

October 18, 2023

The Honorable Sam Graves
Chairman of the House Transportation &
Infrastructure Committee
1135 Longworth House Office Building
Washington DC, 20515

The Honorable Rick Larsen
Ranking Member of the House Transportation &
Infrastructure Committee
2163 Rayburn House Office Building
Washington DC, 20515

Dear Chairman Graves and Ranking Member Larsen:

Thank you for today's hearing examining the financial solvency of the Highway Trust Fund (HTF) and potential solutions, including the creation and implementation of a national vehicle miles traveled (VMT) program, titled "*Running Empty: The Highway Trust Fund*". The undersigned organizations represent a diverse set of transportation stakeholders, all of whom support augmenting the current HTF user-fee system to ensure financial solvency ahead of the next multi-year surface transportation reauthorization law.

HTF revenues have long struggled to meet increasing infrastructure investment needs. Federal motor fuels taxes have remained stagnant since 1993, with the prospects of an increase dim. Instead, Congress has chosen to provide General Fund and other transfers to keep the HTF solvent, totaling \$275 billion since 2008. The Congressional Budget Office estimates that the HTF will require another \$150 billion in revenues to pay for continued spending at baseline levels from 2027-2031, not including additional resources that will be necessary to maintain advance appropriations investments included in the *Infrastructure Investment and Jobs Act* (IIJA). Congress must consider a long-term solution to ensure HTF viability and the future health of our surface transportation system, while maintaining the user fee principle upon which the HTF is founded. A VMT or mileage-based user fee to replace all current motor fuel taxes and fees can certainly be a potential solution, and work has been underway to explore feasibility.

Congress has created programs to explore alternatives to the gas tax, like 2016's Surface Transportation System Funding Alternatives (STSFA) Program, which has provided \$73.7 million to 37 projects in states across the nation to assist with the design, implementation, and acceptance of user-based systems, such as a vehicle mileage-based user fee.

While these programs have been invaluable to better understand this user system and areas of improvement, there is more immediate work that needs to occur in order to realize VMT potential and broader implementation. Under IIJA, Congress required the Department of Transportation (DOT) to establish a national pilot to "test the design, acceptance, implementation, and financial sustainability" of a VMT system.¹ It requires the creation of a Federal System Funding Alternative Advisory Board that will provide an annual report to Congress and ultimately create recommendations for a possible permanent VMT program. We urge DOT to convene this panel as quickly as possible and utilize the \$50 million over 5 years authorized under IIJA.

A national VMT pilot program will provide valuable lessons and identify several important factors for the successful implementation of a permanent, truly user-based VMT program. Getting this information now and leveraging Congress's oversight function to ensure a national VMT program is successful will help in

¹ ENO Report - <https://enotrans.org/eno-resources/driving-change-advice-for-the-national-vmt-fee-pilot/>

answering the toughest question facing the next surface transportation authorization: how do we fix the HTF?

Thank you again for this important hearing and we look forward to working with you and your staff to ensure we secure the information needed to support a comprehensive national VMT program ahead of the next surface transportation reauthorization package.

Sincerely,

American Association of State Highway and Transportation Officials
American Concrete Pavement Association
American Concrete Pipe Association
American Council of Engineering Companies
American Institute of Steel Construction
American Iron and Steel Institute
American Road & Transportation Builders Association
American Society of Civil Engineers
American Traffic Safety Services Association
Associated General Contractors of America
Associated Equipment Distributors
Association of American Railroads
Association of Equipment Manufacturers
Concrete Reinforcing Steel Institute
CRH
FP², Formerly the Foundation for Pavement Preservation
Granite Construction
Maryland Asphalt Association
National Asphalt Pavement Association
National Ready Mixed Concrete Association
National Stone, Sand & Gravel Association
National Steel Bridge Alliance
Ohio Contractors Association
Portland Cement Association

CC:

House Ways & Means Committee Chairman Smith and Ranking Member Neal
Senate Environment & Public Works Committee Chairman Carper and Ranking Member Capito
Senate Finance Committee Chairman Wyden and Ranking Member Crapo