



# Laborers' International Union of North America

## Midwest Regional Office

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### **Federal Legislative Update**

*July 17, 2014*

#### ***Federal Highway Fund to Limp into 2015***

Congress has ignored the growing federal Highway Trust Fund shortfall for years. The latest crisis will reach its boiling point during the peak of this summer's construction season, putting an estimated 700,000 jobs at risk.

The federal Highway Trust Fund – which finances as much as 80 percent of road construction in some states – is supported by a tax on gasoline. The nationwide 18.4 cent per gallon gas tax has not changed for more than 20 years. Over that time, the cost of construction materials and labor has risen. When coupled with the growing number of more fuel efficient vehicles driving on our roads, the gas tax can't keep up with inflation or our transportation needs. Federal gas tax revenue, therefore, paves 28 percent fewer miles of road and builds 28 percent fewer bridges today than it did in 1997.

As a result, the backlog of U.S. roads and bridges in need of repair grows annually and the Highway Trust Fund is being stretched to its breaking point. It is projected to run out of money by the end of August. Many states around the country are scaling back their construction programs due to this uncertainty.

Congress has been working on a temporary legislative “patch” to cover the hole rather than a permanent solution to our nation's transportation funding needs. The Republican-controlled U.S. House passed a \$10.9 billion Band-Aid this week that would stop the Trust Fund bleeding until June 2015. Majority Democrats in the Senate are working with the G.O.P. on similar patch legislation and is expected to take-up their bill next week.

LIUNA applauds Congress for moving to prevent the Highway Trust Fund from going broke, but legislators are once again duct-taping the crisis instead of taking responsibility and fixing it. Congress has multiple, viable options to consider and the time to act is now. The most reliable, tested investment resource for our roads and bridges is the gas tax. Adjusting it will give Americans what they want and need – safer roads and bridges in their communities – and create more construction jobs in the process.

LIUNA recently launched a nationwide campaign to urge Congress to pass a long-term, full-investment Highway Bill this year. The “Getting Schooled on Infrastructure” bus tour is traveling the country highlighting the need for a permanent funding solution, making stops in dozens of Congressional districts including several in Indiana, Illinois and Missouri. The bus tour is now making its way back East where it will wrap-up in Washington, D.C.

#### ***King Loses Davis-Bacon Repeal Effort... Again***

For the fourth time in four years, Iowa Republican Rep. Steve King (IA-4) attempted to eliminate the family-supporting wages on federal construction projects provided by the federal Davis-Bacon Act. And for the fourth time, King failed.

Every Democrat in the U.S. House voting on King's proposed amendment to the 2015 Energy and Water Development Budget opposed the Davis-Bacon repeal along with 46 Republicans. The amendment failed by a vote of 181-239. In the Midwest Region, Republican representatives voting against it included: Rodney Davis (IL-13), Sam Graves (MO-6), Randy Hultgren (IL-14), Adam Kinzinger (IL-16), Aaron Schock (IL-18), John Shimkus (IL-15) and Lee Terry (NE-2). Reps. Sheila Jackson Lee (TX-18, D), Mike Pompeo (KS-4, R) and Jason Smith (MO-8, R) did not vote on the measure.