



ZERO EMISSION
TRANSPORTATION
ASSOCIATION

ZETA 2025-2026 Surface Transportation Priorities

Introduction

Zero Emission Transportation Association (ZETA) is an industry coalition representing approximately 50 companies spanning the electric vehicle (EV) supply chain end-to-end, including critical mineral and material producers, cell and battery manufacturers, vehicle manufacturers, charging companies and electric vehicle supply equipment (EVSE) providers, utility companies, and battery recyclers.

Federal surface transportation policy, and federal highways and transit programs in particular, are an integral aspect of the ongoing expansion of the American EV sector. ZETA greatly appreciates the opportunity to discuss our priorities in this space that will ensure U.S. innovators are positioned for success in the fiercely competitive global automotive marketplace. We look forward to working with the Committee to advance these priorities.

Highway Trust Fund (HTF) Shortfall

Well-funded federal highways are an essential part of a thriving transportation system, and American EV manufacturers are willing to pay their fair share in support of our shared roads. ZETA strongly believes that the surface transportation reauthorization process is the appropriate legislative vehicle to consider addressing the HTF, including how alternative fuel vehicles may contribute to it. We urge the Committee to consider any changes to the existing funding structure of the HTF through this process. Any novel tax for American drivers necessitates a deliberative legislative process. This is the best way to ensure that any revenues generated go directly into the HTF, not the General Treasury Fund, in both chambers of Congress.

Maintaining the same gas tax rate since 1993 without adjusting for inflation, advancements in fuel efficiency, and considerably increased investment in highway and transportation infrastructure has resulted in the inability of the HTF to fully cover the increased expenditures authorized by recent highway bills. The balances in both the highway and transit accounts of the HTF will be depleted by 2028.¹ The Congressional Budget Office projects that if current taxes remain in place and if funding for these programs increases annually at the rate of inflation, shortfalls in the HTF's highway and transit accounts will total \$329 billion over the 2024-2035 period.²

Congress must find a tech-neutral, long-term solution to declining real gas tax revenue. With non-gas cars increasingly on the road, ZETA believes that alternative fuel vehicles are a part of finding a sustainable path to solvency. The legislative mechanism for achieving this could conceivably take different forms, one of which could be a voluntary "vehicle miles traveled" (VMT) structure to allow drivers to either 1) report their annual odometer readings on annual tax returns or 2) accept a flat fee as an alternative. Fairness for taxpayers driving electric vehicles would be enhanced by providing drivers who travel fewer than 12,000 miles annually with an

¹ The Status of the Highway Trust Fund: 2023 Update. ([CBO](#))

² Highway Trust Fund Accounts Baseline Projections. January 2025. ([CBO](#))

option to pay a VMT. To preserve the rights of consumers to lower their fuel costs by choosing more fuel-efficient vehicles, the VMT fee would ideally be calculated using measures of fuel efficiency in electric vehicles, such as Miles Per Gallon Equivalent (MPGe), as certified for new vehicles by the National Vehicle and Fuel Emissions Laboratory (NVFEL)³.

Both VMT and flat fee structures have logistical and other challenges, and ZETA would be very interested in the opportunity to engage with the Committee as conversations about this topic continue to develop. Regardless of the ultimate mechanism, ZETA urges that a prospective federal fee be equitable to fees paid by a gas-powered vehicle driver. This is not just a matter of parity, but also the only way to ensure meaningful long-term solvency.⁴

For instance, the average weight of a new light-duty vehicle is 4,371 pounds.⁵ The two best-selling electric vehicles on the market, the Tesla Model 3 and Y, account for more than 40 percent of sales,⁶ weigh 4,030 and 4,396 pounds, respectively.^{7,8} Given that average weight and assuming an average annual mileage of around 12,000 miles, ZETA believes that an annual federal road use fee amounting to approximately \$100 per vehicle per year would be a fee level commensurate with the annual gas tax paid by an internal combustion engine vehicle with average fuel efficiency.

Putting a disproportionate fee on alternative fuel vehicles, particularly a large fee assessed upfront or directly to the manufacturer, would not only create a major hurdle for prospective buyers, but would also fail to meaningfully address the issue of falling gas tax revenues and the long-term solvency of the HTF. A holistic, tech-neutral approach ensures parity amongst vehicle technologies and consistent funding for our nation's highway system.

Discretionary Authority to Grant Alternative Fuel Access to High-Occupancy Vehicle Lanes

ZETA supports the ability of states and local governments to use their discretion about whether to allow alternative fuel vehicles like EVs to use high-occupancy vehicle (HOV) lanes on federal highways. This ability has been Congressionally authorized for twenty years, and we ask the Committee to once again reauthorize this provision in upcoming surface transportation reauthorization legislation.

In the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) in 2005, Congress first authorized state governments to permit "inherently low-emission" vehicles (pursuant to Title 40 CFR Sec. 88.311-93), such as electric and other alternative fuel vehicles, to use the HOV lanes on the federal interstate highway system without meeting the passenger occupancy requirements. This authority was reauthorized through fiscal year 2017 in the Moving Ahead for Progress in the 21st Century Act (MAP-21) in 2012. Subsequently, Congress expanded this authority to include county and municipal governments in

³ Fuel Economy and EV Range Testing. ([EPA](#))

⁴ The Status of the Highway Trust Fund: 2023 Update. ([CBO](#))

⁵ The 2024 EPA Automotive Trends Report. ([EPA](#))

⁶ What Is the Percentage of Electric Cars in the U.S.? ([Edmunds.com](#))

⁷ Tesla Model 3. ([Tesla](#))

⁸ Tesla Model Y. ([Tesla](#))

the Fixing America’s Surface Transportation (FAST) Act of 2015. The FAST Act also made all alternative fuel vehicles and those eligible for the clean vehicle tax credit (Sec. 30D(d)(1) of the Internal Revenue Code) eligible for HOV access per state, local, and county governments’ discretion and reauthorized this authority through federal fiscal year 2025.

The discretionary authority for state, county, and local governments to permit alternative fuel vehicles to use HOV lanes currently expires on September 30, 2025. ZETA urges the Committee to reauthorize this authority as written in the upcoming surface transportation reauthorization bill, if not prior.

National Electric Vehicle Infrastructure (NEVI) Formula Program

The fast-expanding U.S. production capacity for electric vehicles (EVs), batteries, and critical minerals and materials has been a major contributor to not just growth in the automotive sector, but also toward more secure supply chains oriented away from foreign competitors like China. A ubiquitous, reliable network of chargers along federal highways and in communities throughout America is necessary to support consumer adoption of this continually advancing technology.

The rapid deployment of charging stations is a complex process spanning across multiple sectors and levels of government. To this end, the Infrastructure Investment and Jobs Act of 2021 (IIJA) created multiple provisions to allow for structural and funding assistance for charging deployment. As of April 2025, there were over 76,000 public charging locations overall, representing about 227,000 public charging connectors.⁹ This is more than double the 95,000 public connectors in 2021, representing significant growth in public charging over just three years.

As the first federal initiative to establish an interconnected EV charging network across every state, the National Electric Vehicle Infrastructure (NEVI) Formula Program presents an opportunity to improve coordination, convening, and best practices among stakeholders nationwide. This program provides up to 80 percent of funding for eligible projects, which include the acquisition, installation, and network connection of EV chargers, charger operation and maintenance, and long-term charger data sharing. NEVI’s authorization is currently set to expire at the end of fiscal year 2026.

On April 2, the Senate Environment and Public Works Committee held a hearing on “Constructing the Surface Transportation Reauthorization Bill: United States Secretary of Transportation’s Perspective.” In his testimony, U.S. Secretary of Transportation Duffy stated, “I think if you pass a bill saying we should build out American infrastructure with charging stations, we should build charging stations. We shouldn’t pay people to not have charging stations—we have 66 of them. And so I look at the guidance, I’m going to make the guidance work...”¹⁰

⁹ Alternative Fuels Data Center. ([DOE](#))

¹⁰ Senate Committee on the Environment and Public Works Hearing. “Constructing the Surface Transportation Reauthorization Bill: United States Secretary of Transportation’s Perspective.” ([U.S. Senate](#))

ZETA is committed to the continued success of the EV rollout and is aware of the historical challenges posed by the scale and novelty of deploying EV charging stations through the NEVI program. Some of these challenges have been due to inefficiencies in the program structure and overregulation in previously issued guidance, and we would like to work with the Committee to remove some of these barriers, allowing for a more transparent and streamlined program.

For instance, while state departments of transportation (DOTs) are the entities receiving funding from the NEVI program, at least three other entities have provided guidance to states on NEVI implementation: the Joint Office of Energy and Transportation, Federal Highway Administration (FHWA) headquarters, and regional FHWA offices. States and stakeholders have received conflicting answers from different entities, making it challenging to navigate the program requirements and ultimately delaying the installation and deployment of EVSE. Authoritative federal direction for projects, including a standard and timely process of communication from federal agencies to states and industry, is crucial to moving projects forward. ZETA recommends that continued technical assistance should be coordinated between regional national labs and the Department of Energy's Vehicle Technologies Office to improve communication and implementation of the program.

Additionally, previous minimum NEVI standards and guidance had many onerous and confusing elements, creating confusion for state DOTs about what the federal government promulgated and resulting in project uncertainty. For instance, questions remain about what meets the definition for a "Fully Built Out" highway, and whether existing infrastructure is counted toward that goal. In addition, a number of states chose to go above-and-beyond the minimum program requirements, often in ways that limited the pool of applicants and increased project costs and timelines. Another complication is that neither NEVI nor Charging and Fueling Infrastructure grant funding can currently be utilized for grid infrastructure upgrades (i.e. transformers and higher voltage distribution lines), creating a hurdle for prospective users who were unable to utilize federal funding because of the lack of funds to pay for the infrastructure needs before the meter.

Further, in several circumstances, previously released NEVI guidance and interpretations of minimum standards had not kept up with the rapid technological developments in the charging sector, such as the development of the SAE J3400 North American Charging Standard (NACS). For example, the current federal minimum technical standards require four permanently attached Combined Charging System (CCS) connectors. Given the change of pace for technology and current market trends in the EV landscape, the minimum technical standards should be updated in a manner that will enable flexibility for charging station suppliers. This can best be achieved by eliminating the CCS minimum connector requirement and instead utilizing a technology agnostic approach which enables CCS and SAE J3400 NACS to be deployed as most appropriate from a use case specific perspective.

ZETA urges the Committee to amend the statutory authorizing language for the NEVI program to decrease the complexity of minimum standard requirements, enabling government entities to implement the program in a timely manner and allowing industry sufficient flexibility to quickly deploy new projects. ZETA would be grateful for the opportunity to work with the Committee on Transportation and Infrastructure, in conjunction with Secretary Duffy and the Department of

Transportation, to encourage the release of updated guidance and decrease inefficiencies throughout the NEVI program.

Charging and Fueling Infrastructure (CFI) Grant Program

The CFI Grant Program was signed into law in 2021 as part of IIJA. While the NEVI program funds fueling infrastructure along federal highways or Alternative Fuel Corridors (AFC) through a formula-based program, CFI is a technology-neutral discretionary grant program. The program allows entities to apply to deploy publicly accessible infrastructure to serve all vehicle types, including electric, hydrogen, propane, and natural gas. CFI allows for public-private partnerships to strategically build out infrastructure in areas where it best serves the community, such as public roads, schools, parks, and public parking facilities. CFI, and the public charging development that it helps facilitate, is a valuable tool in building out U.S. transportation infrastructure and electric vehicle expansion in the United States.

Despite its public-private partnership structure, private companies are not considered “eligible entities” under the current statute. Eligible entities, such as state or local governments, apply to the federal government for funding through the program. Private contractors, or subgrant recipients, must subsequently apply to the eligible entity through a request for proposal (RFP) competitive grant process in order to receive a CFI grant. This creates a “middle man” in award distribution, which significantly slows deployment, adds red-tape, and increases project costs.

ZETA recommends that the Committee explore alterations to the structure of the CFI program to allow more direct partnership with the federal government, increasing efficiency of the program, and decreasing project timelines. For instance, we encourage the Committee to work with the Administration to issue guidance that makes it more explicitly clear that public entities can have the flexibility in their ability to identify preferred private partners in their applications. This would align with other federal solicitations that encourage public sector applicants to submit applications with their contractors or subgrant recipients identified.

Clarify MUTCD Signage Eligibility for EV Charging Stations to Support Private Sector Investment

Highway signage is a critical tool for increasing visibility and consumer awareness of available EV charging infrastructure, particularly for drivers traveling long distances. As more consumers adopt EVs, it is essential that federal policy supports clear and consistent identification of charging locations along major roadways.

The 11th Edition of the *Manual on Uniform Traffic Control Devices* (MUTCD), which went into effect in January 2024, appropriately allows EV charging to be listed on specific service signs on highway signage. However, the MUTCD currently references eligibility criteria from 23 CFR 680.106—requirements originally developed for federally funded projects under the NEVI Program. These requirements include prescriptive standards on charging port minimums, connector types, payment options, and installation design—criteria that were not intended for privately funded infrastructure and are misaligned with the intent of MUTCD signage guidance.

While minimum standards play a role in ensuring consistency across federally funded projects, applying NEVI-specific requirements to privately developed charging stations undermines the role of the private sector in expanding charging access. The EV charging industry is evolving rapidly, and locking signage eligibility to fixed technical requirements, especially those tailored to one federal funding program, creates a risk of entrenching outdated standards and slowing innovation.

Moreover, the MUTCD is infrequently updated, with the last edition published in 2009—a 14-year gap before the 2023 update. As a result, overly specific eligibility requirements will not keep pace with the speed of technological advancement, limiting flexibility for infrastructure operators and state departments of transportation seeking to improve wayfinding for EV drivers.

ZETA recommends that Congress clarify that highway signage eligibility under the MUTCD for EV charging stations should not be contingent upon compliance with 23 CFR 680.106. Instead, eligibility should be based on basic operational criteria, such as minimum availability and public accessibility, which can accommodate a wide variety of charging business models and technologies.

Provide for Commercial Vehicle Axle Weight Distribution Flexibility

23 U.S.C. § 127(a) prescribes axle weight limits for commercial vehicles on the Interstate System to protect roads and bridges. Under this requirement, a single axle maximum weight is set at 20,000 pounds, a tandem axle limit set at 34,000 pounds, and a gross vehicle weight maximum of 80,000 pounds (or 82,000 pounds total for EVs and natural gas-powered vehicles, as amended by the Consolidated Appropriations Act of 2019).¹¹ ZETA requests this language be amended to allow flexibility in how weight is distributed between single axles, while maintaining the current gross vehicle weight of 82,000 for EVs and natural gas vehicles, to reflect design innovations in advanced technology buses.

Maintain Low or No Emission Grant Program

The Low or No Emission Grant Program has provided billions of dollars in support for public transit buses and bus facilities since it was first established in the Moving Ahead for Progress in the 21st Century Act (MAP-21). This program offers grants to states and local governments for the purchase of buses or upgrades to facilities. Grantees are able to purchase buses with a diverse mix of eligible drivetrains, including zero-emission buses (electric and hydrogen), hybrids, compressed natural gas (CNG), and propane-fueled buses. The Low or No Emission Grant Program is competitive, giving the administration continued flexibility to select awardees. In addition, the program requires the purchase of American-made buses with the use of funds, so it is a pivotal policy in supporting domestic manufacturing and ensuring the future growth of the North American commercial vehicle sector.

Today, the U.S. transit bus fleet totals around 70,000 units, serving Americans in all 50 states and territories across the country.¹² This program was reauthorized in IIJA, with the most recent

¹¹ 23 U.S.C. § 127- Vehicle weight limitations—Interstate System. ([Cornell Law](#))

¹² Transit Buses By Fuel Type. ([Alternative Fuels Data Center](#).)

round of grant funding last year providing nearly \$1.5 billion in funding to transit agencies across the country to purchase over 1,100 American-made buses.^{13,14}

For a decade, the Low or No Emission Grant Program has allowed states, local government agencies, and territories to apply for funding each fiscal year to update their transit bus fleets, while also supporting domestic bus and van manufacturing. ZETA asks the Committee to reauthorize and fund this program to provide state and local governments with certainty as they continue to modernize their bus fleets.

¹³ FTA July 2024 grant announcement. ([DOT](#))

¹⁴ Low or No Emission Grant Program - 5339(c). ([DOT](#))