



AMERICANS for TAX REFORM

Grover G. Norquist
President

January 22, 2008

To: All members of Congress

Re: National Surface Transportation and Revenue Commission Report

Dear Member of Congress:

On behalf of Americans for Tax Reform, I write to express my concerns with recommendations given to Congress by the National Surface Transportation Policy and Revenue Commission. **The Commission's report continues the "quick fix" trend too often associated with transportation policy that siphons off economic growth and relies on taxpayers to bear the burden for more and more government spending.**

The most troubling proposal in the report calls for substantial state and federal gas tax hikes, as well as a federal tax on all public transportation and passenger rail tickets. **The report suggests an up to 40 cents per gallon gas tax increase over the next five years, with mandated increases every year after tied to inflation.** Gas tax increases are especially damaging. Hiking gas taxes drives up the cost of living, because every product and every service you buy has to be transported. With a heavier tax burden, it will be harder for American families to buy food, drive to soccer practice, heat their homes or take a vacation.

The Commission's report also calls for increase in federal regulations that would inhibit states' abilities to attract private sector investments. Privatizing transportation infrastructure is the key to starting down the road to successful transportation policy. Cases in Virginia, California, Texas, Indiana, and even France, show transportation needs are effectively met by the private sector in ways government control prohibits.

Instead of punishing innocent taxpayers, Members of Congress should take our nation's transportation problems as a lesson in inefficient governance. The exorbitant taxes people are forced to pay always tend to fund projects that are best for the politicians rather than the people, and in hindsight, the over 6,000 earmarks in the 2005 Highway Bill just added more evidence to confirm that rule.

The keys to start the transportation reform engine are: opening systems to private sector competition, setting spending priorities and congestion pricing. I would like to commend Secretary Mary Peters and Commissioners Maria Cino and Rick Geddes for refusing to endorse the report and instead putting forth recommendations that utilize free-market solutions to address the root of transportation issues. The Chairman's Statement may be viewed at www.dot.gov.

Onward,

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