UNITED STATES HOUSE OF REPRESENTATIVES

RELEASE

Rep. Blumenauer Reintroduces Gas Tax Increase

Blumenauer joined by leaders in transportation, commerce, labor, and construction to introduce UPDATE Act that funds our nation's infrastructure

Washington, DC – Yesterday, Representative Earl Blumenauer (OR-03), with the support of leaders in the fields of transportation, labor, commerce, and construction, introduced HR 680 to allow passage of the first comprehensive, six year transportation bill since 1997. HR 680: The Update, Promote, and Develop America's Transportation Essentials (UPDATE) Act would phase in a nickel a gallon tax increase over each of the next three years on gasoline and diesel. Of all the proposals being circulated on Capitol Hill, this is simplest, easiest to pass, and the only one giving long term stability. Blumenauer will speak with this diverse cross section of groups at a press conference today highlighting the momentum behind such a proposal. As President Reagan said when he led a similar effort in 1982, it won't increase the deficit or increase taxes due on April 15. Instead, it will be paid for by the gas tax user fee that has supported the Highway Trust Fund since 1956.

"Every credible independent report indicates that we are not meeting the demands of our stressed and decaying infrastructure system – roads, bridges and transit," said Blumenauer. "Congress hasn't dealt seriously with the funding issue for over 20 years and it's time to act. The gas tax used to be an efficient road user fee, but with inflation and increased fuel efficiency, especially for some types of vehicles, there is no longer a good relationship between what road users pay and how much they benefit. The average motorist is paying about half as much per mile as they did in 1993. There's a broad and persuasive coalition that stands ready to support Congress, including the U.S. Chamber of Commerce, National AFL-CIO, the construction and trucking industry, cyclists, professional groups, numerous associations of small and medium businesses, local governments, and transit agencies. We just need to give them something to support."

In 2011, the Federal Highway Administration estimated that over $70.9 billion worth of repairs were needed just to maintain safe bridges; that number has since increased each year. The American Society of Civil Engineers estimates that surface transportation in the US needs over $2 trillion of investment in order to remain economically competitive by 2020.

In recent years, Congress has added to the deficit by transferring over $65 billion of General Fund revenue to the Highway Trust Fund to keep it afloat. In order to maintain current funding levels in the following years, the Highway Trust Fund will need over $15 billion a year by 2018 in addition to current gas tax receipts. Continuing down the current path will mean a 33% drop in federal transportation spending by 2024. The UPDATE Act would solve the problem by providing $210 billion over ten years.

"Addressing the infrastructure deficit, stabilizing transportation funding, and helping America's all-too-slow economic recovery is critical if we want a livable and economically prosperous country in the years to come," said Blumenauer. "The UPDATE Act will put hundreds of thousands to work at family wage jobs in every state, while improving

the environment and quality of life."

Statements of Support for the UPDATE Act of 2015:

"Getting America To Work applauds Congressman Blumenauer for continuing his efforts to ensure America's transportation and infrastructure needs are funded for years to come. America's businesses and workers rely on public transportation to keep our economy moving. Our coalition of transit agencies, councils of government and business groups strongly urges all members to follow Rep. Blumenauer's lead and work together to bring our public transportation systems into a state of good repair." **– Getting America to Work Coalition**

"Congressman Blumenauer's proposal for a modest adjustment to the gas tax is a no-brainer for Americans concerned about road and bridge safety. Every day, Americans pay what amounts to a pothole penalty because of the failure of Congress to fully invest in our nations crumbling roads, bridges and transit." **– General President Terry O'Sullivan, Laborers' International Union of North America (LIUNA)**

"The challenges facing the Highway Trust Fund could be easily solved if Congress and the President demonstrated a little policymaking courage. Representative Blumenauer has put forward a very thoughtful proposal to avert the next trust fund crisis and to do so in a fiscally responsible way. Most importantly, his plan would help provide the sustainable revenue stream necessary for states to begin fixing and modernizing their roads, bridges and transit systems." **– President Pete Ruane, American Road & Transportation Builders Association (ARTBA)**

"Congressman Blumenauer's UPDATE Act provides a much needed boost to our nation's surface transportation infrastructure. UPS alone travels more than 2.9 billion miles on America's roads each year, connecting businesses, consumers and individuals in every state. Increasing the federal motor fuels tax is a long-overdue proposal to provide the dedicated funding needed to maintain our highways, intermodal connections and other related infrastructure projects. Investing in and growing our nation's transportation infrastructure is essential to remaining competitive in today's increasingly global economy." **– Laura Lane, Global Public Affairs President, UPS**

"APTA urges Congress to enact a bill that increases dedicated revenues for the Highway Trust Fund, and the UPDATE Act is a sensible and effective way to address our nation's transportation needs. We support an increase in motor fuels taxes because they are user based and the most cost efficient way to provide a steady revenue stream to the Highway Trust Fund. Congress must act to restore our transportation system to a state of good repair and provide the public transportation options for our increasing population. A long-term, sustainable transportation bill is essential to grow our communities and ensure that America retains our global competitiveness." **– President Michael Melaniphy, American Public Transportation Association (APTA)**

"Our cities, towns and suburbs economic vitality require a fully integrated transportation network. Lawmakers at the state and local level across the country have stepped up to do their part to raise additional revenue and address their transportation challenges. In fact, twelve states have raised additional transportation revenues since 2012, and our analysis of recent election results could not find one instance where they lost their positions because of their support. While many cities and states have the courage to do their part they cannot do this alone and require a strong federal partner. The UPDATE Act will strengthen the nation's transportation system by ensuring states and local governments have a strong, reliable federal partner as they invest

in their economic future."
-John Robert Smith, Chair, Transportation for America, former Mayor of Meridian, MS

The American Traffic Safety Services Association strongly endorses the UPDATE Act. We know that the safety program funded by the Highway Trust Fund has saved thousands of lives over the last five years. However, with more than 30,000 fatalities still occurring annually on our roads, there is much more work to be done. A portion of this proposed increase would be dedicated to bringing even more moms, dads, sons and daughters home safely every day.
–Roger A. Wentz, President and CEO, American Traffic Safety Services Association (ATSSA)

"On behalf of the Association of Equipment Manufacturers and our more than 900 member companies, we applaud Congressman Blumenauer for his leadership in finding solutions and building bipartisan support to address our infrastructure needs. The UPDATE Act of 2015 could spur economic growth and competitiveness while improving our nation's ability to efficiently move goods and people. Investing in our national infrastructure is critical to keeping America competitive, and we appreciate Congressman Blumenauer taking these important steps to ensure we can reauthorize the federal highway bill for the long-term." **– John Patterson, Chairman, JCB Inc. and Chairman, Association of Equipment Manufacturers.**

"What all Americans deserve is a well-maintained transportation system in their community with choices and options relevant to their daily travel needs, their health, their environment, and their pocket book. That means increasing investment in maintaining the existing infrastructure and continuing to invest in the full range of transportation option including bicycling, walking and transit. The simplest and most effective way to do that is a modest increase in the gas tax." – **Andy Clarke,**

President, League of American Bicyclists

"We applaud Congressman Blumenauer for introducing this legislation to find revenue to fund progress for our country's crumbling public transit systems, bridges and transportation infrastructure. Public transit is the lifeblood of our economy. It creates good jobs, safely delivers people to work and customers to businesses, and helps keep the environment clean. It literally moves our economy." **–President Larry Hanley, Amalgamated Transit Union (ATU)**

"It is time for our nation's leaders to stand with Rep. Blumenauer and others who support pragmatic and cost-effective steps to improve our country's transportation system. Americans are paying the price for years of congressional inaction with nothing to show for it but increasing frustration and less time with friends and families. A continued failure to act costs drivers an average of $324 annually in additional vehicle operating costs and 38 hours wasted in traffic each year. Congress should act immediately to restore stable and required funding for our roads and bridges." **– CEO Bob Darbelnet, American Automobile Association (AAA)**

"The American Society of Civil Engineers (ASCE) hails Congressman Blumenauer on his steadfast leadership to restore America's infrastructure and strongly endorses the Update, Promote and Develop America's Transportation Essentials (UPDATE) Act. This bill will provide long-term, sustainable funding to address America's surface transportation infrastructure and comes at a critical juncture as the nation's Highway Trust Fund veers toward insolvency in a matter of months. In ASCE's 2013 Report Card for America's Infrastructure, a comprehensive assessment of infrastructure across 16 sectors, the cumulative GPA for the nation's infrastructure was an abysmal D+. The Report Card estimates total investment needs at $3.6 trillion by 2020 across all 16 sectors, leaving a funding shortfall of $1.6 trillion based on

current funding levels. We look forward to working with Rep. Blumenauer and all members of Congress to advance this important legislation to revitalize our nation's roads, bridges and transit systems for decades to come." **– Robert D. Stevens, Ph.D., P.E., President, American Society of Civil Engineers (ASCE)**

"In concurrence with the Highway Materials Group's funding principles for the next highway surface transportation authorization, the group supports Congressman Blumenauer's proposed bill that would continue funding the Highway Trust Fund through user fees, while bolstering awareness about the impending Highway Trust Fund insolvency. Due to the magnitude of importance of the issue, increasing the gas tax and implementing a road usage charge based on vehicle miles travelled are only two of the numerous options we support to increase revenues into the HTF. We commend the congressman for taking this bold step toward solving the dire problem facing the nation's surface transportation infrastructure in the months and years ahead." – **Highways Materials Group**

"The American Council of Engineering Companies (ACEC) strongly supports Congressman Blumenauer's efforts to update the federal user fee dedicated to improving and maintaining our nation's surface transportation system. We need to look for new ways to fund critical infrastructure projects in the future, and embrace a range of options for doing so. In the near term, however, we must restore the purchasing power of the user fee that has been the basis of the federal-aid program for decades. This is a relatively small price to pay for improving safety, enhancing mobility and ensuring American competitiveness. Congressman Blumenauer's legislation helps to achieve all of these goals." – **The American Council of Engineering Companies**

"While we remain open to considering other potential revenue sources, ATA continues to believe a user fee-based system of federal fuel taxes

is still our most equitable, efficient , reliable and best source of long-term, sustainable funding for the Highway Trust Fund. We hope the introduction of this important legislation by Rep. Blumenauer will move us closer to passing a long-term surface transportation bill that addresses funding and other important issues prior to the expiration of the current authorization in May." – **President and CEO Bill Graves, American Trucking Associations (ATA)**

"Congressman Blumenauer is demonstrating the kind of wisdom and courage we need more of in D.C. by pushing for the kind of common-sense solution to the funding challenges that have made it increasingly difficult to invest in needed improvements to our roads, bridges and transit systems."– **CEO Stephen E. Sandherr, Associated General Contractors of America**

"Rep. Blumenauer's proposal to raise the gas tax is a much needed departure from the timid politics and short-sighted thinking that too often dominates Washington today. If enacted, the Blumenauer bill will not only shore up the badly depleted Highway Trust Fund but will also restore the role of transit and highway investments as an engine for middle class job creation." **President Edward Wytkind,** Transportation Trades Department, AFL-CIO

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