

February 1, 2017

Alliance for Toll-Free Interstates P.O. Box 20 Richmond, VA 23218

The Honorable Members of The Transportation and Infrastructure Committee of The U.S. House of Representatives Washington, DC 20510

Dear Representatives:

The Alliance for Toll-Free Interstates (ATFI) is a growing alliance of individuals, businesses and organizations advocating for long-term, sustainable, efficient, equitable, and sensible highway infrastructure funding solutions. ATFI applauds the renewed public emphasis on infrastructure funding coming from the Trump Administration and Congress. Implemented properly, infrastructure funding can provide meaningful employment opportunities to those individuals and communities that need it the most, while also modernizing the transportation system to improve the free flow of people and goods throughout the country. At the same time, poorly conceived infrastructure legislation can be counter-productive, limiting benefits to certain densely populated areas and companies looking for a lighter tax bill.

Keeping these principles in mind, ATFI urges the House Transportation and Infrastructure Committee to reject tolling of existing interstates as a financing method, and further encourages the Committee to avoid policies that move toward devolution of the interstate system. ATFI members have serious reservations about the potential for over-reliance on private investment to fund improvements to our highway infrastructure; such scenarios invariably lead to functional monopolies that subject users to exorbitant, regressive tolling rates. Moreover, private investment in infrastructure is not the panacea it is often touted to be, as self-interested private corporations would only focus on our most profitable (i.e. urban area) projects and leave rural states out in the cold. Finally, it would result in a windfall for companies participating in projects that would occur anyway, misdirecting much-needed funds away from deserving projects in other, often overlooked parts of the country.

Americans deserve policies that work. Improving our roads and bridges requires a rational, methodical, long-term public strategy.

Voters continue to reject tolling existing interstates because they understand tolling is bad public policy with myriad negative consequences, both economic and social. Of nearly all funding options available, tolling is the least efficient financing mechanism. Not only does approving and building tolls take many years and many millions of dollars to implement, but tolling habitually allows tolling authorities to divert money away from the tolled facility and toward other projects.



When new tolling bureaucracies are created, gantries must be built, new collection and administration processes must be established, and employees must be paid. In other words, tolling leads to an unnecessary expansion of government bureaucracy. The administration of tolls – not to mention the profits taken by private investors – can waste anywhere from 10% to 30% of revenue collected from the toll on management, enforcement and operations. Alternatively, current funding mechanisms like fuel taxes and registration fees have no added collection costs, with 99% of funds collected going toward infrastructure. Because tolls are generally upheld as a 'user fee' for the roads traveled, diverting these funds away from infrastructure improvements is a violation of the public trust. Quite simply, the fuel tax is the ultimate user fee and it's already in place.

Not only are the financial ramifications of tolls unfair to the public, but the social costs are discriminatory. Electronic tolling discriminates against the tens of millions of financially vulnerable Americans who do not have bank accounts. Small, rural projects would be left undone as private companies will gravitate toward only the most profitable projects – not the most critical projects – which are primarily in urban and suburban areas.

Another detrimental consequence of tolls is traffic diversion onto secondary roads. This leads to exorbitant costs of premature road maintenance falling on local governments. Tolling diverts funds away from cities and towns to state governments.

The current federal exemption for bridge and tunnel tolls is a testament to the price of diversion. The state of Rhode Island recently used the federal bridge exemption to begin its effort to toll 14 bridges and build over 30 gantries, essentially creating a statewide tolling network. The gantries have yet to be built, and already businesses and truck drivers are saying they will avoid the state altogether and skip the added costs. These discriminatory tolls therefore are a market distortion as they provide transport entities a financial incentive to avoid the tolled highways. This diversion will drastically change the stress put on local roadways not built for heavy commercial traffic, altering maintenance needs and local budgets, and increase the price of all goods that are shipped by truck.

State legislatures and the public understand that the political repercussions of tolling existing interstates are exponential. A notable example of tolling's public failure is the Interstate System Reconstruction & Rehabilitation Pilot Program (ISRRPP). This exemption to the federal ban on tolling existing interstates has never seen a successful pilot project in its 19-year history. When states have tried to toll existing interstates, public opposition has been so outspoken that states were forced to pass new legislation limiting tolling. After 19 years of producing not one single successful project from this pilot program, it's time to declare it a failure and bring the funding focus back to more realistic methods.

As infrastructure funding legislation is considered this year, the thousands of private citizens and numerous businesses and organizations that make up the Alliance for Toll-Free Interstates urge



you to reject tolling existing interstates, discriminatory tolling schemes or policies that effectively balkanize our interstate system. Americans need sustainable investment ideas that will jumpstart our economy, not ineffective policies that take more and more money from hardworking motorists and businesses. The needs of America's transportation network are vast and deserve serious attention without the distraction of tolls.

Sincerely,

Alabama Trucking Association, Inc. Massachusetts Motor Transp. Assoc., Inc.

Alaska Trucking Association, Inc. Michigan Trucking Association, Inc.

American Farm Bureau Federation Minnesota Trucking Association

American Trucking Associations Mississippi Trucking Association

Arizona Trucking Association Missouri Trucking Association

Motor Carriers of Montana Arkansas Trucking Association

Asian-American Hotel Owners Association Motor Transport Association of CT, Inc.

Best Way Express Moving and Storage Association

California Trucking Association National Association of Convenience Stores

National Council of Chain Restaurants Colorado Motor Carriers Association

Delaware Motor Transport Assoc. Inc. National Motorists Association

National Private Truck Council Florida Trucking Association, Inc.

Georgia Motor Trucking Association, Inc. National Tank Truck Carriers

Hawaii Transportation Association NATSO, representing America's Truckstops

and Travel Plazas **Idaho Trucking Association**

Nebraska Trucking Association Illinois Trucking Association, Inc.

Nevada Trucking Association, Inc. Indiana Motor Truck Association, Inc.

New Hampshire Motor Transport Assoc. International Franchise Association

New Jersey Motor Truck Association Iowa Motor Truck Association, Inc.

New Mexico Trucking Association Kansas Motor Carriers Association

New York State Motor Truck Assn. Kentucky Motor Transport Assoc., Inc.

No Tolls I-95 Coalition, Inc. Louisiana Motor Transport Association, Inc.

North Carolina Trucking Assoc., Inc. Maine Motor Transport Association, Inc.

North Dakota Motor Carriers Assoc., Inc. Maryland Motor Truck Association, Inc.



Ohio Trucking Association

Oklahoma Trucking Association

Old Dominion Freight Line

Oregon Trucking Associations, Inc.

Owner-Operator Independent Drivers Association (OOIDA)

Pennsylvania Motor Truck Association

Rhode Island Trucking Association, Inc.

SIGMA: America's Leading Fuel Marketers

South Carolina Trucking Assoc., Inc.

South Dakota Trucking Association

Specialized Carriers & Rigging Association

Tennessee Trucking Association

Texas Trucking Association

Truck Renting and Leasing Association

Trucking Association Executive Council, Region 1

Truckload Carriers Association

Utah Trucking Association

Vermont Truck and Bus Association, Inc.

Virginia Trucking Association

Washington Trucking Associations

Werner Enterprises

West Virginia Trucking Association, Inc.

White Castle

Wisconsin Motor Carriers Association

Wyoming Trucking Association, Inc.