January 21, 2025

The Honorable David Rouzer
Chairman
Subcommittee on Highways and Transit
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

The Honorable Eleanor Holmes Norton
Ranking Member
Subcommittee on Highways and Transit
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Rouzer and Ranking Member Holmes Norton:

NATSO, Representing America's Travel Centers and Truck Stops, and SIGMA: America's Leading Fuel Marketers (together, the "Associations")[1] appreciate that the House Transportation and Infrastructure Highways and Transit Subcommittee (the "Subcommittee") is convening a hearing to discuss America's highways and freight systems.

As the Subcommittee begins to consider this important issue in the context of the forthcoming Surface Transportation Reauthorization, the Associations offer their support for policies that promote a reliable, efficient, and well-capitalized surface transportation system. To ensure this outcome, Congress should establish long-term funding mechanisms for the Highway Trust Fund, and avoid counter-productive revenue-raising "shortcuts" such as commercializing Interstate rest areas or tolling existing Interstates.

The Surface Transportation Reauthorization is also an opportunity to ensure that motorists traveling the Interstate highway system continue to have access to reliable, convenient refueling infrastructure alongside safe, well-lit amenities such as restrooms and food and beverage options. Because fuel retailers are fuel agnostic, we are invaluable partners to policymakers whose objectives include ensuring reliable energy from a variety of sources at reasonably low, stable prices. NATSO and SIGMA support policies that incentivize fuel retailers to invest in alternative refueling infrastructure, and reward businesses that make those investments.

The Associations look forward to working with both the Subcommittee and the full Committee to support America's highway system by advancing a Surface Transportation Reauthorization that makes progress towards achieving these goals.

I. The Associations Support Effective, Efficient Infrastructure Investment.

As the Subcommittee considers possible funding mechanisms for surface transportation infrastructure investments, the Associations support policies to fund the Highway Trust Fund that are consistent with the following principles:

- **Simple** – It should be efficient and inexpensive to collect.
- **Difficult to Evade –** It should be difficult for taxpayers to evade paying the fee.
- **User-Based** – The primary stream of funding should be user-based.

- **Energy-Source Neutral** – All energy sources must be subject to the same fee on a gallon/energy equivalent basis.
- **Transparent** – Users must be able to understand the amount they are being charged.
- **Dedicated to Infrastructure** – Funds raised in the name of improving surface transportation infrastructure should be dedicated to surface transportation infrastructure for the benefit of the payer. Reallocating such funds for other purposes should be prohibited.
- **Long-Term** – The revenue generated by the funding solution should not significantly diminish over time.

The Associations recognize that multiple funding solutions may be consistent with these principles. It is also undeniable that recent market and technological innovations (*e.g.*, increasing electrification of the fleet, autonomous vehicles, ride-sharing, and overall fuel efficiency) present tempting opportunities to dramatically alter how we fund surface transportation in the United States. Although these should be explored, we encourage you not to be distracted from the real, present need for sustainable, ongoing investment in infrastructure that captures all users of the nation's roads and bridges.

II. The Associations Oppose Inefficient, Counterproductive Infrastructure Policies.

Congress should oppose counterproductive revenue sources such as tolling and commercializing Interstate rest areas. These funding mechanisms are inefficient, disrupt travel and freight movement, and undercut off-highway businesses and communities.

a. Tolling

Tolling is an inefficient way to collect revenue. Whereas under the fuel tax, 99 percent of every dollar raised goes toward infrastructure investment, with tolls it is closer to 75 percent, with the rest going toward enforcement and other administrative expenses. Tolls also divert traffic onto secondary roads that were not designed to handle Interstate-level traffic. This contributes to traffic accidents, increased maintenance costs, and delays for first responders.

Tolling existing Interstates likewise harms off-highway businesses that have invested in real estate along newly tolled corridors by diverting potential customers onto secondary roads. Finally, tolls treat rural America unfairly. Many of the country's roads and bridges most in need of repair are in lower population areas that are not traveled frequently enough to generate sufficient toll revenue. If Congress relies on tolling to pay for infrastructure, rural America's needs would go unfulfilled.

b. Rest Area Commercialization

When Congress created the Interstate Highway System, Congress and community leaders feared that local businesses, jobs, and tax bases would shrink as motorists and truck drivers bypassed their cities and towns. Congress therefore prohibited new Interstate System rest areas from offering commercial and automotive services, such as food and convenience items and

refueling infrastructure. Since then, businesses have clustered directly off of Interstate exits to provide services to Interstate travelers.

Today these are some of the most, diverse competitive business environments in the United States, often with multiple restaurants, refueling, and hotel options in close proximity to one another competing for highway travelers' business. Those towns' communities have come to rely on the tax revenue and employment base this ecosystem provides.

Commercializing rest areas would transfer sales away from highway exits to whichever business contractor pays the largest amount to rent the location on the shoulder of the highway. When the government competes with private business in this way, it undermines the free market and raises prices for consumers. It will not create new revenue for infrastructure.

While the Associations support investment in a range of refueling options for consumers, including biofuels, natural gas, hydrogen, and electricity, these offerings are commercial and automotive services. Congress prohibited states from offering such services at Interstate rest areas specifically to ensure private sector entities would grow and provide those services to travelers. Installing electric vehicle ("EV") charging infrastructure on the Interstate right-of-way would require overturning the rest area commercialization ban that has been in place for more than 60 years.

Finally, permitting commercial services at rest areas would undercut the Committee's efforts to increase truck parking availability. Commercializing rest areas would inevitably decrease the overall number of commercial truck parking spots available in the United States. If vehicle traffic migrated away from existing travel centers – which provide more than 90 percent of existing truck parking spaces – toward commercialized rest areas, travel centers would lose revenue that currently goes toward building and maintaining truck parking spaces (which are generally offered free of charge).

III. The Associations Support Investment in Technology Neutral Alternative Refueling Infrastructure.

Alternative fuels can diversify and lengthen the supply of transportation energy in a manner that lowers retail fuel prices. The Associations support ambitious, market-based, and consumer-oriented alternative fuel incentive policies. Existing retail fuel locations are optimal for the buildout of an alternative fuel network, including EV charging and hydrogen refueling stations. Fuel retailers have demonstrated in recent years that they are prepared to invest in any alternative fuel technology that their customers desire.

The Associations have worked closely with the Subcommittee, as well as the U.S. Department of Transportation ("DOT") and state DOTs in support of various EV charging grant programs and other market-building opportunities. These include the National Electric Vehicle Infrastructure ("NEVI") Program and the Charging and Fueling Infrastructure ("CFI") Program. The NEVI Program, though imperfect and in need of serious examination and reform, has nevertheless catalyzed substantial private sector investment into alternative refueling infrastructure. Many of the Associations' members are actively installing charging or hydrogen fueling infrastructure in reliance upon the NEVI and CFI programs remaining in place. We support those policies.

IV. Conclusion.

Thank you for the opportunity to submit this letter and for your consideration of this important issue. The Associations stand ready to be of any further assistance as the Subcommittee continues its important work on the forthcoming reauthorization process.

Sincerely,

NATSO, Representing America's Travel Centers and Truck Stops
SIGMA: America's Leading Fuel Marketers

Cc: Members of the House Transportation and Infrastructure Committee Subcommittee on Highways