

June 4, 2025

The Honorable Ted Cruz
Chair, Commerce
167 Russell Senate Office Building
Washington DC 20510

The Honorable Maria Cantwell
Ranking Member, Commerce
511 Hart Senate Office Building
Washington DC 20510

The Honorable Mike Crapo
Chair, Finance
239 Dirksen Senate Office Building
Washington DC 20510

The Honorable Ron Wyden
Ranking Member, Finance
221 Dirksen Senate Office Building
Washington DC 20510

The Honorable Shelley Moore Capito
Chair, EPW
170 Russell Senate Office Building
Washington DC 20510

The Honorable Sheldon Whitehouse
Ranking Member, EPW
530 Hart Senate Office Building
Washington DC 20510

Dear Commerce Committee Chairman Cruz & Ranking Member Cantwell, Finance Committee Chairman Crapo & Ranking Member Wyden, and Environment & Public Works Committee Chairwoman Capito & Ranking Member Whitehouse,

The undersigning construction trade groups appreciate Congress's work on tax reform via the Budget Reconciliation process, and endorses the *One, Big, Beautiful Bill* that the House passed last week. While there are many tax reforms outlined in the bill, the highway construction industry would like to share insights on policy that support our industry's growth and ensure viable long-term federal infrastructure investment. As you know, the nation's roadway network is a critical component of the economic health and competitiveness of our country, as our collective members literally pave the way for domestic manufacturing expansion, energy production growth and national security. In 2022, our nation's road and bridge network facilitated the movement of over 19 billion pounds of freight worth an estimated \$18 trillion – 72% of our nation's cargo.

This critical highway system relies on funding from Congress via the Highway Trust Fund (HTF). Since its inception, the HTF has been a user-based system, meaning funding for maintenance and construction of the network comes from the highway users. These revenues are primarily derived from gas and diesel taxes as well as truck excise taxes, however, over the last two decades, declines in revenues have created significant budget shortfalls within the trust fund. Revenues from the trust fund have not been adjusted since the gas tax was raised in 1993 and each year these revenues decline due to a more fuel-efficient fleet and an increase in electric vehicles. Currently, those electric vehicles do not pay a federal user-fee, although, 38 states around the country have implemented a similar fee for their local users.

As you know, the House package includes new revenues from EV and Hybrid vehicles in its portion of the budget reconciliation package. These new revenues are estimated to bring in \$38 billion over 10 years. Although this is not enough to make up the estimated \$250 billion dollar shortfall, it is a step in the right direction and ensures that all road users are paying into the system. With the *Infrastructure and Jobs Act (IIJA)* expiring in September of 2026, and another authorization needed to provide consistent transportation funding, it is more critical now than ever that highway trust

fund solvency be addressed. Without this funding, communities, commerce, and our nation's prosperity will unnecessarily suffer.

We encourage and support the Senate to include these new revenues in the Senate's reconciliation package and ensure they are solely allocated to the HTF. Thank you for the consideration and please consider our collective groups as a resource.

Sincerely,

National Asphalt Pavement Association
National Ready Mixed Concrete Association
National Stone, Sand, and Gravel Association
American Cement Association
American Traffic Safety Services Association
Associated Equipment Distributors