

Rosario Palmieri

Vice President

Infrastructure, Legal and Regulatory Policy

January 3, 2011

The Honorable Jeb Hensarling
U.S. House of Representatives
Washington, DC 20515

Dear Representative Hensarling:

The National Association of Manufacturers (NAM) strongly urges the House Republican Conference to reconsider a provision concerning the Highway Trust Fund and guaranteed investment levels in the proposed rules package for the 112th Congress. This proposed change will further curtail multi-year transportation investments by subjecting major road, bridge, and transit projects to the annual appropriations process and the consequence, if enacted, will have a chilling effect on a battered heavy construction industry and its associated supply chain.

As our international competitors in Asia, Europe and South America continue to ramp up investments in transportation infrastructure, this proposed provision will send the United States in the opposite direction by discouraging states from undertaking multi-year and complex transportation investments such as new bridge replacements, improved interchanges, transit upgrades, and additional capacity to relieve congestion that chokes our roads. As the world's largest manufacturing economy, the United States needs long-term investments in transportation and a comprehensive infrastructure strategy to help maintain our competitiveness.

The current rule governing Highway Trust Fund expenditures helps ensure that all revenues paid into the Trust Fund by highway users through diesel and gasoline taxes as well as taxes on the purchase of new heavy duty trucks and tires, are utilized through a federal partnership to deliver transportation improvements that enhance safety and efficiency of the traveling public over a period of time, not just year-to-year. The new proposed rule will undercut the goal of executing a multi-year transportation program at guaranteed funding levels that provides states the flexibility and tools to plan, develop and deliver a transportation system that suits both local and national needs.

Manufacturers are cognizant of the fiscal realities facing our nation and understand the need to reduce wasteful federal spending. However, manufacturers are disappointed in this approach to investment in transportation infrastructure included in the House Republican Conference's Rules of the House of Representatives for the 112th Congress. We look forward to working with you and appreciate your consideration of this important issue impacting manufacturers.

Sincerely,



cc: The Honorable John Mica, Chairman, Committee on Transportation and Infrastructure