



For Immediate Release

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ATM Statement on Sen. John McCain's "Gas Tax Holiday"

Senator McCain's recent proposal for a three-month "gas tax holiday" would devastate our national transportation system without ensuring its goal of lowering gasoline prices for consumers. It is less a quick fix than an over-simplified play to voter concerns over the rising cost of oil.

The user fees that drivers pay on fuel are deposited directly to the Highway Trust Fund, a self-contained pool of money dedicated to investing in our nation's highways, bridges, and public transportation. The current user fee of 18.4 cents per gallon has remained unchanged since October 1, 1993, despite inflation and the skyrocketing cost of construction.

According to the American Association of State Highway and Transportation Officials, suspending those surcharges during the high-mileage summer months would, at best, only save motorists an average of \$28 while devastating highway and transit programs. This would happen just as the Highway Trust Fund is already facing an expected shortfall of \$3.4 billion as early as next year.

Instead of a stimulus there would be real costs to the economy: increased congestion for every employee that needs a fast, safe, reliable, cost-effective transportation system to get to work and every business that moves goods to market and lost jobs of hardworking Americans who are repairing bridges, transit systems and crumbling highways.

Our nation's transportation infrastructure is quite literally the platform of our economy, and it is already deteriorating at an alarming rate. Now is not the time to propose red herrings instead of real solutions. If anything, concerns over high energy costs should be dealt with through comprehensive energy policy, not sacrificing our transportation infrastructure.

Suspending the fuel surcharge might make a good sound bite, but it is bad public policy.

About ATM

The Americans for Transportation Mobility (ATM) is a national coalition working to ensure our nation's transportation infrastructure is improved to meet current demands and future needs. Launched on June 26, 2001, ATM represents over 400 major transportation users and providers who are working together for a safer and more efficient transportation infrastructure system.

