

July 7, 2011

President Barack Obama  
1600 Pennsylvania Ave., N.W.  
Washington, D.C. 20500

Vice President Joseph R. Biden, Jr.  
1600 Pennsylvania Ave., N.W.  
Washington, D.C. 20500

Hon. John A. Boehner  
H232, The Capitol  
Washington, DC 20515

Hon. Nancy Pelosi  
H204, The Capitol  
Washington, DC 20515

Hon. Harry Reid  
S221, The Capitol  
Washington, DC 20510

Hon. Mitch McConnell  
S230, The Capitol  
Washington, DC 20510

Hon. Eric Cantor  
303 Cannon House Office Building  
Washington, DC 20515

Hon. Steny Hoyer  
1705 Longworth House Office Building  
Washington, DC 20515

Hon. Richard Durbin  
S321, The Capitol  
Washington, DC 20510

Hon. John Kyl  
S208, The Capitol  
Washington, DC 20510

Dear Mr. President, Vice President & Congressional Leaders:

The American Road & Transportation Builders Association (ARTBA) wholeheartedly supports and encourages the ongoing efforts of the Administration and congressional leaders to reach a consensus approach that will put the federal government on the path to long-term fiscal stability while ensuring that core federal responsibilities are met. We fully appreciate that this is not an easy task, particularly given the current high rate of U.S. unemployment and the overall fragile state of the nation's economy.

As you discuss and set future federal funding priorities, we respectfully suggest that proper federal investment in the nation's core transportation infrastructure is a key to putting Americans back to work and to strengthening and growing the U.S. economy over both the short- and long-terms. For that reason, we urge you to resolve—as part of any budget agreement—the existing revenue challenge that threatens the future utility of the federal surface transportation programs.

Please keep federal transportation and other infrastructure investments in the proper context vis-à-vis general federal spending. No other federal spending does all of these things:

- **Creates and preserves American jobs;**
- **Results in tangible, long-lasting capital assets;**
- **Provides access to virtually every tax-generating American job;**
- **Facilitates a business transaction of some kind almost every time it is used;**
- **Enables every American export and import;**
- **Produces extraordinary productivity results;**
- **Makes emergency response to natural and man-made disasters possible;**
- **Is critical to military mobilizations and national defense; and**
- **Responds to a Constitutional mandate for federal support.**

The economic impacts of transportation investment are well understood. In 2003, Global Insight forecast that every additional \$1 billion in federal outlays for highway and transit capital investments increases the nation's Gross Domestic Product by \$2.19 billion, disposable income by \$977 million and federal tax revenues by \$770 million. The U.S. Department of Transportation reports that every \$1 billion in federal surface transportation investment, along with required state matching funds, generates, or sustains, 34,700 American jobs.

On the other hand, disinvestment, or deferred investment, in the nation's transportation infrastructure has serious negative impacts on the nation's economy. When the system fails to keep pace with economic and population growth and is allowed to physically deteriorate, its performance declines. This leads to losses in productivity and international competitiveness, wasted fuel and increased health and environmental impacts.

The National Commission on Fiscal Responsibility and Reform recognized the importance of transportation investments and suggested ways to solve the underinvestment problem as part of a larger debt and deficit solution. First, commissioners called for eliminating current budgetary gimmicks by making transportation infrastructure spending mandatory and then ensuring the best use of funds through reforms that limit "trust fund spending to the most pressing infrastructure needs." Second, the commission recommended increasing revenues to the Highway Trust Fund, noting the eroded purchasing power of the revenue stream last adjusted in 1993.

We endorse the recommendations made by the commission.

User fee financing of our transportation investments has served the nation well for more than a half-century. And just because the political parties have ruined the federal motor fuels excise as a viable funding mechanism, doesn't mean user fees shouldn't be employed.

Virtually everything that Americans use, wear and eat every day comes to them via the surface transportation system. We believe it is time to implement a federal freight user fee to help finance our transportation infrastructure investments and leverage private capital. ARTBA commissioned PriceWaterhouseCoopers to develop a plan for such a federal fee—a “Highway Transportation Services Fee” that is similar to the current federal excise levied on air cargo. Their recommendations are enclosed. We urge you to give this proposal a good, hard look.

And while we favor the user-financing approach, we also recognize there may be other ways to accomplish similar goals.

The U.S. highway and public transportation systems are the foundation of the nation’s economy. Strengthening this system not only creates immediate jobs, but also leads to enhanced long-term economic productivity—both of these outcomes are essential to restoring balance to the federal budget. As such, we urge you to ensure any comprehensive budget package strengthens the federal responsibility to maintain and improve the nation’s surface transportation network.

Sincerely,

A handwritten signature in black ink, reading "T. Peter Ruane". The signature is written in a cursive style with a long horizontal flourish at the end.

T. Peter Ruane  
President & CEO