

January 4, 2011

The Honorable Ed Royce
United States House of Representatives
2185 Rayburn House Office Building
Washington, D.C. 20515

Fax - (202) 226-0335

RE: Proposed elimination of House Rule XXI (21), Clause 3 – OPPOSE

Dear Congressman Royce:

On behalf of Orange County's business community and the drivers of Southern California's economic engine, I am writing to raise our strong objection to one of the provisions in the draft of the House rules package for the 112th Congress. The provision, which is on pages 10 and 11 of the draft, would hurt investment in transportation infrastructure, reduce jobs, and break faith with the American taxpayer.

The current House rule (Rule XXI, clause 3) ensures that all of the revenues that taxpayers pay into the Highway Trust Fund are used for highway and transit improvements on an annual basis. The proposed rule change would eliminate guaranteed funding for highways and transit and create opportunities to use user fee resources for non-transportation purposes. As a result, federal aid highway and transit programs would really be general funded programs relying on annual appropriations rather than multi-year funding.

Transportation projects are frequently multi-year endeavors and are the product of a transportation planning process that must look years into the future. As such, federal highway and transit investments must be stable and predictable to allow states to maximize efficiency and public benefit in delivering transportation improvements. The House Republican-proposed rules package, unfortunately, would sever the user-financed basis of the Highway Trust Fund, and make annual federal highway and transit investments subject to the whims of the appropriations process. In so doing, this proposal would inject further uncertainty into an already destabilized U.S. transportation construction marketplace.

Further, this rule change contradicts existing requirements for state and metropolitan multi-year planning and matching fund commitments. As a result, states and communities couldn't make commitments to major multi-year capital investments like critical bridge replacement, Interstate Highway System reconstruction, highway and transit capacity expansion, and technologies that make transportation systems work better.

This rule promotes cutting already insufficient federal resources for projects critical to U.S. exports competitiveness, economic development, safety and quality of life. The short-sightedness of this change will hamper economic recovery and long-run growth.

The focus of the 112th Congress should be on actions that foster job creation and boost the economy, not on procedural maneuvers that will make it easier to cut infrastructure investment. We urge your support of the compromise language being offered by House Transportation and Infrastructure Chairman Mica.

Sincerely,



Lucy Dunn
President and CEO