Congress of the United States

Washington, DC 20510

July 24, 2023

The Honorable Pete Buttigieg Secretary United States Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590

Dear Secretary Buttigieg:

We are writing to determine the status of the formation of the Federal System Funding Alternative Advisory Board (Advisory Board), required under Section 13002 of the *Infrastructure Investment and Jobs Act (IIJA)* (P.L. 117-58). The Department of Transportation (DOT) was directed to establish the advisory board "not later than 90 days after the date of enactment of this Act." This period had passed, as *IIJA* was enacted November 15, 2021. Therefore, we request an update on DOT's progress in the creation of the Advisory Board by August 24, 2023.

Although we recognize *IIJA* included numerous new requirements for DOT, including the formation of the Advisory Board, the 90-day timeline set forth reflects the urgency felt by both the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure regarding the need to identify a new source of sustainable funding for the Highway Trust Fund (HTF). The current funding mechanisms for the HTF rely on transportation-related excise taxes, primarily the taxes on motor fuel.⁴ The motor fuel tax rate has remained unchanged for the past 30 years. Over this period, these taxes have lost significant purchasing power, while funding authorized from the HTF for Federal-aid highway, highway safety, and Federal transit programs has more than tripled.⁵ Additionally, more fuel-efficient vehicles and the utilization of alternative fuel sources have further eroded HTF receipts.⁶ These factors have contributed to the widening gap between revenues coming into the HTF and expenditure levels.⁷ In fact, since fiscal year (FY) 2008, HTF outlays have consistently exceeded HTF revenues, and Congress has transferred a total of \$275 billion into the HTF to ensure that the trust fund remains solvent.⁸

¹ IIJA, Pub. L. No. 117-58, §13002, 135 Stat. 625.

² *Id*.

 $^{^3}$ Id.

⁴ See Jeff Davis, *Highway Trust Fund 101*, ENO CENTER FOR TRANSP., (June 2, 2020), *available at* https://enotrans.org/article/highway-trust-fund-101/#appendix-b; JURISDICTION AND ACTIVITIES, SUBCOMM. ON HIGHWAYS AND TRANSIT, 118th Cong., (Jan. 2023) (on file with Comm.).

⁵ *Id*.

⁶ *Id*.

⁷ *Id*.

⁸ *Id*.

In 2007, the National Surface Transportation Infrastructure Financing Commission was created by the *Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users* (*SAFETEA-LU*) (P.L. 109-59). The Commission recommended road usage charges after an exhaustive review of alternative HTF funding options. Based on those recommendations Congress authorized \$95 million in the *Fixing America's Surface Transportation Act* (*FAST Act*) (P.L. 114-94) for the Surface Transportation System Funding Alternatives grant program to encourage states to develop pilot programs to test the concept. The results from those state pilot programs were so encouraging that Congress reauthorized the state pilot program in *IIJA* and authorized \$50 million for a National pilot program as well. The establishment of the Advisory Board, which will provide recommendations on the structure of that National pilot program, is the critical first step to allowing this important work to proceed.

The National pilot program will enable Congress to determine the feasibility of road usage charges as a viable funding source and, if they are, to consider these charges during the debate of the next Surface Transportation authorization bill. We remain concerned that the delay in launching the Advisory Board and the subsequent National pilot program risks preventing the timely development of the data needed for Congress to make an informed decision during that future funding debate.

Therefore, we request an update to gain further insight into DOT's plans for establishing the Advisory Board, as this is an important step to solving the HTF sustainability issue and crucial for fostering economic growth, enhancing mobility, bolstering our supply chain, and preserving the integrity of our Nation's surface transportation infrastructure system. Please provide this written update as soon as possible, but no later than 5:00 p.m. ET on August 24, 2023.

If you have any questions about this request, please contact Rebecca Higgins, Senior Policy Advisory, Committee on Environment and Public Works at 202-224-8832 or Cheryle Tucker, Staff Director, Subcommittee on Highways and Transit at (202) 225-9446. Thank you for your prompt attention to this matter.

Sincerely,

Tom Carper Chairman

Committee on Environment and Public Works

Sam Graves Chairman

Committee on Transportation and Infrastructure

⁹ SAFETEA-LU, Pub. L. 109-59, 119 Stat. 1144.

¹⁰ NAT'L SURFACE TRANSP. INFRASTRUCTURE FINANCING COMMISSION, PAYING OUR WAY, A NEW FRAMEWORK FOR TRANSPORTATION FINANCE, (Feb. 2009) *available at* https://www2.itif.org/NSTIF Commission Final Report.pdf.

¹¹ FAST Act, Pub. L. 114-94, 129 Stat. 1582, 1583.

¹² *IIJA*, *supra* note 1, § 13001-13002.