RESOLUTION OPPOSING THE TRANSPORTATION EQUITY FOR ALL AMERICANS ACT AND THE TRANSPORTATION ACT FOR ALL AMERICANS

Summary
A Resolution outlining the American Legislative Exchange Council’s opposition to The Transportation Equity for All Americans Act (S. 884) and to the Transportation Access for All Americans Act (S. 885). S. 884 would penalize individual states from pursuing public-private partnerships by reducing highway apportionments for those States using public-private partnership concessions; S. 885 would change the tax treatment of brownfield public-private partnership concessions providing a disincentive, in the form of lower values, to states to pursue this form of public-private partnership. Given the significant infrastructure funding gap this nation has, it is surprising that some are advocating disincentives for private infrastructure investment; states should have the flexibility to determine, for itself, the appropriate model of infrastructure investment.

Model Resolution
{Title, enacting clause, etc.}

WHEREAS historically the state legislatures have demonstrated a better working knowledge than the federal government has of each individual state’s transportation needs and abilities; and

WHEREAS the proposed legislation creates an unprecedented penalty for one model of infrastructure delivery; and

WHEREAS the legislation could effectively remove from the table one model for funding surface transportation infrastructure by making it politically unpalatable; and

WHEREAS the legislation federalizes rules concerning the disposition of state assets; and

WHEREAS the legislation is inconsistent in its application and would likely distort the market in favor of certain delivery models; and

WHEREAS public-private partnerships produce private investment in facilities that would otherwise be fully taxpayer funded, thereby offsetting any perceived tax loss; and

WHEREAS tax savings on a concession flow through to the owner of the asset, thereby offsetting the need for states to raise revenue and any change of this law would result in net flows away from states and to the federal government; and

NOW, THEREFORE, BE IT RESOLVED that individual states shall be responsible for determining how to fund investments in transportation infrastructure; and

BE IT FURTHER RESOLVED, that individual states should not be penalized for pursuing public-private partnerships; and

BE IT FURTHER RESOLVED, that the American Legislative Exchange Council hereby opposes S. 884 and S. 885; and

BE IT FURTHER RESOLVED, that the clerk of the (House of Representatives or Senate) transmits copies of this resolution to the President and Vice President of the United States, to the Speaker of the United States House of Representatives, and to each Member of Congress of the United States.