

# PRESERVE THE HIGHWAY TRUST FUND

## Support User Fees to Fund Our Transportation Infrastructure

### Action Needed:

#### House and Senate:

1. Preserve the Highway Trust Fund and support user fees to fund our transportation infrastructure; and
2. Oppose efforts to eliminate the heavy truck excise tax (H.R. 1440 and S. 694)

### Background:

Funding for federal surface transportation programs primarily comes from motor fuels user fees and other trucking user fees deposited into the Highway Trust Fund (HTF). However, Congress has not adjusted these motor fuels user fees since 1993, causing a significant decline in their purchasing power. Improved vehicle fuel efficiency and the rise of alternative fuel vehicles, such as electric vehicles (EVs), are further reducing HTF revenues. As a result, the HTF faces growing revenue shortfalls that are expected to worsen over the next decade. Some in Congress and the Biden administration have begun questioning the need for the HTF and have suggested funding infrastructure through annual appropriations instead.

### AGC Message:

- **Congress should preserve the Highway Trust Fund.** Questioning the need for the HTF is completely misguided. The HTF provides long-term, dedicated funding that allows states and local governments to plan for large-scale infrastructure projects. Without the long-term and dedicated funding, construction companies would struggle to plan for investments in their equipment and construction workforce.
- **Preserve the User Fee System.** Shifting transportation infrastructure funding to the general fund, subject to the annual appropriations process, would make project planning nearly impossible. This approach would put construction projects at risk during government shutdowns and could threaten construction companies' ability to pay their workers and lead to instability in this crucial industry.
- **Oppose all efforts to eliminate the heavy truck excise tax.** Legislation has been introduced in Congress (H.R. 1440 and S. 694) to eliminate the heavy truck excise tax with the goal of spurring sales of new, more environmentally-friendly trucks. These proposals are shortsighted, serving to subsidize the vehicles that put the most wear-and-tear on the nation's roads and bridges and only further exacerbate HTF revenue shortfalls. These bills should be rejected unless the revenue mechanism being eliminated is replaced with another adequate user-fee to cover the lost revenue to the HTF from eliminating the tax.