



AMERICAN COUNCIL OF ENGINEERING COMPANIES

DAVID A. RAYMOND  
PRESIDENT & CEO

April 17, 2008

## **OPPOSE KYL-McCAIN AMENDMENT**

Dear Senator,

On behalf of the American Council of Engineering Companies, the association of the nation's engineering industry, we strongly urge you to oppose the Kyl-McCain Amendment to H.R. 1195, the SAFETEA LU technical corrections bill. The amendment would suspend the federal motor fuels excise tax, which funds critical road and bridge improvement projects. If adopted, it would seriously disrupt repairs, risk fatalities, and do harm to the nation's economy.

Furthermore, a temporary fuel tax moratorium will not likely bring relief to motorists at the gas pump. The current 18.4 cents-per-gallon rate has not been increased in 15 years and is not the cause of high gas prices, which have nearly tripled over that time period. There is no guarantee that reducing or eliminating the gas tax would result in savings passed on to the consumer.

A suspension of the federal gas tax would result in lost revenue of \$3 billion per month, putting the Highway Trust Fund – which is already facing a deficit next year – in a precarious position. Such a significant loss of revenue would threaten the advancement of the critical highway and transit projects that are necessary to improve safety, reduce congestion and fix our nation's deteriorating roads and bridges. In addition, while the amendment would seek to compensate the Trust Fund with General Fund revenues, such a move sets a bad precedent by violating the long-established user pays principle which ensures that users of surface transportation system pay for its maintenance and improvement.

Therefore, we urge you to reject any amendments that would so undermine our investment in the surface transportation network.

Sincerely,

A handwritten signature in black ink, appearing to read "David A. Raymond", written in a cursive style.

David A. Raymond  
President & CEO