

Owner-Operator Independent Drivers Association

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

Dear Chairman Wyden and Ranking Member Crapo,

On behalf of the more than 150,000 members of the Owner-Operator Independent Drivers Association (OOIDA), we write to share our opposition to any proposal that would impose a new and unproven truck-only vehicle miles traveled (VMT) tax as a means to provide greater revenue for the Highway Trust Fund (HTF). We are disappointed that this controversial and discriminatory proposal has resurfaced, as our industry has consistently supported increasing HTF revenue through equitable increases to existing user fees. The inclusion of such a divisive policy in the next surface transportation reauthorization would instantly eliminate our support for the bill and likely destroy any hope for its passage.

Proponents of a truck-only VMT have insinuated that truckers don't pay their fair share into the HTF. This is preposterous. Not only is the trucking industry currently paying more than its fair share, a 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.** Clearly, our industry is not the problem.

Between 2019 and 2029, revenue from the gasoline tax is expected to drop by 11%, meaning passenger vehicles will remain largely responsible for ongoing funding shortfalls.² We believe it makes no sense to single out an industry that already has a stable funding mechanism in place. If Congress would like to properly address diminishing HTF returns, it must be honest about the driving force behind them. Rather than singling out trucks, you should start by ensuring passenger vehicles are also providing stable and reliable revenue for our highway infrastructure.

While this reason alone should be enough to dismiss a truck-only proposal, we would also like to dispel the notion that a truck-only VMT should be pursued because it would be ready and easy to

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

² Ibid.

implement. Proponents of a truck-only tax have claimed that because many trucks are already required to be fitted with an electronic logging device (ELD), it would be simple to have these devices also report miles driven. Current law prohibits ELDs from being used for anything other than monitoring hours of service. Furthermore, many trucks are not required to use ELDs either because of industry or operational exemptions – some of which were put in place by Congress. Therefore, to implement a truck-only VMT, Congress would need to dramatically increase the mandated use and scope of ELDs, which would also be a very controversial undertaking. Small-business truckers have already borne a significant and disproportionate cost for complying with the ELD mandate, and utilizing ELDs for VMT would create new costs and greater privacy issues for our members.

As our country is beginning to see a way out of the economic downturn caused by COVID-19, small-business truckers are still uncertain about their future. Many of our members saw a significant drop in their business over the last year and are still figuring out how to make ends meet. If lawmakers support a truck-only VMT, it would devastate America's truckers. Many lawmakers in Washington have been rightfully commending professional drivers for their tireless work keeping the nation healthy and safe during COVID. Saddling them with a discriminatory, disproportionate and unproven new tax system is a terrible way to demonstrate your support and appreciation.

We understand that because many elected officials lack the courage to raise necessary revenue through equitable increases to existing user fees, there is a strong interest in shifting all of the burden to our industry. Truckers have always been willing to pay more into the system, but they refuse to be singled-out. Make no mistake, the Senate's embrace of a truck-only VMT in the next highway bill will be the legislation's ruin.

Sincerely,

Todd Spencer President & CEO

Owner-Operator Independent Drivers Association, Inc.

Cc: Senator Maria Cantwell, Chair, Committee on Commerce, Science, and Transportation Senator Roger Wicker, Ranking Member, Committee on Commerce, Science, and Transportation Senator Tom Carper, Chairman, Committee on Environment and Public Works Senator Shelley Moore Capito, Ranking Member, Committee on Environment and Public Works Members of the United States Senate