

April 13, 2021

The Honorable Peter DeFazio, Chair, House Transportation and Infrastructure Committee

The Honorable Sam Graves, Ranking Member, House Transportation and Infrastructure Committee

The Honorable Thomas R. Carper, Chair, Senate Environment and Public Works Committee

The Honorable Shelley Moore Capito, Ranking Member, Senate Environment and Public Works Committee

Dear Chairs DeFazio and Carper, and Ranking Members Graves and Capito:

As your committees begin work to reauthorize surface transportation programs, we write in support of creating a comprehensive national vehicle miles traveled (VMT) implementation program.

The long-term need to transition away from motor fuel taxes as the foundation of the Highway Trust Fund (HTF) continues to grow. Motor fuel tax receipts are not keeping pace as vehicles become more fuel-efficient and use of new electric vehicles surges. This decline in motor fuel tax receipts will continue. So far this century, Congress has chosen to provide regular General Fund and other transfers to keep the HTF solvent. Since 2008, such transfers have totaled \$158 billion. Congress must consider a long-term solution to ensure HTF viability and the future health of our surface transportation system, and to maintain 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 is that solution.

In 2015, the *Fixing America's Surface Transportation* (FAST) Act established the Surface Transportation System Funding Alternatives (STSFA) Program to provide grants to states or groups of states to demonstrate user-based alternative revenue mechanisms that utilize a user fee structure to maintain the long-term solvency of the Highway Trust Fund.

Since its creation in 2016, the STSFA grant program has provided \$73.7 million to 37 projects in states across the nation. It funds projects that test the design, implementation, and acceptance of user-based systems, such as a vehicle mileage-based user fee. Grants also support outreach by transportation officials to help the public understand these new revenue collection methods. We support the continuation of this program to fund critical work happening in states across the nation.

These pilots provide valuable lessons learned and identify several important factors to consider for implementing a national VMT program. It is now time for Congress to leverage the progress made to-date and create a comprehensive national VMT implementation program.

A national implementation program should work in cooperation with the public and private sector to address national implementation issues, such as standards for data collection, user equity, interoperability, administrative structure and costs, and public acceptance. Once these issues are resolved and recommendations for moving forward are made, a system must be tested

in an interoperable, national setting. The United States Postal Service and other federal and state fleets provide an ideal testbed for consideration for a national VMT program.

American ingenuity and innovation stand ready to meet these challenges. Congress has an extraordinary opportunity to create and test a much-needed long-term replacement for the user fees that we currently rely on to build our roads and bridges.

We look forward to working with you and your staff to ensure a comprehensive national VMT implementation program in the upcoming surface reauthorization.

Sincerely,

American Association of State Highway and Transportation Officials

American Council of Engineering Companies

AECOM

American Institute of Steel Construction/National Steel Bridge Alliance

American Public Transportation Association

American Road and Transportation Builders Association

American Short Line and Regional Railroad Association

Association of American Railroads

Association of Equipment Manufacturers

Associated General Contractors of America

Bipartisan Policy Center Action

CRH

Cubic Corporation

Eno Center for Transportation

Governor's Highway Safety Association

Institute of Transportation Engineers

International Bridge, Tunnel and Turnpike Association

International Union of Operating Engineers

ITS America

Jacobs

Laborers International Union of North America

Maryland Transportation Builders and Materials Association

National Asphalt Pavement Association

National Association of County Engineers

National Ready Mix Concrete Association

National Stone, Sand, and Gravel Association

Portland Cement Association

Transurban

UPS

United States Chamber of Commerce

WSP USA