

Infrastructure Now: Advocacy Points

This is a historic opportunity. The last big infrastructure deal with dedicated userfinancing was enacted in 1982. The Trump Administration and Congress have an opportunity to do something equally historic as the bipartisan deal President Reagan struck with Congress.

Infrastructure can't happen without dedicated funding, and an increase in the gas tax is the only realistic option.

• The federal gas tax was last increased in 1993. The highway and transit trust funds face a \$171 billion shortfall *just* to maintain current spending.

Can you live off of what you made in 1993? Neither can our infrastructure.

There is no other viable option to raise the money necessary.

• Increasing the gas tax is politically doable. Since 1993, <u>42 states</u> have raised their gas tax, including Alabama and Ohio this year.

State action is no excuse for federal inaction. Highway spending is split roughly 70 / 30 between the states and federal government. States are adjusting their revenue to maintain spending. The federal government must do the same.

• We should maintain a user-financed system. Any user-financed system is regressive, including bus fares and airline tickets.

More importantly, the costs of inaction are also regressive, hurting the poor the most.

Inaction costs all of us. Driving on roads in need of repair <u>costs</u> U.S. motorists \$131 billion per year in extra vehicle repairs and operating costs – \$616 per motorist. Congestion <u>costs</u> the average American an additional \$960 annually in lost time, meaning that the cost to the average commuter of doing nothing is over \$1,500.

There are means to finance other infrastructure. For our airports, ports, waterways, and other infrastructure, we can utilize existing trust funds and funding mechanisms and encourage greater private investment through public-private partnerships.

Action: As you continue your advocacy efforts, please share any feedback you receive from Congress by emailing <u>InfrastructureNow@uschamber.com</u>.