



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 Subcontractors Association ■ American Iron and Steel Institute ■ American Society of Civil Engineers ■ American Traffic Safety Services Association ■ Asphalt Emulsion Manufacturers Association ■ Asphalt Recycling & Reclaiming Association ■ Associated Equipment Distributors ■ Association of Equipment Manufacturers ■ Concrete Reinforcing Steel Institute ■ 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 Electrical Contractors Association ■ National Ready Mixed Concrete Association ■ National Steel Bridge Alliance ■ 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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February 1, 2019

The Honorable Earl Blumenauer
United States House of Representatives
1111 Longworth House Office Building
Washington, DC 201515

Representative Blumenauer:

The 31 national associations and construction trade unions of the Transportation Construction Coalition (TCC) strongly support your introduction of the Rebuild America Act of 2019 and stand ready to work with you to ensure enactment of a user-fee increase this year. The legislation would address the solvency of the Highway Trust Fund for the foreseeable future by raising adequate revenue to not only plug the \$18 billion per-year projected deficit but also support growing surface transportation investment levels.

On average, federal infrastructure investment supports more than 50 percent of state spending on highway construction, and the predominate source of that funding is motor fuels tax revenue. Federal leadership to generate revenue for highway and transit programs has been in place for years, going back to the creation of the Interstate Highway System under President Eisenhower and the dedication of user fees for mass transit systems under President Reagan. Collection of the fees at the distribution terminal rack makes the administrability of gas and diesel taxes highly efficient. Put simply, the federal gas tax is the most effective and productive means to raise user-fee revenue in the next decade.

If enacted, the Rebuild America Act of 2019 not only would increase the gasoline and diesel taxes five cents per year for the next five years, it would also index to inflation the motor fuels taxes in year six and beyond - something the TCC has been advocating for the past two decades. Additionally, the bill recognizes the need for a new revenue source in the future; the TCC supports Congress beginning that debate. Increasing gasoline and diesel taxes that have been locked in at the same rate for the last 25 years is the best near-term solution. But if Congress and the Administration can agree on another user fee concept that generates additional transportation investments, we will be supportive of that as well.

Since 2013, lawmakers from 27 states have raised various forms of gasoline and diesel taxes to increase revenue for transportation investments at the state and local level. More than 90 percent of both Democrat and Republican legislators who ran for re-election after supporting those user-fee increases won re-election – a better record than those who opposed the measures. This should put to rest any argument that increasing the gas tax for infrastructure purposes is politically untenable.

Your continued efforts and leadership on this issue are greatly appreciated and we look forward helping you enact the Rebuild America Act of 2019, or any other long-term, sustainable Highway Trust Fund user fee revenue solution, this year.

Sincerely,

The Transportation Construction Coalition