

April 7, 2017

The Honorable Mike Enzi
Chairman
Committee on the Budget
United States Senate
Washington, D. C. 20510

The Honorable Bernie Sanders
Ranking Member
Committee on the Budget
United States Senate
Washington, D.C. 20510

Dear Chairman Enzi and Ranking Member Sanders:

As the Senate prepares to advance an FY 2018 budget resolution, our organizations want to highlight the importance of federal transportation investment to growing the U.S. economy and creating jobs. The budget process provides several key opportunities to enable needed investment to maintain and upgrade the nation's critical transportation infrastructure network.

While the 2015 "Fixing America's Surface Transportation (FAST) Act" surface transportation reauthorization law provides sufficient Highway Trust Fund (HTF) resources to support the modest surface transportation investment increases it authorized through FY 2020, it relies on \$70 billion in transfers to achieve this goal. According to the Congressional Budget Office, there will be a nearly \$20 billion average annual shortfall between existing revenue and the amount needed to prevent cuts in highway and public transportation investment once the FAST Act expires.

The HTF's revenue challenges and the resulting consequences on other parts of the federal budget and U.S. economy warrant a long-term solution to stabilize and grow federal surface transportation investment as part of any tax reform initiative. To facilitate achievement of that goal, we urge you to include instructions in the FY 2018 budget resolution calling on the relevant tax and authorizing committees to develop legislation to permanently address the trust fund's structural revenue deficit. Furthermore, the FY 2018 budget should at least assume full-funding of the FAST Act's authorizations and include a reserve fund that would allow these investment levels to increase if additional trust fund resources are generated by tax reform or some other legislative vehicle.

Failure to address the HTF's revenue shortfall as part of a comprehensive measure would increase the likelihood of Congress again shifting funds from elsewhere in the budget to support another in a long-string of one-time trust fund infusions. While such actions have temporarily stabilized highway and transit investment, they do not provide states the certainty needed to implement long-term transportation plans. Equally problematic, these temporary legislative fixes pass the HTF problem off to another Congress at an increased price tag.

A long-term, growth-supporting revenue solution for the HTF would achieve many of the economic and fiscal objectives of both parties. We urge you to make boosting infrastructure investment in a fiscally responsible manner a key priority for any tax reform package by ensuring the FY 2018 budget resolution includes the necessary provisions to initiate this process.

Sincerely,

United States Chamber of Commerce
National Association of Manufacturers
American Road & Transportation Builders Association
Associated General Contractors of America
American Association of State Highway and Transportation Officials

Americans for Transportation Mobility
Building America's Future
American Highway Users Alliance
American Public Works Association (APWA)
American Public Transportation Association
American Society of Civil Engineers
Associated Equipment Distributors
National Stone, Sand and Gravel Association
American Council of Engineering Companies
The Association of Union Constructors
Sheet Metal and Air Conditioning Contractors' National Association
National Association of State Highway and Transportation Unions
People for Bikes – Business Network
National Asphalt Pavement Association
Concrete Reinforcing Steel Institute
American Iron and Steel Institute
National Utility Contractors Association
American Concrete Pavement Association
Precast/Prestressed Concrete Institute
Laborers' International Union of North America
International Union of Operating Engineers
American Concrete Pipe Association
National Ready Mixed Concrete Association
National Electrical Contractors Association
American Traffic Safety Services Association
Association of Equipment Manufacturers
Portland Cement Association
National Steel Bridge Alliance
Transportation Construction Coalition

Cc: Senate Budget Committee Members