Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

Bill Shuster
Chairman

Peter A. DeFazio
Ranking Member

Christopher P. Bertram, Staff Director

Katherine W. Dedrick, Democratic Staff Director

May 11, 2015

The Honorable Bill Shuster
Chairman
Committee on Transportation and Infrastructure
2165 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Shuster:

In eight legislative days, surface transportation programs authorized under the Moving Ahead for Progress in the 21st Century Act (MAP-21) (P.L. 112-141) will shut down. We are incredibly frustrated that we find ourselves in the middle of another construction season, yet Congress is unable to do more than deliver another short-term patch.

We know you share our frustration and appreciate your work to enact a long-term surface transportation reauthorization bill. However, the biggest obstacle to a long-term bill is identifying and agreeing to the additional revenues needed to restore solvency to the Highway Trust Fund. We understand that Ways and Means Committee Chairman Ryan has agreed to hold a hearing on revenue options to maintain and improve our highways, bridges, and public transit systems. ***We believe such a hearing should occur as soon as possible, and that this should be a Joint Hearing of the Committee on Ways and Means and the Committee on Transportation and Infrastructure. We ask for your support in this effort.***

Members of our Committee share in the responsibility to ensure that adequate revenues exist to safeguard our Nation's existing infrastructure. In fact, House Rule X, clause 2(c) and Committee on Transportation and Infrastructure Rule XII(d) specifically directs our Members to review, "on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the Committee", including surface transportation. Members on both the Committees on Transportation and Infrastructure and Ways and Means have repeatedly expressed frustration over the lack of a hearing on this topic, and deserve the opportunity for an open dialogue on long-term, sustainable solutions to our growing surface transportation infrastructure deficit.

Since 2008, Congress has transferred $65 billion from the General Fund of the Treasury to the Highway Trust Fund. These General Fund infusions have eroded the user-financed principle that has been the hallmark of the surface transportation program for half a century. Over the past seven years, highway, transit, and highway safety programs have been kept afloat through short-term patches. While MAP-21 provided two years of funding, that Act did not provide States and local governments the certainty to plan and implement critical infrastructure projects.

Short-term patches are an exercise in futility, and frustrate our state and local partners who are left wondering whether timely reimbursements from the U.S. Department of Transportation will happen this summer. The surface transportation program has thrived for nearly six decades as a Federal-State-Local partnership. In recent years, the Federal Government has not held up its end of the bargain.

States have stepped forward to fill the void. All around the country, we have seen States – with both Republicans and Democrats at the helm – vote to raise their own gas tax or support other revenue packages to bring in additional transportation funds to compensate for declining Federal investment. Yet, some Members of Congress continue to fight against even considering raising new revenues, with some calling for devolution of the Federal commitment. I know you share my strong opposition to devolution. Yet, slowly starving the surface transportation program through short-term patches starts us down the same road. As the Heritage Foundation has quipped, it amounts to defacto devolution.

Moreover, short-term patches do nothing to tackle the falling purchasing power of the existing highway user fee. Federal gasoline and diesel taxes are losing value over time because they are not linked to inflation, people are driving less, and vehicle fuel efficiency is rising. Congress has not raised the excise tax on gasoline and diesel in 22 years, cutting its purchasing power by about 40 percent. If the tax on gasoline and diesel, currently 18.4 and 24.4 cents per gallon, had been adjusted to keep pace with the Consumer Price Index, the tax would be about 30 cents and 40 cents per gallon today, respectively.

The longer we wait, and the longer it takes to make repairs and get critical projects underway, the worse it gets. The Congressional Budget Office estimates that Congress needs to identify an additional $92 billion just to maintain current program levels in a six-year authorization bill. Over 10 years, the investment gap grows to $172 billion just to maintain the status quo.

However, many Members of Congress have put forth ideas to address the growing gap between revenues into and expenditures out of the Trust Fund. A Joint Hearing provides an opportunity to educate our colleagues on the magnitude and urgency of the task at hand, and to focus on sustainable funding solutions that retain the user-pays principle for infrastructure funding.

We believe it is critical for States and local governments, and the American people, to once again have confidence that the Federal Government will continue its leadership role in surface transportation. We very much appreciate your leadership and bipartisan approach to advancing the work of our Committee, and look forward to your partnership on this critical issue.

Sincerely,

PETER DeFAZIO
Ranking Member

ELEANOR HOLMES NORTON
Ranking Member
Subcommittee on Highways & Transit

cc: The Honorable Paul Ryan, Chairman, Committee on Ways and Means
The Honorable Sander M. Levin, Ranking Member, Committee on Ways and Means