Dear Chairman Ryan, Ranking Member Levin, and esteemed members of the Ways and Means Committee:

On behalf of the Highway Materials Group, we submit the following statement. The Highway Materials Group is composed of nine organizations that provide the materials that are essential to road and highway construction and the equipment manufacturers and distributors that move those materials. The group includes the American Coal Ash Association, American Concrete Pavement Association; Associated Equipment Distributors; Association of Equipment Manufacturers; Concrete Reinforcing Steel Institute; National Asphalt Pavement Association; National Ready Mixed Concrete Association; National Stone, Sand & Gravel Association; and the Portland Cement Association. Together, these nine trade associations represent thousands of companies that provide hundreds of thousands of direct highway construction jobs.

We are united around the common issue of a long-term, Federal-aid Highway authorization bill that both increases highway investments, and addresses the Highway Trust Fund with durable solutions that both stabilize and increase highway investments now and for the long-term.

Since 2008, the mantra of “doing more with less” has had grave implications for the transportation-construction industry, State transportation agencies, and the system of highways and bridges that every citizen depends upon for personal mobility, commodity flows, safety, and security in times when our system is tested in natural disasters and other emergencies.

We recognize the vast number of issues Congress must address. Investing in America’s infrastructure should be a top priority for lawmakers. However, 33 extensions over the past 6 years and an unknown number of
delays in transportation funding are causing not only the nation’s system of highways and bridges to fall further into disrepair, but is crippling the ability of our economy to grow and prosper.

The American Society of Civil Engineers (ASCE) rates our overall infrastructure between poor and mediocre. Within ASCE’s analysis, they report 1 in 9 of the nation’s bridges are structurally deficient and 42 percent of urban highways are congested and cost the economy $101 billion in wasted time and fuel each year.

Our industries and our customers in the public sector have an extremely difficult time planning for the future, and there is great concern that without a firm commitment from Congress, backed by bold and decisive steps to fix the Highway Trust Fund and authorize a six-year transportation program, the nation’s surface transportation infrastructure will fall further behind in terms of rehabilitation, repair, preservation and expansion.

The Highway Materials Group has four basic principles that we urge the Committee to consider. They include the following:

**Transportation Infrastructure is the Backbone of America’s Economic Prosperity**—America’s economic vitality and ability to compete in the global marketplace depends on an integrated national, intermodal surface transportation network that reliably moves goods and people to maximize global competitiveness, quality of life, and economic prosperity for all citizens. Unfortunately, the investments needed to maintain and expand the highway system have been inadequate. As a result, America is ill-prepared to meet the competitive demands of the global economy. To ensure economic prosperity and global competitiveness, the nation needs to invest in multi-modal transportation infrastructure systems that not only keep pace with today’s businesses and industries, but also that will allow for the healthy expansion in the future.

**The Federal Government Must Remain Committed and Involved**—Maintaining a vital, national infrastructure has been a federal responsibility since the founding of the Republic. Congress is tasked with establishing “post roads”, pre-cursors of today’s national highway system, and regulating commerce among the states and with other nations. Commerce is the lifeblood of our nation’s economy, and America’s transportation infrastructure is its circulatory system. This network of roads and transportation structures – built by Americans employed in well-paying jobs that cannot be exported – is essential for the economic growth, safety, security, freedom of mobility, and quality of life benefiting every American. We oppose efforts to transfer this responsibility to the states as an unfunded federal mandate.

**We Support User-Fee Based Funding Solution**—In order to overcome the highway funding gap, we support the adoption of any user-fee based funding options and innovative finance tools to provide federal and state transportation departments with the funding they need to make critical investments in our transportation infrastructure. It is our contention that a user fee based funding approach, such as a motor fuel based user fee, is the most rational and easily implementable funding solution available in the short to medium term. Our position is consistent with that of President Ronald Reagan, who in 1982 noted: “Good tax policy decrees that wherever possible a fee for a service should be assigned against those who directly benefit from that service. Our highways were built largely with such a user fee – the gasoline tax. I think it makes sense to follow that principle in restoring them to the condition we all want them to be in.” Moreover, we believe that continued extensions are not a solution, and is in fact the lease fiscally conservative approach to address this challenge.
Timeliness and Long-term Authorization Are Essential—The longer Congress delays in making the investments necessary to our highways, roads and bridges, the more difficult and expensive it will be for our nation to finance this critical and necessary endeavor. At a time when cost is paramount, Congress must act now. Timely enactment of a six year authorization bill is critical for state transportation departments to plan and budget for projects and for our industry to make critical business decisions.

In closing, Congress should embrace the opportunity to invest in America’s infrastructure. It is the only way our economy will be positioned for success in a vibrant and growing global economy. America has the strongest economy in the world thanks to the investments made by a previous generation of American leaders who understood the value of infrastructure, and recognized that investing in roads and bridges is the best path toward prosperity for our great Nation. Many of America’s critical highways and bridges have reached the end of the design life and must be rebuilt. Every day we delay making the necessary investments in our infrastructure exacerbates an already critical situation.

We thank the Committee for holding this important hearing on the long term health of the Highway trust Fund. We urge Congress to address the critical highway needs of the country and enact the revenue necessary to fund a multi-year surface transportation authorization now.