

MICHELLE LUJAN GRISHAM GOVERNOR OF NEW MEXICO CHAIR SPENCER COX GOVERNOR OF UTAH

April 29, 2025

The Honorable David Rouzer Chairman Subcommittee on Highways and Transit Committee on Transportation and Infrastructure House of Representatives 2165 Rayburn House Office Building Washington, DC 20515 The Honorable Eleanor Holmes Norton Ranking Member Subcommittee on Highways and Transit Committee on Transportation and Infrastructure House of Representatives 2165 Rayburn House Office Building Washington, DC 20515

Dear Chairman Rouzer and Ranking Member Norton:

With respect to the Subcommittee's April 29, 2025, hearing, America Builds: The Need for a Long-Term Solution for the Highway Trust Fund, attached please find Western Governors' Association (WGA) Policy Resolution 2024-06, Transportation Infrastructure in the Western United States.

This resolution includes Western Governors' collective and bipartisan policy recommendations regarding transportation infrastructure, including the need for a long-term solution to ensure solvency in the Highway Trust Fund (HTF). Western Governors urge Congress to identify and dedicate diverse revenue sources to fund the HTF and provide consistent and increasing funding levels for core transportation infrastructure.

I request that you include this document in the permanent record of the hearing, as it articulates Western Governors' policy positions and recommendations on this important issue.

Sincerely,

ack Waldorf

Executive Director

Attachment



Policy Resolution 2024-06

Transportation Infrastructure in the Western United States

A. <u>BACKGROUND</u>

Jobs, the economy, and quality of life in the West depend on high-quality transportation infrastructure that efficiently, effectively, and safely moves goods and people. Western states' national highways, ports, and railways are essential gateways for our nation's exports while small and medium airports serve as economic engines and essential connections for rural western communities.

The infrastructure in the region is under strain from both increased movement of goods and people and from underinvestment in preservation, repair, and new infrastructure. Additionally, increasing fuel efficiency coupled with a commensurate decrease in gas tax revenue has led to a decrease in the Highway Trust Fund (HTF). Electric vehicles are simultaneously increasing throughout the West, spurring new investments in transportation charging, grid enhancement, and other infrastructure.

B. <u>GOVERNORS' POLICY STATEMENT</u>

- 1. Western Governors believe there is a strong federal role, in partnership with states and local governments, for continued investment in our surface transportation network. This is particularly important for federal routes and for multimodal transportation networks that are critical to interstate commerce and a growing economy throughout the West. These routes and networks traverse hundreds of miles without traffic densities sufficient to either make public-private partnerships feasible or allow state and local governments to raise capital beyond the historic cost share. Many western states also feature vast expanses of federal lands, which cannot be directly taxed to generate dollars for transportation improvements.
- 2. Western Governors believe the current project decision-making role of state and local governments, with meaningful participation from affected communities, particularly tribes and other historically underserved communities, in investment decisions should continue. Western Governors desire additional flexibility to determine how and where to deploy investment to maximize the use of scarce resources.
- 3. Western Governors believe that a viable, long-term funding mechanism is critical to the maintenance and upgrade of our surface transportation network and encourage Congress to work together to identify a workable solution that adequately funds the unique needs of the West.
- 4. Western Governors believe in enhancing the ability to leverage scarce resources by supplementing traditional base funding by creating and enhancing financing mechanisms and tools that are appropriate for all areas of the United States, including those with low traffic densities where tolling and public-private partnerships are not feasible. Western Governors urge agencies to consider strategies to streamline and clarify Notices of Funding

Opportunity (NOFO) to reduce confusion for small communities. Western Governors also support reducing barriers to application, specifically for small communities.

- 5. Western Governors believe using the historic formula-based approach for the distribution of funds would ensure that both rural and urban states participate in any infrastructure initiative, and it would deliver the benefits of an infrastructure initiative to the public promptly. Alongside supporting robust block grant funding, Western Governors urge Congress and the United States Department of Transportation (USDOT) to consider additional ways to provide flexible funding for states to allow them to quickly address their most pressing needs.
- 6. Western Governors believe the Highway Trust Fund (HTF) and the programs it supports are critically important to the success of efforts to maintain and improve America's surface transportation infrastructure. Currently, the HTF is not able to support federal surface transportation program levels and will not meet the future needs of the growing country. Congress must be prepared to address these deficiencies and identify new, non-traditional transportation revenue streams that can provide consistent and increasing funding levels for the core transportation infrastructure that keeps this nation on the move. Congress must provide a long-term solution to ensure HTF solvency and provide for increased, sustainable federal transportation investment through the HTF. Western Governors urge Congress and USDOT to identify and dedicate diverse revenue sources to fund the HTF.
- 7. Western Governors believe modern port infrastructure, including inland ports, is essential to strong national and western economies and urge Congress to fully fund the Harbor Maintenance Trust Fund and to reform the Harbor Maintenance Tax distribution to ensure western ports remain competitive.
- 8. Furthermore, Western Governors believe the federal government must work collaboratively with states, along with ports, local governments, and key private sector transportation providers like the railroads, to ensure the necessary public and private investments to move imports and exports efficiently through the intermodal system, as well as community organizers and the Environmental Protection Agency's National Environmental Justice Advisory Council, to effectively mitigate environmental and public health impacts to port communities.
- 9. As new sources of transportation investment revenues are considered, Congress is encouraged to limit narrowly defined discretionary programs in favor of providing flexibility for states to direct federal resources to meet their unique needs.
- 10. Western Governors recognize the benefit of and appreciate the renewed focus on incorporating American-made products into transportation projects. However, the availability of American-made materials and manufactured goods continues to lag behind demand that has resulted. Western Governors urge Congress and the USDOT to maintain a robust process for the thoughtful consideration of Buy America waivers until the resurgence of American production is fully complete.
- 11. Western Governors have made great strides in the last 20 years in improving air and water quality as well as preserving resources. In the case of environmental regulatory issues, the need to exercise care in protecting the environment is inherent in all public works, and accountability is held by the citizenry. Congress is encouraged to consider how best to

streamline the deployment of transportation improvements while accounting for environmental impacts.

- 12. Efficient and streamlined permitting processes are essential to ensuring robust transportation systems. Refer to WGA policy regarding the Governors' collective policy on permitting, including Policy Resolution 2023-10, Infrastructure Permitting.
- 13. Western Governors support a flexible federal transportation program that affords the opportunity to invest in urban and rural transportation needs including safety, congestion relief, mobility options, connectivity, and new or innovative transportation solutions including passenger rail.
- 14. Western Governors emphasize western states' collaborative efforts to improve the planning and siting of electric vehicle (EV) charging infrastructure to promote equitable access, particularly along highway corridors, freight corridors and hubs, rural areas, underserved communities, or anywhere that users do not have the ability to charge at home. We encourage Congress and the Administration to rely on the on-the-ground knowledge of the states when designing federal programs and allocating surface transportation and infrastructure funds focused on EV infrastructure. Coordinating with these multi-state groups would help promote targeted investments and partnerships that expand cohesive, regional EV charging networks.
- 15. Reliable air service is essential infrastructure for many remote communities. Air service is critical not only for recreation and tourism, but also for many remote communities, it provides the only efficient way to bring in critical personnel, such as doctors or emergency services. Western Governors encourage the executive branch to include full funding for the Essential Air Service (EAS) and Small Community Air Service Development Program (SCASDP) programs in the President's annual budget request. Western Governors also support legislative actions to secure and maintain the longevity of these programs.

C. <u>GOVERNORS' MANAGEMENT DIRECTIVE</u>

- 1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
- 2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in June 2027. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult <u>http://www.westgov.org/resolutions</u> for the most current copy of a resolution and a list of all current WGA policy resolutions.