

DRIVING AHEAD

VOLUME 4/ISSUE 2, 2008

A bi-monthly newsletter of the
American Highway Users Alliance

In This Issue

- 1 Federal Front**
McCain Proposes Federal
Gas Tax Holiday
- 2 Federal Front**
Highway Funding in
Economic Stimulus
Wyden/Thune Bonding Plan
Critical Research Funding
Answering Key Questions
for Senate
- 3 Federal Front**
Promoting New Sources of Fuel
Developing Grassroots in IA, OH
Influence Policymakers
- 4 Inside Highway Users**
On the Road at ConExpo



1101 14th Street, NW, Suite 750
Washington, DC 20005
202.857.1200
www.highways.org

© American Highway Users Alliance. All rights reserved.

FEDERAL FRONT

McCain Proposes Federal Gas Tax Holiday Highway Users Oppose Plan

On April 15, the tax deadline for millions, Republican presidential candidate John McCain proposed suspending the federal fuel tax from Memorial Day to Labor Day to provide temporary relief to motorists. A campaign staffer suggested the Highway Trust Fund would be protected by transferring general funds. The Highway Users opposes the suspension.

Long-Term Solutions Needed, Tax Issue a Distraction

We are concerned about highway fuel prices and have lobbied in favor of long-term solutions to the underlying cause, the price of crude oil. But the federal fuel tax holiday distracts Americans from the real supply problems that have caused prices to rise. The tax holiday would save the average motorist only \$28 and would set a dangerous precedent that could eventually harm the fiscal integrity of the Highway Trust Fund. In addition, the sudden increase in fuel prices on the Tuesday after Labor Day would be politically difficult to ignore.

Trust Funds Stretched

Each year the federal government collects \$38 billion in diesel and gasoline taxes, while state and local governments bring in an additional \$78 billion. These monies are the primary funding source for the majority of road and bridge projects around the country. It is short-sighted to play games with the source of revenue for highway funding. Even without the fuel tax holiday, the federal highway trust fund is already approaching bankruptcy. By 2009, politicians will have to consider raising fuel taxes and reforming spending. Today's campaign rhetoric may prove to be harmful to the prospects of an honest debate in the near future.

The Highway Users projects that Congress is unlikely to implement the tax suspension. We are actively but quietly monitoring this issue, taking care not to give it more oxygen. Please check your emails for updates. ■

The tax holiday would... set a dangerous precedent that could eventually harm the fiscal integrity of the Highway Trust Fund.



Supporting Highway Funding in the Next Economic Stimulus

In March, the Highway Users sent a letter to House Speaker Nancy Pelosi (D-CA) and Senate Majority Leader Harry Reid (D-NV) to express support for efforts to include highway funding in a future economic stimulus bill. Speaker Pelosi, in particular, has made recent public statements about the value of including an infrastructure package in a second economic stimulus bill. In addition, both the House and Senate budget bills include "reserve funds" for infrastructure. ■

Supporting the Wyden/Thune Bonding Plan to "Build America"

We met with Senator Thune's staff in March to discuss the Wyden/Thune "Build America Bonds" proposal and a competing Dodd/Hagel bonding plan. We reaffirmed our endorsement of the Wyden/Thune legislation. In media interviews, we've stressed that all ideas that increase funding for highway projects deserve a full debate and that we are pleased to see innovative bonding ideas attracting attention from the presidential candidates. Overall, we prefer the Wyden/Thune tax-credit bond plan because it supplements the Highway Trust Fund with revenue from customs fees, is focused on surface transportation, and is simple to administer. The Dodd/Hagel plan creates a new federal agency focused on both transportation and non-transportation mega-projects and does not provide predictable funding to highways. In our view, bonding may provide some temporary relief to funding pressures but will not provide the long-term stability of a stable pay-as-you-go revenue source like the gas tax. ■

“The Highway Users and AAA National led a successful coalition effort to convince the DOT to fund a critical research project called the National Household Travel Survey.”

Successfully Lobbying for Critical Research Funding

The Highway Users and AAA National led a successful coalition effort to convince the U.S. Department of Transportation (DOT) to fund a critical research project called the National Household Travel Survey (NHTS). Funding had been in doubt due to the oversubscribed research programs authorized by SAFETEA-LU. The first NHTS study was released in 1969 and completion of the 2008 survey will provide a 20-year story about personal travel changes in America. Together with AAA National, we wrote the letter to convince DOT Secretary Mary Peters to free up funds for the project, and obtained cosigners from 12 national non-profit safety, trade, research, engineering, environmental and planning associations. In March, Secretary Peters replied in a letter that DOT approved the funding we requested and that the research would commence without delay. ■

Being the Senate's Go-To Association for Answering Key Highway Questions

On March 10, The Highway Users answered written questions from Senators Carper (D-DE), Inhofe (R-OK), and Voinovich (R-OH) on a number of issues related to the National Surface Transportation Policy and Revenue Commission Report. Questions posed asked for information about our views on Amtrak and passenger rail, fuel taxes, performance standards for the highway program, congestion relief, pricing and tolling, environmental streamlining and regulations, and alternative financing schemes. For details, contact daisysingh@highways.org. ■





Promoting New Sources of Fuel to Strengthen America

To reduce fuel costs, we sent a letter of support to the Bureau of Land Management for their plan to allow development of tar sands and shale on public lands in Utah, Colorado, and Wyoming. These sources of oil could provide America with 1.23 trillion barrels of domestic oil – enough to provide for our transportation needs for 180 years. The Highway Users continues to support both increased conservation and increased

supplies as critical tools to keep mobility affordable and our nation economically secure. ■

Developing Grassroots Support in Iowa and Ohio

At the invitation of Senator Grassley's (R-IA) office, The Highway Users and AASHTO briefed Iowa community leaders on the fiscal challenges facing lawmakers on transportation programs. The Iowa group was organized by two local chambers of commerce. The Highway Users has a number of Iowan members and we encouraged those at the meeting in Grassley's office to work with our members to strengthen their grassroots support for safety and mobility. In Ohio, we attended and helped organizers of the Ohio Transportation Summit. The Mid-Ohio Regional Planning Commission, a Highway Users member, organized the event. Speakers included Senator Voinovich (R-OH), Ohio's Director of Transportation James Beasley, Surface Transportation Policy Commission Vice Chairman Jack Schenendorf, and many other friends of The Highway Users. Numerous mobility and highway contacts were made among the registrants and we will enlist them in our grassroots programs. ■

2008 Officers

Honorary Chairman **The Honorable Norman Y. Mineta**
Former Secretary, U.S. Department of Transportation

Chairman **Governor Bill Graves**
President & CEO, American Trucking Associations

Vice Chairman **Leslie J. Jezuit**
Chairman & CEO, Quixote Corporation

Treasurer **Roy Littlefield**
Executive Vice President, Tire Industry Association

Chairman Emeritus **Michael J. Toohey**
Livingston Group

Your Chance to Influence Policymakers

Add Your Name to this Highway Issues Resource

The Highway Users is updating its *Candidate Binder – The Road to Congress*, which is designed to educate candidates on highway issues. The next Congress faces a steep learning curve on highway issues. Yet the transportation problems facing the 111th Congress will be more severe and intractable than they have been in fifty years. Decisions made by elected officials in 2009 are expected to have the biggest impact on national highway funding levels and priorities since the establishment of the Highway Trust Fund in 1956. The binder will include valuable state-by-state data on critical needs and will help candidates understand public sentiments about transportation.

Help educate future Congressional leaders and Presidential candidates about the importance of highway user fees and the Highway Trust Fund by assisting us in funding and distributing "The Road to

Congress – How Highway Issues Can Help Your Campaign." Become a sponsor! Contact gregcohen@highways.org for more details. The deadline for sponsorships is May 1st. ■



Highway Users Takes to the Road for ConExpo

It was the largest trade show in North America of any industry in 2008, and The Highway Users was there along with 144,600 industry professionals from around the world. ConExpo-Con/AGG and IFPE 2008 took place March 11-15, 2008 in Las Vegas where 2,651 exhibitors displayed their products and services in over 2.40 million net square feet of space.

The Highway Users was an association sponsor and an active participant of ConExpo. Not only did our staff “man” a booth but they also walked the show meeting with members and seeking prospective member manufacturers who also exhibited at the show. It was fertile ground for The Highway Users to identify excellent contacts while visiting with construction suppliers.

As a new exhibitor at ConExpo, which is held every three years, The Highway Users introduced itself to targeted prospective member pre-registrants via an online newsletter and a postcard mailing inviting attendees to our booth and to visit our web site.

As follow-up, we have responded to online inquires from the ConExpo newsletter and have sent information to nearly 40 booth visitors. Research is continuing to identify key public policy contacts with several hundred companies who will receive information about The Highway Users and be contacted by telephone for months to come. What can we say...it was a very good show! ■



The Highway Users exhibited at ConExpo-ConAGG in March to heighten exposure of our lobbying, media relations and grassroots efforts within the construction industry.



American Petroleum Institute Chief Economist John Felmy spoke at the Board of Directors luncheon about the contributing factors to the rising cost of fuel.

The Highway Users held a Board of Directors meeting on April 3rd at the Hyatt Regency on Capitol Hill. President & CEO Greg Cohen took notes as Tom Lynch, from Sen. Max Baucus’ office, addressed attendees.



What's Ahead

Upcoming Meeting

October 29, 2008:
Annual Meeting
Washington, DC



The American Highway Users Alliance is the broadest-based transportation coalition in Washington, DC, focused exclusively on promoting highway system performance, roadway safety improvements and freedom of mobility.