

June 8, 2005

The Honorable Don Young
The Honorable Jim Oberstar
The Honorable Tom Petri
The Honorable Peter DeFazio

The Honorable Jim Inhofe
The Honorable Jim Jeffords
The Honorable Kit Bond
The Honorable Max Baucus

Dear Chairmen and Ranking Members:

As the Senate and House work to finalize highway legislation, we the undersigned organizations want conferees and all members of the Virginia delegation to know that we oppose any legislation and laws that would create, enable, or facilitate authority for the imposition of truck tolls on an existing Interstate Highway, without providing trucks a non-tolled option on that highway. As you know, there are proposals under consideration in Virginia that would create truck only lanes in the I-81 right-of way and impose tolls on the use of those lanes, without providing trucks a non-tolled option on I-81. We strongly oppose those proposals.

There are many reasons why we oppose the imposition of truck tolls on Virginia's I-81 corridor. First, tolls represent double taxation. Truck users currently pay billions annually in federal fuel taxes and other taxes to support highway maintenance and construction. Second, a truck toll will hurt the national and international competitiveness of businesses located in and dependent upon this corridor. These tolls will also hurt Virginia's business base, as this corridor is an essential element of the entire state's business base. For example, 30% of the Ports of Virginia's cargo by tonnage originates from a single company in this corridor. The Commonwealth of Virginia has also recruited literally dozens of national retail/wholesale distributors to Virginia for purposes of economic development and their products are transported along this corridor. In February 2004, the Virginia Manufacturers Association reported that just a .27 cent per mile toll facility would place 3,183 jobs at risk in Virginia. Today, the negative impact of tolls almost certainly would be greater.

The increased costs of tolls simply cannot be passed along to our end users and consumers. Most of the companies that compete with Virginia businesses are located elsewhere and the competition will not face the cost of these tolls. To remain competitive, many businesses in the I-81 corridor will choose to divert away from the toll road to reduce transportation costs or simply do businesses in other states or regions. The USDOT and other studies indicate that mandatory tolls cause diversion of traffic to other, often less safe rural roads. The Virginia Manufacturers Association published a transportation survey in 2004 that indicated that 77% of manufacturers would seek alternative routes in order to avoid tolls.

Moreover, many citizens, businesses and communities across the state oppose toll facilities. As of January 12, 2004, Smart Solutions, a broad coalition of stakeholders in Virginia, reported that 33 jurisdictions opposed the imposition of tolls on I-81. The plan receiving the most attention from VDOT would toll all 325 miles of I-81 in the State. We believe this is not necessary and it's bad for business, tourism, the environment and the ability to keep the corridor esthetically pleasing for our citizens, homeowners and other stakeholders.

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We, and many others in the State, believe that the real solution is a focused, limited, much less expensive plan to address the choke points that currently exist along I-81 in Virginia. We also believe that equal attention must be paid to the core issue of law enforcement along the corridor in order to immediately improve public safety. It should be noted that this entire initiative started in March 2000 with the Report of the I-81 Safety Task Force, initiated by Congressman Wolf, in which the real issue was improving safety along the corridor. It has now morphed into a capacity issue and the core issue of public safety has been forgotten.

Accordingly, we urge you to work within the Conference to delete authorization for imposition of tolls on existing Interstates in Virginia absent a non-tolled option on those interstates. Failing deletion of authority for any pilot toll program in Virginia, the legislation should not make it easier for USDOT to approve pilot toll projects in any state where they would be authorized. We object to the easing of the standard for approval of tolls contained in the Senate and House bills.

Lastly, to the extent that an effort is made to earmark non-formula funds to help support a project that would impose tolls on I-81, without a non-tolled option, we must say that we would find that effort problematic. As Virginia businesses, we ordinarily welcome additional Federal funds to the State. However, when the purpose of extra funds is to facilitate a toll project that would threaten the competitiveness of our businesses, we are not receptive. Thus, we suggest that any grant of non-formula funds for I-81 improvements be conditioned on an agreement from the grant recipient that I-81 must always provide a non-tolled option for trucks along its length.

In sum, mandatory truck-only tolls on I-81 will hurt our competitiveness. We are strongly opposed to legislation that would enable or facilitate the conversion of an existing interstate to a toll facility unless trucks are given a non-tolled option on that interstate. We would welcome the opportunity to discuss this important issue with you at your earliest convenience. Someone from our Washington offices will be in touch to help facilitate such a meeting.

Thank you for your consideration of our views.

Sincerely,



Pete Coors, Vice Chairman,
Molson Coors Brewing Company
& Chairman, Coors Brewing Company



Brett A. Vassey, President & CEO
Virginia Manufacturers Association



Earl H. Robbins, Jr., Manager, North
American Public Strategy
Alcoa



Dale Bennett, Executive Vice President
Virginia Trucking Association

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Nicholas A. Pyle, Government Relations
McKee Foods



Hobey Bauhan, President
Virginia Poultry Federation, Inc.



Susan Alt, President
Volvo Logistics North America



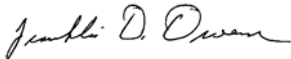
Laurie Peterson, President
Virginia Retail Merchants Association



Kyle Rash, Plant Manager
Celanese Acetate



Michael J. O'Connor, President & CEO
Virginia Petroleum Convenience and Grocery
Association



Franklin D. Owens, Production Services
Manager, PRG Covington Plant
MeadWestvaco



Rick Russell, Esq.
Director, State and Local Government Relations
The Hershey Company

Attachment: Member Companies of Participating Organizations

cc: Senator John Warner
Senator George Allen
Rep. Bob Goodlatte
Rep. Vigil Goode
Rep. Tom Davis
Rep. Rick Boucher
Rep. Frank Wolf
Governor Mark Warner
Lt. Governor Tim Kaine
Secretary of Transportation Pierce Homer

State Senator Marty Williams
State Senator Emmett Hanger
State Senator Brandon Bell
State Senator Mark Obenshain
State Senator Steve Newman
State Delegate Leo Wardrup

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State Delegate Chris Saxman
State Delegate Steve Landes
State Delegate Allen Louderback
State Delegate Ben Cline
State Delegate Beverly Sherwood
Virginia General Assembly I-81 Caucus
Clarke Lewis, Troutman Sanders

Member Companies of Participating Organizations

Virginia Manufacturers

Association:

Coors
Volvo
The Hershey Company
Celanese
McKee Foods
MeadWestvaco
Alcoa

Virginia Poultry Federation:

Cargill Value Added Meats
George's Foods
Perdue Farms
Pilgrim's Pride Corporation
Tyson Foods
Virginia Poultry Growers Cooperative

Smart Solutions:

Acadia Corporation
AET Films, Inc.
Airside Industrial Park Association
Airside Industrial Park Association
Alexander & Alexander, Inc.
Alleghany Highlands Chamber of
Commerce
American Trucking Association
Apollo Van Lines, Inc.
Appalachian Forest Management Group
Appalachian Forest Management Group
Augusta Lumber Company, Inc.
Augusta Steel Corporation
B & S Transportation Services, Inc.
Bacova Guild, Ltd.
Beam Bros. Trucking, Inc.
Bennett Logging & Lumber Company
Big "L" Tire Company
Blue & Gray Transportation
Burns Motor Freight, Inc.
Butler Parachute Systems, Inc.

C. C. Dalton Jr. Trucking, Inc.
Cardinal Travel Center
Cargill
Carroll County Board of Supervisors
Carroll County Chamber of Commerce
Carroll County Chamber of Commerce
Carroll County Industrial Development
Authority
Commercial Truck Safety, Inc.
Con-Way Southern Express
Coors Brewing Company
Cox Transportation Services, Inc.
Dan River Industry Roundtable
Dan River Regional Industry Roundtable
Dan River, Inc.
Davidson Paving & Excavating
Davidson Trucking Company, Inc.
Dynax America Corporation
E & M Auto Paint and Supply
Corporation
Elliott Chevrolet, Inc.
Estes Express Lines
Fleetmaster Express, Inc.
Flower Transport, Inc.
Four-U-Transportation, Inc.
FPPF Chemical Company, Inc.
G/A Safety and Supply, Inc.
Gary's Backhoe Service
Great Dane Trailers
Greater Augusta Reg. Chamber of
Commerce
Greater Augusta Regional Chamber of
Commerce
H.H. Moore, Jr. Trucking Company
H.P. Hood, Inc.
Harris Trucking Company
Harrisonburg Travel Center
Hatchett Transportation, Inc.
Hathaway Paper
Henry County Board of Supervisors
Highway Motors, Inc.
Highway Service Ventures, Inc.
Highway Transport, Inc.

Houff Transfer, Inc.
Howell's Motor Freight, Inc.
IDM Trucking, Inc.
John W. Hancock Jr., Inc.
K & K Trucking Company
K.R. Snead Trucking, Inc.
Lawrence Transportation Systems, Inc.
Lee Hi Travel Plaza
Lester C. Webb & Son Trucking, Inc.
Mack Trucks, Inc.
Martinsville City Council
Martinsville-Henry Co. Chamber of
Commerce
Martinsville-Henry County Chamber of
Commerce
Mason-Dixon Truck Stop Operators
Association
May Trucking, Inc.
McLane Mid-Atlantic
MeadWestvaco Corporation
Mid-Atlantic Transportation Consulting,
Inc.
Mr. Jack Hammond, Sr. Vice President,
Westvaco (Retired)
Mr. Warren H. Dillenbeck, P.E.
MW Manufacturers, Inc.
National Association of Truck Stop
Operators
National Fruit Product Company, Inc.
Nestlé
Noland Company
North & South Lines, Inc.
Orchard Creek Auto Plaza
Osborne Trucking, Inc.
Overnite Transportation Company
Packaged Ice, Inc.
Perry Trucking
PFG Virginia Foodservice
Phillip R. Woodward Trucking
Pittsylvania County Board of
Supervisors
Pitzer Transfer and Storage Corporation
Plastics One, Inc.
Professional Carriers, LLC
R. O. Harrell, Inc.
Reo Distribution Services, Inc.

Roanoke Electric Steel Corporation
Roanoke Stamp & Seal Company
Rocky Mount Town Council
Ronile, Inc.
Rt. 17 Associates
Rubbermaid
Ryder System, Inc.
Sartomer Company
Simmons Travel Centers
Southeastern Container, Inc. (Coca-
Cola)
Southern States Cooperative
Sundown Express, Inc.
Sunshine Truck Plaza
SYSCO Food Services of Virginia
The Honorable Allen Louderback, VA
Delegate
The Honorable Rex Kelly, Mayor of
Buchanan
Thompson Trucking, Inc.
Top Notch Trucking, Inc.
Transportation Coating Group, Inc.
Truck & Equipment Corporation
Truck Enterprises Volvo, Inc.
Truck Enterprises, Inc.
Truckload Carriers Association
Utility Trailer Sales of Virginia
Venture Driving Solutions
VFP, Inc.
Virginia Forest Products Association
Virginia Forestry Association
Virginia Loggers Association
Virginia Movers Association
Virginia Poultry Federation
Virginia Procurement, LLC
Virginia Truck Center
Virginia Trucking Association
Volvo Logistics
Volvo Trucks, North America
W.L. Funk Trucking
Walmart Stores, Inc.
Warehouse Solutions, Inc.
Warren Trucking Company, Inc.
Watkins Motor Lines
Wayn-Tex, Inc. of Hillsville
Wayn-Tex, Inc. of Waynesboro

White Tire Distributors
White's Truck Stop
William Edwards, Inc.

Wilson Trucking Corporation
Yellow Freight Corporation