



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

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The Honorable Ron Wyden
Chairman
Committee on Finance
219 Dirksen Senate Building
Washington, DC 20510

The Honorable Mike Crapo
Ranking Member
Committee on Finance
219 Dirksen Senate Building
Washington, DC 20510

RE: Funding and Financing Options to Bolster American Infrastructure

Chairman Wyden and Ranking Member Crapo,

Since 1973, the Owner-Operator Independent Drivers Association (OOIDA) has been advancing and protecting the rights of small-business motor carriers and professional drivers. OOIDA is a critical stakeholder for all issues affecting trucking, with a unique focus on those directly impacting small-business truckers. We have over 154,000 members, all of whom make their living on America's highways.

Robust investment in our nation's infrastructure is naturally a priority for our members. A modern, reliable, and efficient highway system not only supports their businesses, but also ensures their safety. With the nation's roads and bridges deteriorating and congestion increasing, truckers are willing to contribute more to the expansion and preservation of this system, so long as user fees remain equitable among all highway users. However, they will not accept funding mechanisms that are discriminatory towards our industry.

Due to the vast resources needed to adequately update and maintain our highways, OOIDA supports efforts to increase dedicated Highway Trust Fund (HTF) revenues. Professional drivers continue to favor the current user fee structure and prefer reasonable increases to the federal gasoline and diesel fuel taxes. These user fees are the most equitable and efficient means for supporting our nation's highway needs. We understand many elected officials believe increasing fuel taxes is politically untenable, but this approach remains the most sensible and effective option for funding our infrastructure in the near-term.

Transitioning from the traditional user fee structure to a vehicle miles travelled (VMT) program has recently gained significant attention among lawmakers in Washington. However, truckers have many unanswered questions about the implementation and administration of a national VMT program. Our members, who have experienced excessive operating costs in states that currently levy VMT taxes, also have serious concerns about the equity of a national program. OOIDA is open to further discussion about VMT and other possible alternative HTF funding methods, but any proposed system must be fair and efficient.

Most importantly, any VMT proposal to fix the HTF must **not** be limited to commercial motor vehicles (CMVs). Truckers already pay more than their fair share into the HTF and any VMT system must not single out truckers. Not only is our industry currently paying more than its fair share, a report by the

Congressional Budget Office found HTF revenues derived from motor carriers through the heavy-vehicle and tire taxes will increase from 2019 to 2029.¹ 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.

Implementing a truck-only VMT is also nowhere near as simple as some proponents have claimed. Current law prohibits the use of Electronic Logging Devices (ELDs) for anything other than monitoring hours of service. Furthermore, many trucks are not required to use ELDs because of either industry or operational exemptions – some put in place by Congress. To implement a truck-only VMT, Congress would need to dramatically increase the mandated use and scope of ELDs.

OOIDA has also consistently opposed any federal expansion of tolling policies. Research has shown that tolling is an extremely wasteful method of funding compared to fuel taxes. Additionally, toll roads consistently fail to meet revenue projections, creating unanticipated funding shortfalls, inevitable rate increases, and traffic diversion to non-tolled routes. As the Committee considers options to fund our highways, it must avoid any expansion of tolling, including congestion pricing.

Congestion pricing would lead to the tolling of existing highways, which amounts to double taxation for truckers who have already paid in to the HTF through the diesel fuel tax and other industry-specific fees. Because truckers often have very little control over their schedules, congestion pricing is also particularly problematic for owner-operators and independent drivers. Due to the rigidity of current federal hours of service requirements, truckers routinely have no other choice than to drive through metropolitan areas during periods of high congestion. Shippers and receivers also have little regard for a driver's schedule, frequently requiring loading and unloading to occur at times when nearby roads are most congested. Additionally, unlike other highway users, truckers often lack the ability to choose alternate routes to avoid congestion due to size and weight restrictions, heavy vehicle prohibitions, and other limitations on ancillary roads.

Congress must recognize that conditions beyond the control of professional drivers, including federal and state rules, often contribute to their inability to avoid areas or times of high congestion. Without changes to these conditions, congestion pricing may have little to no effect on CMVs other than to squeeze even more revenue out of small-business truckers. If Congress takes steps to expand congestion pricing, accommodations must be made for the trucking industry.

We appreciate your interest in exploring funding and financing options to bolster American infrastructure. A modern, reliable, and efficient highway system is critically important to the success and safety of our nation's small-business truckers. We hope the Committee will consider the views of owner-operators and professional drivers when determining how to invest in the roads and bridges where they work.

Thank you,



Todd Spencer
President & CEO
Owner-Operator Independent Drivers Association, Inc.

cc: Members of the Committee on Finance

¹ CBO, Issues and Options for a Tax on Vehicle Miles Traveled by Commercial Trucks (2019).