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### **McCain “Gas Tax Holiday” Amendment Offered – Withdrawn**

On behalf of Senator John McCain (R-AZ), Senator Jon Kyl (R-AZ) offered an amendment today to the SAFETEA-LU technical corrections bill that would suspend the collection of the 18.4 cents per gallon federal tax on gasoline and the 24.4 cents per gallon federal tax on diesel from Memorial Day through Labor Day. Senator McCain proposed the “Gas Tax Holiday” earlier this week in a major economic speech as part of his Presidential campaign.

After speaking on the floor about the amendment, Senator Kyl withdrew it but indicated his intent to pursue the amendment at a later date. Joining Senator Kyl in support of the amendment were Senators John Warner (R-VA), Mel Martinez (R-FL), Richard Burr (R-NC), and Lindsey Graham (R-SC). AGC is seeking meetings with the amendment co-sponsors to discuss the negative impacts of this proposal.

Following Senator McCain’s announcement of his “Gas Tax Holiday” idea earlier this week, AGC issued a press statement in opposition and worked with our transportation allies in the Transportation Construction Coalition and Americans for Transportation Mobility Coalition to communicate to all members of the Senate and House our opposition to the amendment. To view a copy of the TCC letter, [click here](#).

AGC will continue to educate members of Congress about the detrimental impact this proposal would have on transportation construction and construction industry jobs. To voice opposition to this proposal to your Senators and representative please visit AGC’s Legislative Action Center.

### **Senate to Pass SAFETEA-LU Technical Corrections Bill**

The Senate this afternoon is expected to pass H.R. 1195, a bill to make technical corrections to SAFETEA-LU. The legislation would not authorize any additional federal spending for surface transportation programs; rather, the measure would make a number of drafting, technical, and funding corrections that have been identified since enactment of SAFETEA-LU in August 2005 to ensure proper

implementation of the law.

In particular, H.R. 1195 would correct errors and modify project descriptions for nearly 500 projects included in SAFETEA-LU that would allow designated funding to be used. The bill would also correct an error in SAFETEA-LU that resulted in lower than intended funding levels in several transportation research programs, such as the U.S. Department of Transportation's biennial Conditions and Performance report, which provides an appraisal of highway, bridge, and transit needs and future investment requirements.

The House passed H.R. 1195 on March 26, 2007. As the Senate is expected to pass a differing version, a final version will have to be negotiated and passed by both chambers before the measure can become law.

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