinking water and wastewater investment gap will grow to \$434 billion by 2030.

Electric Vehicles. The United States market for electric vehicles has significantly increased with the Bipartisan Infrastructure Law spending \$7.5 billion to boost the nation's EV charging network. NECA continues to advocate for "qualified person" standards to ensure EV infrastructure is installed and maintained by highly skilled, licensed electrical contractors.

Nuclear Reactors. The nuclear sector is experiencing historic growth driven by AI data center energy demands and the national goal to quadruple commercial nuclear capacity to 400 GW by 2050. Nuclear facilities require extensive high-voltage electrical infrastructure, making them critical projects for NECA contractors. Congress should increase investment in new large-scale reactors and expedited deployment of Advanced Small Modular Reactors (SMRs) to meet America's surging electricity needs.

Federal Buildings. The U.S. General Services Administration is responsible for all federal construction outside the Department of Defense. There is a serious backlog of needed repairs, alterations and project starts of non-defense federal construction activity. Beyond federal buildings, funding is sorely needed for federal prisons, courthouses, border stations, and our embassies overseas.

Grid and Clean Energy. Our grid infrastructure must be modernized to meet the demands of today and tomorrow. Upgraded transmission lines and distribution infrastructure, coupled with the implementation of smart grid technology, will improve the nation's electrical infrastructure with reliability, efficiency, and security. Reports have shown needed investments around \$197 billion by 2030 to meet the transmission infrastructure investment gap.

Military Construction. The Department of Defense construction agencies design and manage construction for homes, schools, hospitals, data centers, office buildings, airfields, warehouses, and training facilities for military members and their families. In addition to new construction, existing structures need maintenance and renovation.

Ports and Inland Waterways. The Water Resources Development Act (WRDA) authorizes U.S. Army Corps of Engineers construction projects regularly performed by NECA contractors to improve our nation's ports and harbors, inland waterway navigation, flood and storm protection, and other water resources infrastructure. Water and waterways infrastructure programs foster economic development, create jobs, facilitate trade and commerce, aid international competitiveness, provide water recreation opportunities, enhance agricultural and industrial productivity, and augment our national defense.

Rail and Transit. A growing populace, traffic jams, and high gas prices have led many commuters to rely more upon and utilize transit. NECA contractors nationwide provide design support, construction engineering, project management, installation, testing, startup, and maintenance for transit systems in heavy rail, light rail, and automated people mover systems.

Roads and Bridges. Find a Sustainable Solution to Fix the Highway Trust Fund. Congress must enact a long-term sustainable revenue source for the Highway Trust Fund that makes the fund whole and significantly increases our investment in transportation infrastructure.

School Construction. School construction has generally been considered a state and local responsibility, and the needs are not being met. According to the National Center for Education and Statistics, the unmet need for school construction and renovation is estimated to be \$127 billion or \$2.2 million per school and the average age of a public-school building is estimated to be well over 40 years old.

NECA ASKS

Congress should pass the SPEED Act and PERMIT Act or similar permitting reform to accelerate the deployment of the remaining IIJA funds and ensure critical energy and infrastructure projects come online faster.

Support increased funding for federal construction agencies, including increased funding for the military construction accounts at the Department of Defense, the Federal Buildings Fund account within the General Services Administration, and all other appropriate civilian construction accounts.



The **National Electrical Contractors Association (NECA)** is the voice of the \$270 billion electrical construction industry that brings power, light, and communication technology to buildings and communities across North America. NECA's national office and 118 local chapters advance the industry through advocacy, education, research, and standards development.