



**To:** Members of the House Committee on Transportation and Infrastructure

**From:** National Taxpayers Union

**Date:** September 14, 2021

**Subject:** Taxpayer considerations and amendment proposals for the Committee's reconciliation bill

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## **I. Introduction and Key Taxpayer Considerations**

National Taxpayers Union (NTU) is the nation's oldest taxpayer advocacy organization. For more than fifty years, NTU has worked tirelessly to advance pro-taxpayer policies that lower tax burdens, promote free enterprise, and limit the size and scope of government. Our dedication to fighting for taxpayers on a wide variety of issues has enabled NTU to build a strong reputation on Capitol Hill, both among Democrats and Republicans. The current prospect of Congress passing, and the president signing, a \$3.5 trillion tax and spend bill has prompted NTU to continue the fight on behalf of taxpayers. The proposed \$3.5 trillion reconciliation bill raises federal spending to historic heights, levies new and punitive taxes on American businesses and families, and raises existing taxes to levels that will harm the country's economic recovery from the COVID-19 crisis. With the nation \$28 trillion in debt and counting, and projected to run trillion-dollar deficits for the next decade, Congress must urgently direct its attention instead to debt and deficit reduction.

To this end, as the Committee marks up its portion of the \$3.5 trillion reconciliation package, it is clear that this flawed bill runs counter to our aforementioned core principles that have guided NTU's history. As a result, we believe the bill that the Committee will mark up would increase the federal debt, lead to wasted tax dollars, and distort key aspects of the economy. We strongly urge all committee members to reject passage of this section of the budget reconciliation package.

Broadly speaking, we wish to share some of our topline considerations for taxpayers regarding this bill. They are:

- Increases spending by tens of billions of dollars on duplicative or wasteful federal programs;
- Funds programs to penalize American energy producers; and
- Fails to include much-needed regulatory reforms that impede the development of infrastructure projects

## **II. Amendments That Could Improve the Committee's Reconciliation Bill**

Though we strongly urge all committee members to oppose the bill, NTU still offers suggestions on constructive amendment ideas that would, on net, improve the bill. They are:

- **Strike Section 110001.** This provision authorizes \$9.9 billion in competitive grants to support access to affordable housing and the enhancement of mobility for residents in disadvantaged

communities. As it stands, other committees have devoted tens of billions of dollars for affordable housing through their own budget reconciliation efforts. Lawmakers should not ‘double dip’ with tens of billions of dollars in additional housing spending.

- **Strike Section 110002.** This would create a new grant program within the Federal Highway Administration to help states lower greenhouse gas emissions. This is a backdoor way of enacting the Green New Deal. It forces taxpayers to subsidize the high costs for “clean” energy by artificially lowering the cost of renewable energy to make it more competitive compared to other forms of energy. The government should not put its thumb on the scale in America’s energy markets.
- **Strike Section 110003.** This would create a \$3.95 billion grant program to encourage “walkability” and transportation access in localities. This is not an efficient use of federal tax dollars.
- **Strike Section 110009.** This provision would authorize \$10 billion for passenger rail improvement, modernization and emissions reduction grants that will be used for the planning and construction of high-speed rail projects. These funds would potentially come in addition to the \$70 billion that is appropriated in the Senate-passed bipartisan infrastructure bill.
- **Strike Sections on water infrastructure (Sections 110028 through 110033).** These sections would authorize \$2.08 billion for water and wastewater infrastructure. While well-intentioned, this funding is duplicative, as the Senate-passed bipartisan infrastructure bill authorizes the largest investment in clean drinking water and wastewater infrastructure in American history. In addition to removing this section, Congress should consider procurement reforms on water infrastructure, such as the bipartisan [SMART Infrastructure Act](#).

### III. NTU’s Current Thinking on the Combined Reconciliation Package

As the authorizing committees in Congress work on separate reconciliation bills, NTU wishes to inform Members and their staff that we have several significant concerns with the current framework of the overall, combined reconciliation effort. This proposed legislation would spend a staggering \$3.5 trillion—possibly adding trillions to the national debt and impacting America’s economic recovery effort from the COVID-19 pandemic. If the combined reconciliation bill came to the House or Senate floor today, we would advise Members to vote “NO” on the legislation. The bill would be heavily weighted in NTU’s annual rating of Congress.

### IV. Contact Information

Should you have any questions about the recommendations in this memo, please do not hesitate to reach out to Thomas Aiello at [Thomas.aiello@ntu.org](mailto:Thomas.aiello@ntu.org).