

AMERICAN TRUCKING ASSOCIATIONS

950 N. Glebe Road ★ Suite 210 ★ Arlington, VA ★ 22203-4181 www.trucking.org

# **NEWS RELEASE**

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**Trucking Industry Identifies Many Outstanding Issues with Truck-Toll Proposal** Issues raise serious questions about proposal's long-term viability

**Arlington, Va.** – American Trucking Associations President and CEO Chris Spear issued the following statement today regarding Connecticut's "trucks-only" toll plan:

"In an effort to rush this ill-conceived proposal through the General Assembly before regular session convenes next week, this bill raises serious unanswered questions that are likely to impose big costs on the people of Connecticut:

- Receiving a federal TIFIA loan which this plan depends on requires completion of all environmental reviews and an investment grade rating from two rating agencies. The Connecticut Department of Transportation has done neither, which could delay revenue collection for years.
- Tolls inevitably disrupt traffic patterns, and it is likely that trucks will divert to alternative routes to avoid paying punitive fees. This means more trucks on local roads not designed nor intended for heavy vehicles, creating safety risks. CTDOT has not done an analysis on the extent and impact of traffic diversion.
- This proposal discriminates against interstate commerce in violation of the Commerce Clause of the Constitution by tolling only those vehicles most likely to be engaged in interstate commerce. A similar scheme in Rhode Island faces a very uncertain future as a legal challenge proceeds in federal court. Our industry will not hesitate to file suit in Connecticut as we've done in Rhode Island.
- What happens when the gantries are up and running and a federal court strikes down the scheme as unconstitutional? Do Connecticut residents believe the state will just take down the new gantries and sever the long-term maintenance contracts after spending upwards of \$70 million to construct them? The obvious answer is no; this truck-only scheme is merely a ploy to ultimately put expensive tolls on all vehicles. Recall that the Governor is on record as saying, "...the truck-only option provides too little revenue, too slowly and too piecemeal to make a meaningful difference." For this reason, tolls on all vehicles were considered but ultimately deferred upon election-year political considerations. But that's where the state is ultimately heading once 2020 passes.



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- Tolling proponents continue to cite trucks running through the state as those that will pay the most. This is a myth. While the plan does unfairly shift the funding burden to out-of-state trucks disproportionately to their use of the roads, those hit hardest overall will still be Connecticut businesses with small fleets. Individual, large fleets based out-of-state may each have only a few vehicles a day subject to the toll. Meanwhile, a local fleet may see every vehicle it owns subject to the tolls every single day, forcing them to either divert off the interstate to avoid the tolls or increase rates considerably to cover the costs. Regardless, either option puts the local company at a major competitive disadvantage compared to those large, out-of-state companies.
- Truck transportation is the central and critical link in the economy's supply chain. Trying to turn that link into Hartford's piggy bank will further increase the cost of doing business in CT. This makes the cost of everything go up from the clothes on the rack, to the life-saving medicines at the pharmacy, to the lumber needed to build new homes. Taxing the engine of economic growth is no solution to budget shortfalls.
- It cannot be ignored how the state fell into this current budget crisis. The significant and repeated diversion of dollars away from the CT Special Transportation Fund into the General Fund that has occurred over several administrations is why the state's transportation needs are facing a shortfall today. If the STF had actually received the fuel tax receipts it was due over the past decade, the Assembly would not need to gamble on a risky, legally-questionable toll scheme to fund infrastructure improvements. This short-sighted plan cannot correct the budgetary mistakes of the past and it only digs a deeper hole into the future.
- Connecticut residents should ask their legislators why Connecticut has one of the highest state fuel taxes nationwide yet as of 2017, <u>ranks 44th in</u> state highway management and dead last when it comes to administrative <u>costs</u>. How does all that fuel-tax money continuously get squandered? Based on past performance, does anyone really trust CT DOT to spend these new toll revenues efficiently?
- Under federal law, new tolls for the reconstruction or replacement of bridges require approval from the Federal Highway Administration. CTDOT hasn't received a memorandum of understanding from FHWA, which means construction could begin only to find the projects do not actually qualify under the Section 129 toll program.

"Despite false claims from pro-toll advocates, 'out-of-state' <u>trucks pay for every</u> <u>mile of road they travel in Connecticut</u> through the International Fuel Tax



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Agreement and the International Registration Plan. Nobody understands the importance of safe and modern infrastructure more than truckers, which is why the industry is leading the call in Washington D.C. and across the country for critically needed investment in our nation's roads and bridges.

"Unfortunately, the General Assembly seems intent on putting its eggs in a very costly and uncertain basket—when better options are readily available."

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<u>American Trucking Associations</u> is the largest national trade association for the trucking industry. Through a federation of 50 affiliated state trucking associations and industryrelated conferences and councils, ATA is the voice of the industry America depends on most to move our nation's freight. Follow ATA on <u>Twitter</u> or on <u>Facebook</u>. <u>Trucking Moves</u> <u>America Forward</u>