Dear ACEC/NC Member,

As this fiscal year comes to a close for ACEC of North Carolina and we begin a new one, we are working in an unprecedented and evolving “norm” as our state and country navigate the short- and long-term implications of COVID-19. However, our mission at ACEC/NC remains the same, and we are diligently continuing to serve the interests of our members and the engineering industry in North Carolina.

First, let me welcome you to our revamped newsletter. As part of our new Strategic Plan, we are improving the ways in which we inform and listen to our members. Our newsletters now will be issued monthly, but with a more streamlined approach to allow you to review and access relevant information more easily.

Second, you will note that we are continuing to hold meetings and classes online, but are moving forward with a few key in-person events this summer. Our first concern is always the health and safety of participants, so we will have social distancing and health and safety protocols in place according to the current guidelines. Our State PAC Sporting Clay event will take place in July and the Annual Summer Conference at the Grove Park Inn and the Legislative Golf Tournament at Prestonwood Country Club, both in August. More information can be found at the links in this newsletter; I hope you will join us!

On the advocacy front, we have been very active on the critical issue of NCDOT’s transportation funding challenges. ACEC/NC has been part of the Steering Committee for the NC Chamber’s “Can’t Afford to Stop” campaign to secure positive transportation outcomes during the short session as the legislature works to relaunch our economy in response to COVID-19. We urge you to join this broad-based industry effort and help everyone who relies on a strong and vibrant transportation network - Learn more. We’ve also been monitoring Federal efforts around the use of CARES Act funds for State DOT revenue shortfalls. See below for key points and links to further information:

- Over the course of the next decade, it is predicted that the NCDOT will only have funds available for 17% of our state’s needed transportation projects. During that same time frame, 57% of the revenue currently used to fund infrastructure projects will decline due to North Carolina’s heavy reliance on the dwindling motor fuels tax.
- The NCDOT has less cash in its accounts than required under state law, meaning it can’t enter new contracts for supplies and equipment or begin new highway projects, the News & Observer has reported.
NCDOT is furloughing thousands of employees due to a drop in revenue. The state could see a $774 million drop in the Highway Fund and Highway Trust Fund.

Several state House legislative leaders, including House Speaker Tim Moore, filed legislation to borrow $1.5 billion for road projects as well as $800 million for K-12 school projects, $600 million for the UNC System and $200 million for community colleges. Read more about The Education and Transportation Bond Act of 2020 (HB 1225).

Measures are pending in Congress that might help with easing restrictions on the use of CARES Act Federal funds for State DOT revenue shortfalls, or new Stimulus funds (Read more).

Other initiatives included HB 871 – Fair Contracts, our anti-Indemnification/Duty to Defend Bill that eliminates onerous third party broad-form indemnification clauses in professional contracts (passed in June 2019), and nationally, the Tax Reform Act of December 2017 that allowed Engineers to receive the corporate tax reduction. Through ACEC’s efforts, engineers/architects were the only professions included in the tax rate reduction.

This past year, we again continued building our Independent Expenditure Account, Engineering Companies for North Carolina (ECNC) and our State PAC (ACEC/NC PAC), which provide us the ability to advance legislative issues that are critical to our membership. They also allow us to support candidates who support our issue positions. For more information about ACEC/NC’s advocacy efforts and how you can become active, please visit the Advocacy section of our website.

I’m looking forward to another great year for ACEC/NC, even if it looks a little different.

Be well,

James A. Smith, P.E.
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