

AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS

**AASHTO**  
THE VOICE OF TRANSPORTATION  
444 North Capitol Street NW, Suite 249, Washington, DC 20001 • (202) 624-5800 • www.transportation.org

For Immediate Release  
April 15, 2008

Contact: Tony Dorsey  
(202) 624-3690

### **McCain's Gas Tax Holiday Would Devastate Highway and Transit Programs While Saving Motorists an Average of \$28**

Presidential contender Senator John McCain (R-AZ) has called for a suspension of the federal gasoline and diesel fuel taxes from Memorial Day to Labor Day. AASHTO Executive Director John Horsley said, "This proposal would have devastating impacts upon the federal-aid highway and transit programs, sharply reducing funding available to states and jeopardizing hundreds of thousands of jobs nationwide. Such a move would be short-sighted and damaging to our nation's economy, while providing little relief to America's drivers."

AASHTO estimates that for the average motorists, driving approximately 12,000 miles per year, the savings would amount to roughly \$28, less than the cost of a half tank of gasoline.

Using an estimate of an \$8.5 billion loss in fuel tax receipts as a result of the suspension, the potential effect of such a cut would be the reduction of nearly 300,000 jobs.

The proposed revenue loss would come on top of what is already a \$3.2 billion shortfall in the Highway Trust Fund in September that could trigger a \$13.5 billion cut in highway programs in FY 2009, unless Congress comes up with a solution. McCain's proposal would add \$8.5 billion to that shortfall, essentially wiping out the program next year.