

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

R. BRUCE JOSTEN
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GOVERNMENT AFFAIRS

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TO THE MEMBERS OF THE UNITED STATES SENATE:

The U.S. Chamber of Commerce encourages the Senate to expeditiously complete work on H.R. 22, the DRIVE Act, which would provide a much needed long-term reauthorization of federal highway and transit programs. While the Chamber supports many provisions of the bill, the Chamber believes the legislation could be improved in some areas and remains concerned with other provisions of the bill.

The Chamber has long championed reauthorization of the current highway, transit, and highway safety law, Moving Ahead for Progress in the 21st Century (MAP-21), with a six-year highway, transit, and highway safety bill paid for by user fees and providing much needed increased investment in the nation's transportation system.

The Chamber strongly supports several important policy enhancements of the DRIVE Act, among them:

- Provisions based on S. 280, the Federal Permit Improvement Act, which is critical to ensuring that critical infrastructure projects are not delayed or cancelled because federal agencies cannot act in a coordinated, effective manner. Provisions of this bipartisan legislation authored by Senators Portman and McCaskill are based on provisions of SAFETEA-LU (2005) and MAP-21 (2012) that have been demonstrated to significantly cut permitting delays in infrastructure projects.
- The creation of a graduated licensing program for commercial drivers that would allow states to extend commercial driver licenses to and permit limited interstate travel by 18 to 21 year olds. The Chamber opposes an amendment that may be offered by Senator Markey that would strike this provision.
- The extension of the federally-mandated December 2015 Positive Train Control implementation deadline.

As noted in previous correspondence, the Chamber is supporting and will score as a key vote the Kirk-Heitkamp amendment to reform and reauthorize the U.S. Export-Import Bank. The Chamber applauds the efforts of Senators Kirk, Heitkamp, Graham, Manchin, Blunt, Donnelly, Ayotte, and Warner, who sponsored the legislation on which this amendment is based.

In addition, the Chamber believes this legislation could be improved if time allows for consideration of further amendments:

- The Chamber strongly supports an amendment that may be offered by Senator Roberts to repeal mandatory country of origin labeling (COOL) requirements for beef, pork and chicken, which would bring the United States into compliance with its trade obligations and avert the threat of costly trade retaliation by the governments of Canada and Mexico. Alternative recently-introduced Senate legislation is insufficient to avert this threat. In its final ruling made public on May 18, the World Trade Organization (WTO) determined that the COOL rule for meat violates U.S. trade obligations by imposing new costs on Canadian and Mexican producers in a discriminatory, trade-distorting manner. After six years of litigation, the United States is out of options. To avoid Canadian and Mexican retaliation that would hit U.S. farmers, workers, and companies within a matter of weeks, Congress must repeal the COOL rule for meat. Otherwise, retaliatory tariffs could be imposed on as much as \$3 billion of U.S. agricultural products and manufactured goods, costing tens of thousands of American jobs.
- The Chamber supports lifting the four decade old prohibition on the export of crude oil. The U.S. is now the largest oil producer in the world and, unfortunately, the only producing country which prohibits oil exports. Lifting this ban as part of long-term transportation funding would produce a major economic catalyst and lower transportation fuel prices for Americans.
- The Chamber supports an amendment that may be offered by Senators Barrasso and Donnelly that would require the U.S. Environmental Protection Agency and Army Corps of Engineers to withdraw the newly-issued rule redefining Waters of the United States and restart the rule making process. This new rule was finalized without proper administrative procedure, and the new regulatory regime will greatly expand federal jurisdiction over local land use decisions.

The Chamber has significant concerns with the following provisions of this legislation:

- Notably, the Chamber believes transportation legislation should be paid for through ongoing, transportation-based revenue sources that are sustainably-structured and adequate to fully support the proposed funding levels. The Chamber is dismayed that some funding for this bill would be provided by a variety of one-time offsets unrelated to transportation.
- The Chamber opposes the adjustment of the Federal Reserve dividend rate. Such a change creates a dangerous precedent that allows Federal Reserve funds to be used as a silent tax on the economy.
- Similarly, the Chamber opposes provisions that would index the Merchandise Processing Fee (MPF) to inflation. This dangerous precedent could lead to the endless rise of fees and could have a negative impact on global trade.
- On a related issue, the Chamber strongly opposes any effort to reduce investment levels in transportation infrastructure by devolving the federal program to state and local entities.

- The Chamber is deeply concerned with the substantial decreases in authorization levels for the Transportation Infrastructure Finance and Innovation Act (TIFIA) program, which is a critical tool for enabling public-private partnerships and attracting private capital to finance infrastructure investment.
- The Chamber also opposes an amendment that may be offered by Senator Blumenthal that would establish expansive new criminal penalties on companies and employees regarding potential product safety issues. Congress has considered and rejected similar proposals in the past. Such an amendment would conflict with current criminal, regulatory, and liability laws, which already hold companies and employees accountable for unlawful conduct, and could potentially discourage investigations into potential safety hazards.
- The Chamber also opposes the use of revenues derived from repatriated income for use as an offset to the DRIVE act authorizations or to capitalize federal infrastructure financing facilities, funds, or banks.

The Chamber urges the Senate to complete work on H.R. 22 as expeditiously as possible.

Because of the Chamber's longstanding support for a long-term reauthorization of transportation and transit legislation, the Chamber may consider using votes on, or in relation to, this bill in our annual *How They Voted* scorecard.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bruce Josten". The signature is fluid and cursive, with the first name "R." and last name "Josten" being the most prominent parts.

R. Bruce Josten