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**Contact: Kelley Keeler Short  
(202) 415-8595  
[kshort@brownbarnpr.com](mailto:kshort@brownbarnpr.com)**

**NATIONAL ASSOCIATION UNVEILS CONSTRUCTION RECOVERY PLAN AS CONSTRUCTION  
EMPLOYMENT DECLINED IN 324 CITIES THIS AUGUST**

*DC Metro Region Sees Decline in Construction Workforce*

WASHINGTON, D.C.– The Associated General Contractors of America unveiled a new plan today designed to revive the hardest hit sector of the economy, the nation’s construction industry. The plan, “Build Now for the Future: A Blueprint for Economic Growth,” is designed to reverse predictions that construction activity will continue to shrink through 2010, crippling broader economic growth.

The findings indicate that in the last year Washington, D.C. and Northern Virginia have lost seven percent of their construction workforce. The Bethesda/Frederick/Rockville area fared only slightly better, with a five percent decline.

“The D.C. Region has typically had a vibrant construction industry; these numbers show that the problems facing the industry are widespread and are having a crippling affect on our broader economy,” said Cherie Pleasant, CEO of the Associated General Contractors of Metropolitan Washington (AGC of DC). “Our region is being hurt by the difficulty in funding more private development which has been a mainstay for many contractors who do not typically do public work in the area.”

The mix of new incentives, tax cuts, policy revisions and infrastructure investments outlined in the plan are needed to stem the dramatic decline in construction activity and employment taking place nationwide. According to today’s plan, a new analysis of federal employment data conducted by the association found construction employment declined in 324 of 337 metropolitan areas between August 2008 and 2009.

The hardest hit area of the country was Reno-Sparks, Nevada, which lost 35 percent of its construction workforce. Following close behind were Duluth, Minnesota & Wisconsin, which saw a 33 percent decline; Tucson, Arizona, which saw a 31 percent decline; Wenatchee, Washington, which saw a 30 percent decline; and Redding, California, which saw a 28 percent decline in its construction workforce. Only one community saw a double-digit increase, Columbus, Indiana, at 14 percent. Anderson, Indiana, was next with a 6 percent increase, followed by Tulsa, Oklahoma; Longview, Washington; and Baton Rouge, Louisiana, all with a 3 percent increase.

The primary focus of the recovery plan is on stimulating new private-sector construction activity, which accounts for 70 percent of the market. The plan also calls for repealing the alternative minimum tax and increasing and extending a series of tax credits and cuts – including the net operating loss carry back and the 2001 and 2003 tax cuts – to boost investments in real estate development.

The plan suggests doubling federal investments in transportation infrastructure, renovating dated and inefficient federal facilities and investing in clean water, flood control and navigation projects. It also calls for restoring the gas tax's lost purchasing power, encouraging more public-private partnerships, expanding the Build America bonds program and exempting construction activity from the private activity bond cap.

“Putting this plan in place may not be easy, but doing so will unleash a wave of new construction activity, employ thousands, stimulate new investments and lay a foundation for long-term economic prosperity,” said Stephen Sandherr, AGC of America's chief executive officer.

The association also identified as part of its plan regulatory revisions that would accelerate many construction projects. These include streamlining environmental reviews, accelerating licensing of new nuclear power plants and establishing a federal multiyear capital budget for public works.

Noting that some of the plan's provisions would have an impact on the federal budget, Sandherr said the association had gone to great lengths to pair new costs with new sources of revenue. For example, the various tax cuts and credits in the plan would be partly offset by increases in income, sales and corporate tax receipts that would come with increased business activity from the plan.

He added that many of the infrastructure investments would be funded by increases in existing user fees, new trust funds, private investments and new bonding authority. He noted studies have found that every billion dollars worth of nonresidential construction activity supports over 28,500 jobs, boosts gross domestic product by \$3.4 billion and raises personal earnings by \$1.1 billion.

[Click here](#) for additional recovery plan materials.

The Associated General Contractors of Metropolitan Washington, D.C., founded in 1929, is the oldest industry association in the District and is a proud chapter of the Associated General Contractors of America. Its membership includes general contractors, construction managers, design-builders, specialty contractors, and associate members representing service providers and other industry professionals.

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