



Strengthen the US infrastructure, put Americans to work

By Rep. Earl Blumenaur (D-Ore.) - 02/24/15 12:40 PM EST

Since its creation in 1956, the Highway Trust Fund has been funded almost entirely **by fuel taxes and has been integral to growing our nation's economy and ensuring** the timely and efficient movement of people and goods.

With another self-imposed funding cliff looming as the current authorization expires on May 31, states are already cutting back on construction projects. Now is the time for Congress to fix this crisis, not merely postpone it. Congress has passed two partial authorizations and 23 short-term extensions since the last six-year bill **was enacted in 1998. It's not going to get any easier.**

The need is compelling for a significant infusion in the Highway Trust Fund, and the benefits are obvious. Although nothing is free, according to an S&P 500 research report, each \$1.3 billion invested in infrastructure generates \$2 billion of economic growth, creates 29,000 jobs and reduces the deficit by \$200 million.

Earlier this year, I introduced what would be the first gas tax increase in 22 years, joined by the U.S. Chamber of Commerce, the AFL-CIO, the American Trucking Associations and AAA, Transportation for America, the American Road & Transportation Builders Association and a broad array of leaders across the political spectrum. They are calling for a gas tax increase to move freight more efficiently, increase economic activity, put hundreds of thousands to work at family-wage jobs and keep Americans safe as we travel. There is no better solution, and every other approach that has been offered has more objections and greater problems.

My legislation, H.R. 680, the Update, Promote, and Develop America's

Transportation Essentials (UPDATE) Act, will phase in a 15-cent increase in the gas tax over three years and then index it to inflation. Doing so will raise \$210 billion over the next decade, enough to fund a full six-year reauthorization for the first time since 1997. It will cost the average motorist only 30 cents per day. Deteriorating road conditions, a failure to meet safety needs, and time and fuel wasted by congestion are already costing U.S. families and businesses dearly. Each American driver now pays an average of \$324 per year in car maintenance costs due to damage from rough roads, and the economic cost of congestion is \$125 billion a year.

These are real costs that will continue to grow if we refuse to act. Worsening infrastructure will cost each American family more than \$1,000 a year by 2020, and it will restrict growth of gross domestic product by nearly \$1 trillion.

The reason the Highway Trust Fund is short of money is because **we're trying to** pay for 2015 infrastructure with 1993 dollars. Since it was last increased, the gas tax has lost more than 40 percent of its buying power, causing state and local governments to scramble to do more with less, even as we have transferred more than \$64 billion from the general fund since 2008 to fill the shortfall. These short-term infusions and extensions prevent states, cities and industries from planning **for the future. We simply can't build world-class** infrastructure without long-term certainty. No country became great by funding infrastructure eight months at a time.

Longer term, however, raising money to fund our transportation needs based on gallons of fuel consumed is unfair and inefficient. Electric cars and hybrids, improvements in fuel economy and different needs in different parts of our country all eventually limit the effectiveness of the gas tax. For that reason, I hope the UPDATE Act will be the last gas tax increase. That is why I have also introduced legislation, H.R. 679, to create a series of pilot programs to test a road usage charge to pay for our transportation system. By charging per mile instead of per gallon, we can account for better fuel economy and diversifying fuel sources while keeping the spirit of a user fee and still responding to the costs of congestion and maintenance.

With gas prices low, it should be even easier to fund our nation's infrastructure, putting us on a path to prosperity and international competitiveness. By putting Americans to work repairing **bridges and paving highways, we'll see an immediate** economic boost that will grow our economy as goods and services move more cheaply and efficiently in all corners of the country.

Ronald Reagan more than doubled the gas tax 33 years ago. He argued that this user fee would repair deteriorating roads and bridges, put hundreds of thousands **of Americans to work and save motorists money. It was true then, and it's even more compelling today. It's time to listen to Reagan and summon the courage to** act on raising the gas tax today.

Blumenauer has represented Oregon's 3rd Congressional District since 1996. He sits on the Ways and Means Committee.