



Owner-Operator Independent Drivers Association

National Headquarters: 1 NW OOIDA Drive, Grain Valley, MO 64029

Tel: (816) 229-5791 Fax: (816) 427-4468

Washington Office: 1100 New Jersey Ave. SE, Washington, DC 20003

Tel: (202) 347-2007 Fax: (202) 347-2008

February 24, 2020

The Honorable Chuck Grassley
Chairman
Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable John Barrasso
Chairman
Committee on Environment & Public Works
410 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Thomas Carper
Ranking Member
Committee on Environment & Public Works
456 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairmen Grassley and Barrasso, and Ranking Members Wyden and Carper:

The American Road & Transportation Builders Association's (ARTBA) promotion of a new vehicle miles traveled (VMT) tax exclusively on commercial motor vehicles (CMVs) is shameful, and exposes the organization's arrogance. The inclusion of such a divisive, inefficient and unabashedly self-serving policy in the next surface transportation reauthorization would instantly eliminate our support for the bill and likely destroy any hope for its passage.

In the past, OOIDA has advocated alongside ARTBA for greater investment in transportation infrastructure. At the time, the funding mechanisms supported by both our organizations were based in fairness and equity. Unlike ARTBA, we continue to believe responsibility for creating the safest and most efficient surface transportation system must be shared equally among all highway users. This includes truckers. But by supporting a new tax targeting CMVs, ARTBA now clearly feels some users are more responsible than others. Make no mistake, the Senate's embrace of this contentious, discriminatory and counterproductive approach in the next highway bill will be the legislation's ruin.

ARTBA's promotion of a truck-only VMT insinuates truckers don't pay their fair share into the Highway Trust Fund (HTF), which is preposterous. Not only is the trucking industry currently paying more than its fair share, a recent report by the Congressional Budget Office (CBO) found HTF revenues derived from motor carriers through the heavy-vehicle and tire taxes will increase over the next decade. Between the current diesel tax and these supplemental taxes that other highway users do not pay, the trucking industry is estimated to **increase** its contributions to the HTF over the same period of time.

If ARTBA believed so strongly that a VMT proposal focusing exclusively on one segment of highway users was the best means to generate sufficient funding for the HTF, they should be pushing to impose the new tax on passenger vehicles. The same CBO report that estimates trucking will be contributing more to

the HTF in the next 10 years also forecasts a precipitous decline in revenue derived from passenger vehicles. Improvements to vehicle efficiency, coupled with the greater growth of alternative fueled automobiles, would make the introduction of a new VMT tax on non-CMV's a more responsible, productive and fair approach.

ARTBA knows this. They also know most elected officials are reluctant to impose a VMT scheme on the motoring public, who share many of our concerns about privacy and fairness. Make no mistake, the imposition of a truck-only VMT is no less perilous for lawmakers or the next highway bill. Motor carriers of all sizes strongly oppose this punitive proposal and our industry will fight any legislation that exclusively or disproportionately targets CMVs.

ARTBA's support for the new tax is also unabashedly self-serving. While increased investment in infrastructure will benefit every segment of the American economy, including the trucking industry, it is certain to dramatically improve the profits of ARTBA members. Because electronic logging devices (ELDs) appear to be the leading method for administering a truck-only VMT among its proponents, ARTBA is fully aware the impact on its members – many of whom avoid utilization of ELDs through exemptions – will be negligible.

Rather than developing constructive proposals to achieve mutual goals through shared responsibility, ARTBA is showing its arrogance by pushing for a truck-only VMT. OOIDA believes passage of the next highway bill will be dependent on support from a broad coalition of stakeholders. Lawmakers must avoid discriminatory funding ploys like ARTBA's, because they will prevent the formation of this necessary coalition. Not only will embracing their foolish truck-only VMT squander the vital support of our industry, it will turn us into staunch opponents of the next highway bill.

We strongly urge all Senators to reject ARTBA's controversial new tax proposal.

Sincerely,

A handwritten signature in cursive script that reads "Todd Spencer".

Todd Spencer
President and CEO
OOIDA