



We're Building A
Better America!

American Road & Transportation Builders Association (co-chair) ■ Associated General Contractors of America (co-chair) ■ American Coal Ash Association ■ American Concrete Pavement Association ■ American Concrete Pipe Association ■ American Council of Engineering Companies ■ American Society of Civil Engineers ■ American Subcontractors Association ■ American Traffic Safety Services Association ■ Asphalt Emulsion Manufacturers Association ■ Asphalt Recycling & Reclaiming Association ■ Associated Equipment Distributors ■ Association of Equipment Manufacturers ■ International Slurry Surfacing Association ■ International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers ■ International Union of Operating Engineers ■ Laborers-Employers Cooperation and Education Trust ■ Laborers' International Union of North America ■ National Asphalt Pavement Association ■ National Association of Surety Bond Producers ■ National Lime Association ■ National Ready Mixed Concrete Association ■ National Stone, Sand and Gravel Association ■ National Utility Contractors Association ■ Portland Cement Association ■ Precast/Prestressed Concrete Institute ■ The Road Information Program ■ United Brotherhood of Carpenters and Joiners of America

For More Information:
202/289-4434 (ARTBA)
703/548-3118 (AGC)

March 3, 2009

The Honorable Barack Obama
President
The White House
Washington, D.C. 20500

Dear Mr. President:

The 28 national associations and construction trade unions of the Transportation Construction Coalition appreciate the infrastructure investments included in the Administration's proposed budget for Fiscal Year 2010. The budget submission accurately recognizes infrastructure improvements will create and sustain jobs and provide a foundation for long-term economic growth.

We are very concerned, however, about the Administration's proposal to convert the treatment of transportation programs to appropriated budget authority. While the proposal may be intended as a mechanism to increase transparency, it would have dire real-world consequences for the operation of the federal transportation programs and should be rejected.

As you know, contract authority in current law allows for the obligation of transportation funds without a separate appropriation bill. The Administration's proposal could significantly impair the efficient operation and management of transportation improvements. The multi-year commitments represented by contract authority allow states to embark on the process of environmental review, permitting, design and construction of a transportation improvement. Contract authority is also critical for the required state and regional transportation planning processes, which require revenue forecasts well beyond a given fiscal year. As such, the Administration's proposal to remove long-term commitments associated with contract authority would severely disrupt transportation improvements on both a planning and project basis.

The proposal also fails to recognize the fundamental reality that the federal transportation programs are not general fund activities, but rather user fee funded programs with dedicated revenue sources. Elimination of contract authority would undermine the budgetary firewalls that have been essential in facilitating the transportation infrastructure improvements of the last decade. Furthermore, the proposal would eliminate or greatly dilute the direct linkage between trust fund revenues and annual transportation investments.

During this period of economic turmoil, Congress should not undercut one of the fundamental tenets of federal transportation programs. We strongly encourage you to withdraw this element of the Administration's proposal as you develop the federal budget for Fiscal Year 2010.

Sincerely,

The Transportation Construction Coalition