Background

The enactment of the “Fixing America’s Surface Transportation Act,” or FAST Act, in December 2015 provides a needed—albeit temporary—stabilization of federal highway and public transportation investment. Unfortunately, once the FAST Act expires in October 2020, the Highway Trust Fund revenue shortfalls that plagued surface transportation investment and forced multiple short-term program extensions over the last nine years will return. Due to their inability to provide a permanent revenue stream for the Highway Trust Fund, Congress and the last two presidential administrations have shifted $143 billion from elsewhere in the federal budget to preserve highway and public transit funding. Without a real permanent solution before the FAST Act expires, Congress will once again be forced to choose between devastating investment cuts or more temporary bailouts.

Republicans on the tax-writing House Ways & Means Committee rolled out a “blueprint” to rewrite the nation’s tax code in late June. While this plan includes much to commend, it does not address the Highway Trust Fund’s fiscal dilemma. It is important to note that over the last 30 years all enhancements to the trust fund’s revenue stream have come as part of broad tax or budget packages.

Requested Action

The House Ways & Means Committee Republicans view their blueprint as the beginning of a conversation on tax reform and want to hear from all Americans. The transportation construction industry should tell all members of Congress that stabilizing and growing federal surface transportation investment must be a component of any pro-growth tax reform proposal. Please tell your members of Congress:

- I agree with the group of 130 bipartisan House members who wrote to Ways & Means Committee Chairman Kevin Brady (R-Texas) in May that a permanent Highway Trust Fund solution should be part of any tax reform plan and that all options should be on the table to rectify this situation once and for all.
- If Congress does not act, the Highway Trust Fund will face annual revenue shortfalls of $18 billion once the FAST Act expires;
- Congress has a narrow window to address this situation before states will once again be forced to begin delaying projects due to uncertainty about future federal funds.
- Please urge the Ways & Means Committee to enhance their tax reform blueprint by including a permanent Highway Trust Fund revenue solution.

In addition to delivering these messages to your members of Congress, please work with your state organization to submit written comments directly to the House Ways & Means Committee that echo these points and also describe your state’s unique transportation challenges and the importance of a permanent Highway Trust Fund fix for your state’s economy. This state specific information can be found here. The Committee is requesting comments at http://waysandmeans.house.gov/taxreform/.