

Congress of the United States

Washington, D.C. 20515

July 20, 2020

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Steny Hoyer
Majority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable James E. Clyburn
Majority Whip
U.S. House of Representatives
Washington, DC 20515

The Honorable Richard Neal
Chairman, House Ways and Means
Committee
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Pelosi, Leader Hoyer, Majority Whip Clyburn, and Chairman Neal:

Thank you for your leadership in ensuring our nation has the resources needed to protect our citizens against the health and economic crisis caused by the coronavirus pandemic. During this time, the domestic trucking industry has played a critical role in ensuring the delivery of vital medical supplies and essential consumer goods nationwide. Like other important industries that employ millions of Americans, the trucking industry has been impacted by the severe economic consequences of the pandemic. To ensure this essential industry can more quickly recover, and to save jobs in the trucking industry, we urge you to temporarily suspend the 12% federal excise tax (FET) on heavy-duty trucks and trailers in future coronavirus recovery legislation.

During this unprecedented crisis, truck sales have plummeted below 50% of prior year sales. Major truck and trailer investments are being delayed and deferred. Truck factories and showrooms have been closed, and thousands of employees have been furloughed. Immediate relief that extends until the end of 2021 is essential to supporting the workers in this industry. As a targeted, temporary stimulus measure, we urge that this relief be provided without hurting the already strained Highway Trust Fund.

The FET on heavy-duty trucks, first implemented to help fund World War I, is hitting truck sales hard during this pandemic. At 12%, this tax has grown to become one of the highest percentage excise taxes and adds approximately \$21,000 to a vehicle's cost. In addition to the positive impact a suspension will have on the industry and its workers, the FET causes truck owners to delay upgrading to safer, more fuel-efficient equipment. This equipment has the latest emissions control technology and life-saving features, including automatic emergency braking and lane departure warning. Suspending the FET will therefore speed adoption of the newest environmental and safety technologies.

Suspension of the 12% FET on new heavy duty-trucks and trailers during this critical time could help fleets purchase new trucks and trailers, support U.S. truck and trailer manufacturing,

supplier, and dealership jobs, and advance our goals of improving highway safety and reducing emissions.

We urge you to suspend the FET until the end of 2021 in upcoming coronavirus legislation as the best and fastest way to help save or restore trucking-related jobs and jumpstart the economic recovery of this vital sector.

Sincerely,



Chris Pappas
Member of Congress

Additional Signers:

- | | |
|---------------------------|----------------------------------|
| 2. David Trone | 29. Jared Golden |
| 3. Vicente Gonzalez | 30. TJ Cox |
| 4. Ed Perlmutter | 31. Josh Gottheimer |
| 5. Sanford D. Bishop, Jr. | 32. Thomas R. Suozzi |
| 6. David Scott | 33. Bobby L. Rush |
| 7. Rep. Marc A. Veasey | 34. Adam Smith |
| 8. Henry Cuellar | 35. Terri A. Sewell |
| 9. Collin C. Peterson | 36. Cindy Axne |
| 10. Danny K. Davis | 37. Filemon Vela |
| 11. Tim Ryan | 38. Rick Larsen |
| 12. Joyce Beatty | 39. Marcy Kaptur |
| 13. Lori Trahan | 40. Debbie Dingell |
| 14. Anthony Brindisi | 41. Ron Kind |
| 15. Lisa Blunt Rochester | 42. Joe Courtney |
| 16. Susan Wild | 43. Madeleine Dean |
| 17. Haley M. Stevens | 44. Bill Pascrell, Jr. |
| 18. Stacey E. Plaskett | 45. C.A. Dutch Ruppersberger |
| 19. Denny Heck | 46. Daniel W. Lipinski |
| 20. Tom O'Halleran | 47. Brian Higgins |
| 21. Anthony G. Brown | 48. Alcee L. Hastings |
| 22. Kurt Schrader | 49. Kathleen M. Rice |
| 23. Abby Finkenauer | 50. Chellie Pingree |
| 24. Dave Loebsack | 51. Tony Cárdenas |
| 25. Angie Craig | 52. Ann McLane Kuster |
| 26. Mike Doyle | 53. J. Luis Correa |
| 27. Joe Cunningham | 54. Alma S. Adams |
| 28. Ben McAdams | 55. Henry C. "Hank" Johnson, Jr. |