

Congress of the United States
House of Representatives
Washington, DC 20515-3302

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SUBCOMMITTEE ON THE MIDDLE EAST
AND SOUTH ASIA
SUBCOMMITTEE ON TERRORISM,
NONPROLIFERATION, AND TRADE

February 29, 2012

Federal Highway Administrator Victor Mendez
U.S. Department of Transportation Federal Highway Administration
Southeast Federal Center Building
1200 New Jersey Ave. S.E.
Washington, DC 20590-9898

Dear Mr. Mendez,

I am writing to indicate my opposition to the conditional preliminary approval for the North Carolina Department of Transportation to pursue tolls on Interstate 95.

While I recognize the need to maintain I-95, paying for the construction through a highway tax could be devastating to residents and small businesses along the I-95 corridor. Citizens in the second congressional district are uniquely and disproportionately affected since a major portion of the highway cuts straight through the region. As such, residents across the second district have expressed displeasure with the plan for several reasons.

This proposal will create a number of perverse incentives and cause many truck and car drivers to avoid tolls by using alternative routes. By NCDOT's own estimates, at least 30% of I-95 traffic through our state would bypass the tolls. This would shift traffic from the interstate to less safe secondary roads which are not built to withstand such wear and tear, and would therefore require more maintenance. The loss of income to businesses dependent on I-95 traffic - such as motels, restaurants, truck stops and gas stations - could lead to job losses or business closures. These businesses employ thousands of people and pay significant amounts of state and local taxes.

Under the pilot program, the burden is on the state to prove that the highway improvements could not go forward without the collection of tolls. In particular, the NCDOT must demonstrate that improvements to I-95 could not be done from the state's federal-aid apportionments and allocations, or from other highway revenue sources. Even the provisional approval letter reminds NCDOT that they must perform an analysis that demonstrates this.

NCDOT did not give serious consideration to alternative state funding mechanisms, including funds from highway user fees currently diverted to the state's general fund for I-95 improvements. Furthermore, North Carolina's gas tax is among the highest in the nation and earlier this year was raised almost four cents, now standing at 38.9 cents per

gallon for diesel. With the sixth highest gas tax in the country, along with federal money, NCDOT should have significant funds to improve I-95.

Eastern North Carolina and I-95 corridor residents have already paid their fair share of what has always been a finite amount of money. Adding tolls is a form of double taxation on motorists already paying high taxes on gasoline. How the state spends its money is a matter of priority, and the state's push to toll I-95 raises questions as to whether the state has been allocating fuel tax revenues appropriately across all areas of the state.

Of further concern is a recent news report on the final public hearing in Fayetteville, where an NCDOT spokeswoman said the plan would move forward with or without public support. The concerns of residents and business owners should carry considerable weight, as the majority of highway funding comes from North Carolinians. With a major portion of I-95 going through the second district, residents and businesses along this corridor will pay a disproportionate share of the tolls. Residents of the second district will end up being the primary source of funding for an interstate commerce resource more properly funded by the population as a whole. As such, their concerns should carry particular weight.

The I-95 Corridor and Finance Study (269 pages long) fails to consider the economic impact on existing businesses and residents. Before proceeding with tolls, NCDOT must study and consider the impact a highway tax would have on existing businesses and residents along the I-95 corridor and across the state.

Sincerely,



Renee Ellmers
Member of Congress

CC: Governor Bev Perdue
North Carolina Secretary of Transportation Gene Conti