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BILL FOSTER

CONGRESS OF THE UNITED STATES
11TH DISTRICT, ILLINOIS

April 14, 2016

The Honorable Anthony Foxx
Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20590

Dear Secretary Foxx,

I write to bring your attention to an inequity in how federal transportation funds are apportioned among the states. The Donor/Donee issue in transportation, which creates winners and losers in the apportionments from the Highway Trust Fund (HTF), is not a new one. However, these apportionments are distorted and made even more inequitable by transfers from the general fund into the HTF. As a result of the general fund transfer, states that contribute less in federal taxes get a disproportionately large apportionment from the HTF and states that contribute more in taxes get less than they should proportionately. This problem is caused by a flaw in the law, and I am actively working to remedy it. However, until Congress is able to address this problem, I urge you to use any flexibility you have in the awarding of discretionary grants to help make whole states that are not getting their fair share.

In Fiscal Year 2013, Illinois contributed \$1.142 billion into the HTF and its share of the general fund transfer into the HTF was slightly more than \$400 million, totaling \$1.543 billion. However, Illinois was apportioned only \$1.411 billion, \$132 million less than what it contributed. There are several states that fared even worse than Illinois. They include Texas, Massachusetts, Minnesota, Maryland, Ohio, Virginia, Nebraska, Utah, Kansas, and Colorado. Meanwhile, states like West Virginia, Rhode Island, and Montana all received more than twice what they contributed when factoring in the general fund transfer. Alaska even received more than five times what it contributed.

The issue of states getting less in federal spending than they contributed in federal taxes is not limited to transportation. When considering all federal spending as a whole, there are many states which contribute substantially more in taxes than they receive in spending. This has been devastating to Illinois in particular, which loses \$40 billion each year. If Illinois had been breaking even for the last two decades, the state government would not be in the dire financial straits it finds itself in now. You currently have the opportunity to help balance the scales in transportation spending by awarding more discretionary grants to Payer States. I urge you to do

so, potentially by making payer state status a factor that is considered when evaluating discretionary grants.

I would be more than happy to discuss this issue and its possible solutions with you further. If you have any questions or would like to discuss this matter, please contact my legislative assistant, Jim Callaghan, at jim.callaghan@mail.house.gov or 202-225-3515.

Thank you for your consideration of my request.

Sincerely,

A handwritten signature in blue ink that reads "Bill Foster". The signature is written in a cursive, slightly slanted style.

BILL FOSTER

Member of Congress