

February 18, 2022

Hon. Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

Hon. Charles Schumer
Majority Leader
U.S. Senate
Washington, D.C. 20510

Hon. Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Hon. Mitch McConnell
Minority Leader
U.S. Senate
Washington, D.C. 20510

Dear Speaker Pelosi, Majority Leader Schumer, and Minority Leaders McCarthy and McConnell:

We write in strong opposition to [S. 3609](#), the “Gas Prices Relief Act of 2022” and the companion bill the “Gas Prices Relief Act” introduced in the House today. These bills will only further weaken the federal Highway Trust Fund and are shortsighted, since the gasoline excise tax is helping to pay for the historic “Infrastructure Investment and Jobs Act (IIJA)” just passed in November of last year.

While we understand the pain Americans are feeling at the pump and throughout the economy due to rising inflation, a gas tax holiday is not the answer to this problem. Federal motor fuel taxes are applied at the wholesale level. Notwithstanding an intention that any savings be passed on, there is no guarantee that reducing the federal tax by 18.4 cents per gallon will result in an 18.4 cent reduction when drivers fill their tanks. There are many factors at play that will impact the price the consumer pays at the pump, including the cost of producing a barrel of oil. These costs fluctuate daily.

Additionally, this policy sets a concerning course that will further deteriorate the user pays system that traditionally has funded our roadways. The Highway Trust Fund has been insolvent since 2008, and that insolvency has resulted in general fund transfers to support the trust fund since that date totaling over \$270 billion. We believe in the user fee-based system and strongly support asking motorists to pay for the roads that they use every day. As members of Congress and stakeholders struggle to find a way to address the long-term solvency of the Highway Trust Fund, advancing policies that take us in the opposite direction are shortsighted and counterproductive. We do appreciate that the legislation includes a General Fund transfer to make up for the loss of the proposed gas tax holiday. But negotiating the pay-fors for the IIJA was painstaking and required a delicate balance. If this legislation is enacted it further depletes the trust in the Highway Trust Fund and results in more General Funds going to pay for something that the users of the system want to support.

This policy, if enacted, could set the dangerous precedent that during times of economic strife, a gas tax holiday is the solution, even though it will lead to little if any direct benefit to the driver. This path could result in diluting the single largest contributor to the Highway Trust Fund.

The cost of this law if enacted in March would be roughly \$20 billion. That means \$20 billion in user fee dollars not deposited into the Highway Trust Fund and \$20 billion more General Fund dollars flowing out of the coffers.

We urge opposition to a proposal that will do little to provide the average citizen relief at the pump but will do lasting damage to a Highway Trust Fund that provides critical revenue for investment in our roadways and bridges. Thank you for your time and consideration.

Sincerely,

American Highway Users Alliance
American Association of State Highway and Transportation Officials
American Concrete Pavement Association
American Council of Engineering Companies of Arizona
American Motorcyclist Association
American Society of Civil Engineers
American Traffic Safety Services Association
American Trucking Associations
Arizona Chapter, Associated General Contractors of America
Arizona Highway Users Conference
Arizona Rural Transportation Advocacy Council
Associated Equipment Distributors
Associated General Contractors of America
Association for Materials Protection and Performance
Ergon Asphalt & Emulsions, Inc.
FP², Formerly the Foundation for Pavement Preservation
Greyhound Lines, Inc.
Heritage Construction & Materials
Maryland Asphalt Association
National Asphalt Pavement Association
National Stone, Sand & Gravel Association
Potters Industries, LLC
Tire Industry Association (TIA)
Trinity Highway Products