

Transportation Infrastructure

NACD Position

NACD supports legislative efforts to reform America's aging transportation infrastructure, specifically our rail systems, highways, and bridges. U.S. businesses and our nation's economy depend on safe, efficient, and reliable surface transportation that promotes economic competitiveness. NACD supports:

- Transportation infrastructure proposals that protect small and large businesses and promote business productivity, domestic product growth, job creation, and international competitiveness;
- Long-term public or private sector investments (ex: new bonding mechanisms, infrastructure banks, or public-private partnerships);
- New transportation standards to protect both businesses and the public from unreasonable and burdensome regulations.

Policy Background

The Highway Trust Fund (HTF) has funded most of the federal surface transportation programs since 1956. The HTF is financed by the 18.4-cents-per-gallon gasoline tax and 24.4-cents-per-gallon diesel fuel tax, which have not been raised since 1993. In 2012, Congress passed the Moving Ahead for Progress in the 21st Century (MAP-21), which authorized \$105 billion, over two years, to fund the federal surface transportation program. While the passage of MAP-21 was needed and long overdue, it addressed only a portion of what is needed to fix America's infrastructure and lacked the long-term investments needed in our transportation infrastructure. MAP-21 expired last September. Congress's inability to pass a new bill created a \$10.8 billion short-term extension of MAP-21 that kept the HTF funded until May 2015.

In 2015, President Obama signed the Fixing America's Surface Transportation (FAST) Act that provides long-term funding for surface transportation infrastructure planning and investment. The FAST act authorized \$305 billion over fiscal years 2016 through 2020 for highway, highway and motor vehicle safety, public transportation, motor carrier safety, hazardous materials safety, rail, and research, technology, and statistics programs.¹

According to the U.S. Department of Transportation, 170,000 miles of our roads are in poor condition. Internationally, the U.S. currently ranks 12th out of 138 countries for the quality of infrastructure, according to the World Economic Forum. American businesses and our U.S. economy are dependent

¹ <https://www.fhwa.dot.gov/fastact/>

on surface transportation -- \$1 of every \$10 of the gross domestic product is tied to moving goods and people, and the cost of transportation is growing at twice the rate of our economy.

Latest Action

President Trump has prioritized infrastructure since the 2016 elections and has expressed getting something done. In 2018, a bipartisan group of U.S. Senators met with administration officials to discuss drafting legislation to spend \$.5 trillion on an infrastructure package. Unfortunately, the 2018 midterm elections took precedence, and nothing came to fruition.

NACD is optimistic that the newly elected 116th Congress, on both sides of the aisle, will be able to agree on infrastructure. Democrats, Republicans, and President Trump have all expressed support on passing an infrastructure bill in 2019. NACD urges Congress and the Administration to start work on a long-term infrastructure bill and FACT Act reauthorization.