



We're Building A Better America!

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- Associated General Contractors of America (co-chair) ■
- American Coal Ash Association ■
- American Concrete Pavement Association ■
- American Concrete Pipe Association ■
- American Council of Engineering Companies ■
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- 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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Dear Chairman Ryan:

We appreciate the fiscal predicament our country is in and welcome a serious debate on how best for the country to deal with this problem. The “Path to Prosperity; Restoring America’s Promise” suggests difficult choices for addressing virtually every segment of the federal budget and proposes spending cuts intended to reduce the annual deficit.

We are extremely disappointed your blueprint undervalues a critical area of investment needed to sustain economic growth--federal infrastructure investment. We don’t believe all spending is equal and we don’t believe all taxes are equal. Federal investment in transportation infrastructure is critical to improving U.S. economic competitiveness. Democratic and Republican Administrations, as well as bipartisan majorities in Congress, have long recognized the fundamental virtue of such investments.

You yourself recognized the following in your Roadmap 2.0:

“Obviously, some government spending is necessary to foster a functioning market economy. Governments must provide for a limited set of public goods: they must build roads and other infrastructure, foster the protection of property rights, and maintain internal and external security....this “core” government spending tends to foster economic growth.”

While your recommendation for the highway and transit programs represents what the Highway Trust Fund can support, it fails to accommodate the infrastructure investments our country needs to facilitate economic growth. Your proposal locks in significant reductions in transportation spending —total budget authority for all federal transportation programs will be 31 percent below current levels, which would deprive the nation of billions of dollars in transportation improvements necessary to strengthen U.S. international competitiveness.

These dramatic cuts would impact every state and every district in the country and threaten thousands of jobs. We strongly prefer the more straightforward transportation recommendations the National Commission on Fiscal Responsibility and Reform included in its report last December. That commission recognized the magnitude of the fiscal problem and it recognized the importance of investing in American infrastructure. That report recommended the following: *“Fully fund the transportation trust fund instead of relying on deficit spending. Dedicate a 15 cent per gallon increase in the gas tax to transportation funding and limit spending if necessary to match the revenues the trust fund collects each year.”* The commission report went on to say the following: *“we should cut red tape and unproductive government spending that hinders job creation and growth at the same time we must invest in education, infrastructure and high value research and development to help our economy grow, keep us globally competitive and make it easier for businesses to create jobs.”* The House



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Budget Committee's proposal denies the opportunity to identify new revenues to support needed transportation improvements that would help create new jobs and promote future economic growth.

Your budget proposal suggests that the Highway Trust Fund can be kept solvent without increases in user fees by consolidating dozens of separate highway programs that GAO has identified as duplicative. While we absolutely believe there are unnecessary programs and requirements and support their elimination, this alone will not provide the resources needed to support a targeted, cohesive national transportation policy.

We take strong exception to the budget proposal's characterization of the job creation impact of highway investment as being "oversold." The Bush Administration reported, less than three years ago, \$1 billion in federal highway investment supports 34,779 jobs. There are millions of Americans employed in the transportation design and construction industry who are proof of the job creation potential of federal highway investment. Any suggestions to the contrary are a disservice to these men and women and the public service they perform.

The Transportation Construction Coalition urges you to reconsider the importance of infrastructure investment in the House's budget. Further investment in our nations' infrastructure will help achieve the "key objectives" of your budget resolution, including economic growth, job creation and restoring America's exceptional promise. We agree that *Americans face a monumental choice about the future of their country*. It is imperative the path forward does not ignore the fact that our country must invest in our infrastructure to grow the economy.

We understand the threat that entitlements pose to the entire domestic discretionary budget, including crowding out quality investments like the transportation infrastructure programs. The Transportation Construction Coalition, however, opposes the House Budget proposal, as currently written, solely because it would lead to devastating cuts in federal transportation investment. We urge all members of the House to instead work to advance legislation that would improve the nation's surface transportation infrastructure network.

Respectfully,

TCC

cc: All Members of House of Representatives