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Legislative Affairs

AMERICAN TRUCKING ASSOCIATIONS
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Dear Senator Baucus:

This week the U.S. Senate will consider S. 3335, *The Jobs, Energy, Families, and Disaster Relief Act of 2008*. This bill includes two provisions that are important to the trucking industry. Specifically, the transfer of \$8.017 billion to the Highway Trust Fund and an exemption from the heavy-vehicle federal excise tax assessed for the purchase of auxiliary power units (APUs).

S. 3335 ensures sufficient funds are available to maintain the funding guarantees made in SAFETEA-LU by restoring \$8.017 billion to the Highway Trust Fund. Because these highway user fee revenues were transferred to the General Fund in 1998, pursuant to the Transportation Equity Act for the 21st Century, both the Congressional Budget Office and the Joint Committee on taxation have determined that this proposal does not constitute a spending outlay, will have no revenue effect, and would not violate pay-go. The House has already voted overwhelmingly in favor of legislation (H.R. 6532) that restores \$8.017 billion to the Highway Trust Fund.

If this shortfall is not addressed, states will lose substantial federal highway funding during the critical construction season. Hundreds of thousands of jobs will be lost when states are forced to cancel or put highway projects on hold. Disruptions to projects that maintain the physical condition of our highways and bridges, insure the highest level of highway safety, and reduce traffic congestion will result in significant financial cost to the trucking industry and the economy.

Additionally, S.3335 provides an exemption from the heavy-vehicle federal excise tax assessed on the purchase of idling reduction units, such as auxiliary power units (APUs). These units are designed to substantially reduce the need for truck engine idling (e.g., to provide heating, air conditioning, or electricity) at vehicle rest stops or other temporary parking locations. The bill also exempts the federal excise tax assessed on the installation of advanced insulation, which can reduce the need for energy consumption by transportation vehicles carrying refrigerated cargo. Both of these federal excise tax exemptions are intended to further promote a reduction in carbon emissions in the transportation sector by conserving fuel.

It is important that Congress pass this legislation to protect the infrastructure and energy needs so vital to our nation. The American Trucking Associations supports S. 3335 and encourages you to vote in favor of this critical legislation.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy P. Lynch". The signature is written in a cursive style with a large initial 'T' and 'L'.

Timothy P. Lynch
Senior Vice President
American Trucking Associations