

TRANSPORTATION CONSTRUCTION COALITION

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Transportation Construction Coalition Tells Congress Action is Needed to Avert Perfect Storm Facing Highway Trust Fund

(Washington, D.C.) — Pennsylvania transportation construction engineer John McCaskie today told members of a Senate Appropriations Subcommittee federal funding for transportation projects faces a “perfect storm” that must be addressed to avoid a \$13.7 billion cut in federal highway investment in FY 2009. He testified on behalf of the Transportation Construction Coalition (TCC) before the Senate Appropriations Subcommittee on Transportation, Housing and Urban Development on the issue of Highway Trust Fund Highway Account solvency. TCC is a coalition of 28 national associations and labor unions founded in 1996 to present a unified construction industry voice on federal transportation investment and policy issues.

When Congress enacted the Safe Accountable Flexible Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) in 2005 it relied on revenue assumptions that have not held constant, as a result projected Highway Account revenues are \$3.7 billion below the amount necessary to support the \$41.2 billion in highway investment SAFETEA-LU calls for in FY 2009. As a result of this shortfall, anticipated revenues could only finance an FY 2009 highway investment level of \$29.5 billion, which is 32 percent less than the amount provided in FY 2008 and guaranteed by SAFETEA-LU for FY 2009.

“Not addressing the Highway Trust Fund revenue shortage and the potential resulting cut of as much as 32 percent in highway funding would result in further cutbacks in transportation projects and lead to further job loss. This would heighten the perfect storm scenario and have a drastic effect on not only the transportation construction industry but the U.S. economy as well,” McCaskie said.

McCaskie also outlined a solution to address the trust fund crisis supported by a broad transportation construction industry coalition. “While this situation may seem bleak, there is a light at the end of the tunnel. Senate Finance Committee Chairman Max Baucus and Committee Ranking Republican Charles Grassley have followed through on the commitment they made to you last year and developed legislation that would ensure the highway investment commitment made by SAFETEA-LU can be delivered,” he said.

TCC members include the: 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.

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