



ALLIANCE FOR
TOLL-FREE INTERSTATES

July 12, 2021
Alliance for Toll-Free Interstates
PO Box 20
Richmond, VA 23218

Delivered via email

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, D. C. 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, D. C. 20510

RE: Bipartisan Infrastructure Framework and Opposition to Tolling

Dear Senators Schumer and McConnell:

The Alliance for Toll-Free Interstates (ATFI) is a growing alliance of individuals, businesses and organizations advocating for long-term, sustainable, efficient, equitable, and practical highway infrastructure funding solutions. Therefore, **ATFI strongly opposes financing infrastructure through tolling existing interstates in any form or variation.** Unfortunately the proposed bipartisan Senate infrastructure framework includes the misguided approach of using tolling to pay for surface transportation infrastructure through privatizing roads and asset recycling as a means of funding infrastructure. We appreciate how difficult it is to find long-term solutions for improving our nation's infrastructure, but we are greatly concerned about the potential embrace of tolling in any upcoming infrastructure package. Expanding tolling of existing interstates is not a viable solution; it is a demonstrably failed idea and an abdication of Congressional responsibility to fund the Interstate Highway System.

Tolling is a funding mechanism laden with myriad drawbacks and harmful economic impacts that should be removed from thoughtful policymaking discussions about our nation's infrastructure needs. Imposing tolls on existing interstates will increase shipping costs for goods; suppress consumer activity; double-tax businesses and drivers, waste revenues on bureaucratic administration; discriminate against marginalized communities; divert traffic onto local roads to the detriment of communities near toll facilities; and disrupt the free flow of goods along our nation's main travel corridors. Allowing states the 'flexibility' to toll does not represent real federal investment in infrastructure. Rather, it foists the infrastructure funding problem onto state and local governments, which is where decisions about tolling are actually made, and fragments our infrastructure system.

Tolling is not a "user fee;" it is a hidden tax on the supply chain and the general population coming at a time the nation is already facing soaring price inflation. Similarly, "asset

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recycling” is a euphemism for tolling taxation, in which public roads are leased to private operators who charge significantly more for roads than they cost to build or maintain, draining drivers to line Wall Street and multinational investors' pockets. Any attempt to increase tolling would be in violation of President Biden's promise not to impose taxes on people earning less than \$400,000 per year. **Tolls will worsen surging inflation, damage businesses struggling to reopen, and double tax Americans who already pay for roads through gasoline taxes as we continue to recover from the disastrous economic effects of the COVID-19 pandemic.**

Tolling administration is highly inefficient, to the point of being fiscally irresponsible. Toll gantries cost millions of dollars to build and maintain. Even with the latest technology, the Congressional Budget Office estimates collection costs alone are at least 8 to 11 percent of revenue collected. Toll management, enforcement and operations total a significantly larger portion of revenues that do not go to actual road improvements. In 2018, the all-electronic North Carolina Triangle Expressway spent 36.8 percent of annual revenue on toll operating costs; those are funds that could have gone toward road improvements with more efficient funding mechanisms. Alternatively, approximately 100 percent of fuel tax revenue can go toward infrastructure improvements because the cost of administering the taxes is less than 1 percent, and increased registration fees do not increase collection costs. **Because tolls are generally upheld as a “user fee” for the roads traveled, diverting these funds from infrastructure improvements violates the public trust. When it comes to tolls, drivers will pay more and get less.**

Tolling existing interstates is double taxation. Since the inception of the Interstate Highway System, the federal gas tax has always been the primary source of revenue for the construction and maintenance of federal interstate lanes. Every time a motorist puts gas in their vehicle, they are upholding their end of the deal for interstate maintenance. Converting non-tolled roads to tolled facilities, even when combined with congestion relief efforts, forces drivers to pay two taxes for that same road: a gas tax and a toll tax.

Tolling through public-private partnerships (P3s) robs everyday drivers to line the pockets of Wall Street and international investors. Privatization of our interstates turns public assets into privately controlled assets, left to be operated and maintained in a way that first and foremost meets the expectations of the private company’s shareholders and investors. With a fiduciary responsibility to shareholders, how can a company be expected to act in the best interest of the public when those interests are at odds with each other? With tolling contracts for 30 years and longer along important thoroughfares, drivers will pay far more for P3 roads and bridges than they cost to operate and maintain. The federal government is shirking its responsibilities to produce long-term finance for highways by loosening tolling limits. The Highway Trust Fund's long-term solvency difficulties are not addressed by financing through public-private partnerships.

The fact is that the disadvantages of tolls outnumber the advantages. Tolls are a horrible public policy with serious economic and societal implications. When policymakers understand the full costs of tolling existing interstates, as we have lately seen in Connecticut, Indiana, Virginia, Wyoming and other states, they reject the choice. It is reasonable to move on to more feasible and equitable revenue creation strategies. America's transportation network has many issues that demand serious attention without the distraction of tolls.

As infrastructure policy is debated, ATFI members – thousands of private citizens, businesses, and organizations – urge you to completely reject tolling in infrastructure policy by eliminating existing interstate tolling pilot programs, limiting toll bridge projects, and further limiting how toll revenue is spent to prevent subsidization of projects that do not benefit toll payers.

Thank you for taking the time to consider our position. We look forward to working with Congress to further strengthen motorist protections and make the needed investments in our interstate system without relying on tolls. Please do not hesitate to contact us at info@tollfreeinterstates.com if you have any questions.

Sincerely,

Alabama Trucking Association, Inc.

Alaska Trucking Association, Inc.

American Bakers Association

American Farm Bureau Federation

American Frozen Food Institute

American Motorcyclist Association

American Moving and Storage Association

American Trucking Associations

Arizona Trucking Association

Arkansas Trucking Association

Best Way Express

California Trucking Association

Citizen Outreach

Colonial Freight Systems, Inc.

Colorado Motor Carriers Association

Delaware Motor Transport Association, Inc.

Duncan & Sons Lines, Inc.

FedEx Freight

Florida Trucking Association

Georgia Motor Trucking Association, Inc.

Golden Strip Transfer

Hawaii Transportation Association

Idaho Trucking Association

Illinois Trucking Association, Inc.

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Indiana Motor Truck Association, Inc.	NATSO, representing America's Travel Plazas and Truckstops
International Franchise Association	Nebraska Trucking Association
Iowa Motor Truck Association, Inc.	Nevada Trucking Association, Inc.
Kansas Motor Carriers Association	New Hampshire Motor Transport Assoc.
Kentucky Trucking Association	New Jersey Motor Truck Association
Leathers Enterprises	New Mexico Trucking Association
Louisiana Motor Transport Association, Inc.	New York State Motor Truck Assn.
Maine Motor Transport Association, Inc.	No Tolls I-95 Coalition, Inc.
Maryland Motor Truck Association, Inc.	North Carolina Trucking Association, Inc.
Trucking Association of Massachusetts	North Dakota Motor Carriers Association
Michigan Trucking Association, Inc.	Ohio Trucking Association
Minnesota Trucking Association	Oklahoma Trucking Association
Mississippi Trucking Association	Old Dominion Freight Line, Inc.
Missouri Trucking Association	Owner-Operator Independent Drivers Association (OOIDA)
Motor Carriers of Montana	Pennsylvania Motor Truck Association
Motor Transport Association of Connecticut	Rhode Island Trucking Association, Inc.
Motorcycle Riders Foundation	SIGMA: America's Leading Fuel Marketers
National Association of Blind Merchants	South Carolina Trucking Assoc., Inc.
National Association of Convenience Stores	South Dakota Trucking Association
National Council of Chain Restaurants	Specialized Carriers & Rigging Association
National Motorists Association	Tennessee Trucking Association
National Private Truck Council	Texas Trucking Association
National Shippers Strategic Transportation Council (NASSTRAC)	Truck Renting and Leasing Association
National Tank Truck Carriers	Truckload Carriers Association

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UPS

Utah Trucking Association

Vermont Truck and Bus Association, Inc.

Virginia Trucking Association

Volvo Group North America

Washington Trucking Associations

Werner Enterprises

West Virginia Trucking Association, Inc.

White Castle

Wisconsin Motor Carriers Association

Wyoming Trucking Association, Inc.

Yellow, formerly YRC Worldwide

CC: The Honorable Chris Coons
The Honorable Maggie Hassan
The Honorable John Hickenlooper
The Honorable Mark Kelly
The Honorable Joe Manchin
The Honorable Jeanne Shaheen
The Honorable Kyrsten Sinema
The Honorable Jon Tester
The Honorable Mark Warner
The Honorable Angus King

The Honorable Richard Burr
The Honorable Bill Cassidy
The Honorable Susan Collins
The Honorable Lindsay Graham
The Honorable Jerry Moran
The Honorable Lisa Murkowski
The Honorable Rob Portman
The Honorable Mitt Romney
The Honorable Mike Rounds
The Honorable Thom Tillis
The Honorable Todd Young