

June 7, 2023

Swati Patel Policy Analyst Office of Information and Regulatory Affairs Office of Management and Budget Executive Office of the President

Dear Ms. Patel:

This is a request for Office of Management and Budget (OMB) emergency clearance for a new information collection request (ICR) to enable the Department of Transportation (DOT) Federal Highway Administration (FHWA) to implement the Strategic Innovation for Revenue Collection (SIRC) Program. The SIRC Program was authorized in the Bipartisan Infrastructure Law (BIL), enacted as the Infrastructure Investment and Jobs Act (Act) (Pub. L. 117-58) on November 15, 2021. This historic Act is a once-in-a-generation opportunity to support transformational investments in our Nation's transportation infrastructure that will create good jobs, modernize our infrastructure, improve safety, tackle the climate crisis, and invest in communities that have too often been left behind. The Act includes the SIRC Program to provide competitive grants to test the design, acceptance, equity, and implementation of user-based alternative revenue mechanisms that utilize a road user fee structure to assist in maintaining the long-term solvency of the Highway Trust Fund (HTF).

Critical Nature of the Information Collection Request

The collection of information is necessary to receive applications for grant funds, evaluate the effectiveness of projects that have been awarded grant funds, and monitor project financial conditions and project progress pursuant to Section 133001 (b) (3) as prescribed in Exhibit A of this document. Fiscal year (FY) 2023 – 2024 is the first year of implementation for the SIRC Program. FHWA implemented a similar predecessor program, the Surface Transportation System Funding Alternatives (STSFA) program authorized by section 6020 of the Fixing America's Surface Transportation (FAST) Act, Pub. L. No. 114-94, FY 2016 – 2021, which was repealed with the passage of BIL. Information about awards funded under the STSFA program is available at: https://ops.fhwa.dot.gov/stsfa/index.htm.

The SIRC Program seeks to fund pilot projects that test the implementation of user-based alternative revenue mechanisms that utilize a road user fee structure. The statutory requirements of the SIRC Program are found under section 13001(b) (3) of the BIL and codified at 23 U.S.C. § 503(c)(4)(F). In BIL, Congress authorized \$75 million for FYs 2022 through 2026 to provide financial assistance to eligible applicants, which includes State, Metropolitan Planning

Organization, and local government agencies, or a group of eligible entities, to test the feasibility of the program objectives outlined in Section 133001 (b) (3). Grant awards test innovative ways to replace or supplement the Federal gas tax to maintain the long-term solvency of the HTF.

This is a multi-year Notice of Funding Opportunity (NOFO) for FY 2022 - 2024, which includes a total of \$45 million. Due to the Administration's tight deadline to issue the NOFO and begin making awards in FY 2023, DOT developed application templates for the SIRC Program. The templates are designed to help streamline the application process and submission of the information requested in the NOFO.

Need for Emergency Approval

The issuance of the FY 2023 - 2024 SIRC Program NOFO is a high priority for the Administration so work can begin as soon as possible to provide competitive grant awards to eligible entities to test the design, acceptance, equity, and implementation of user-based alternative revenue mechanisms that utilize a road user fee structure to assist in maintaining the long-term solvency of the HTF. The Administration is anticipating a FY 2022 – FY 2023 NOFO issuance soon, and the FHWA has worked diligently since the enactment of BIL to develop the NOFO and application templates to implement the SIRC Program as quickly as possible.

The use of normal clearance procedures for ICR approval will prevent the DOT from meeting the Administration's deadline. If the DOT does not receive emergency approval for this ICR, implementation of the SIRC Program will be delayed.

Due to the urgency of executing the newly enacted Act, the DOT respectfully asks OMB for emergency approval of the ICR within 10 days of receipt of this letter.

If you have any questions regarding this request, please contact Carlos B. McCloud, SIRC Program Manager, at <u>carlos.mccloud@dot.gov</u>.

Sincerely,

Martin C. Knopp Associate Administrator for Operations