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Boost state and local governments while rebuilding our nation's transportation infrastructure

Overview - Public servants in states, counties, and cities all across America not only provide us with quality public services every day, they do so at the most efficient cost to the taxpayer. Unfortunately, some lawmakers promote privatizing public services, cutting public pensions, and reducing the public service workforce – policies that damage and undermine the value of public services and the workers who provide them. However, the 116th Congress can inject a much-needed shot in the arm for our nation's public employees and the economies they support by passing a robust transportation infrastructure bill that could maintain and create tens of thousands of public sector jobs.

Robust infrastructure funding = more jobs and healthy state and local economies – Across the political spectrum, we all agree that our nation's commitment to addressing our infrastructure needs has fallen well short. For example, when it comes to our highways and bridges, most reasonable observers agree that the traditional method of funding these projects – through the gas tax – has proven to be insufficient in providing enough resources to meet our infrastructure needs. Furthermore, President Trump's $200 billion infrastructure proposal from 2018 – which included the expectation for the states and localities find an additional $1.3 trillion while encouraging privatization, deregulation, and undermining labor standards – was not a serious initiative. IFPTE believes that a comprehensive infrastructure package should commit at least $1 trillion and should provide sustained federal funding for State and Local infrastructure investments, include high-road labor standards and job creation, and not be used as a vehicle to privatize and commercialize public assets.

Surface transportation project monies should be spent efficiently - Federal infrastructure spending commitments come with decisions on how the money is spent between the private sector and public sector. While IFPTE understands that there is a role for contractors to play in the rebuilding of our infrastructure, we also realize that many times the best bang for the buck comes from state and local workers. It is unfortunate that in past bills to fund transportation projects there have been efforts made to include language to guarantee or incentivize the privatization of engineering and design work. IFPTE urges lawmakers to resist any such attempts should a transportation infrastructure bill make its way through Congress.

Some states and localities are electing to unilaterally allocate hundreds of millions of federal taxpayer dollars to private contracts for engineering and related transportation services without competitive bidding and without so much as a cost-comparison between the private sector and the public sector. IFPTE urges all infrastructure spending include mandates for fair cost comparisons between the public and private sectors so that taxpayers are guaranteed quality infrastructure services at the best price.

Public inspections should be done by public employees – All inspection for federally-funded transportation projects should be performed by government workers. This will provide certainty to the public that these projects are being inspected and declared safe by those who work on behalf of the public. This will also give comfort to the public knowing that those declaring our highways, bridges, hydro and dams' projects, etc., are safe, and do not have any conflicts of interest. Any infrastructure bill should include language deeming all inspections work to be inherently governmental.

Other issues of importance to Public Sector workers:

1. Supplemental Nutrition Assistance Program (SNAP)– Last December, the Trump Administration enacted a rule that tightens state governments guidelines for eligibility for SNAP. The rule is expected to remove food and nutrition benefits from 3 million low-income Americans, most of whom are the elderly or children and almost half who are veterans. The rule was enacted after Congress rejected proposed cuts to SNAP in the five-year Farm Bill of 2018, undermining the intent of Congress and the broad public support for SNAP. This benefit cut will save the federal government $4.5 billion over five years, but the USDA's economic modeling shows that these benefits would have generated $8.1 billion in economic activity in local economies. In 2017, Union of Concerned Scientists' research showed that $64.7 billion in SNAP benefits had a net economic impact of $114 billion spread throughout local economies and often in rural areas. **IFPTE urges lawmakers to restore and improve SNAP benefits and continue to reject attempts to further gut the program.**

2. Medicaid - Various proposals being considered by Congress and recommendations laid out by the Trump Administration budgets aim to cut Medicaid and even turn it into a block grant system. Such proposals would dramatically shift the burden of providing Medicaid services from the federal government to state governments, resulting not only in reduced health care coverage for our nation's most vulnerable, but also in the cannibalization of other critical state resources to cover some of the cuts to Medicaid resources. Currently, the Tennessee government is waiting for a waiver from the Trump Administration to proceed with turning their state Medicaid funding into a block grant. Federal Medicaid dollars are critical – not only for Medicaid programs, but also to help sustain other state programs. **IFPTE urges lawmakers to avoid any cuts to Medicaid, including turning it into a block grant system.**

3. Public Sector Worker Pension Funds – Legislation was introduced in the past Congress' that would have negatively impacted public sector worker pension funds. The Public Employee Pension Transparency Act (PEPTA) would have forced state governments to change the metric used in determining their unfunded liabilities from the current return on investments rate, which is around 8%, to a Treasury rate, which is 4%-5%. This forced accounting gimmick to the lower Treasury rate will distort or artificially create an appearance of unfunded liabilities. It would also penalties on those state and local governments who fail to properly report to the Treasury Department by denying them the ability to issue federally subsidized tax-exempt, tax-credit or taxable bonds. The legislation would lead to the eventual forced transition of dependable state worker defined pension monies to risky Wall Street controlled 401(k) accounts. I**FPTE urges lawmakers to oppose the PEPTA and similar legislation that may be introduced.**