



AGRICULTURAL
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May 31, 2012

The Honorable Barbara Boxer
Chairman
Senate Committee on Environment & Public Works
Washington, D.C. 20510

The Honorable John Mica
Chairman
House Committee on Transportation
Washington, D.C. 20515

Dear Chairman Boxer and Chairman Mica:

On behalf of members of the Agricultural Retailers Association (ARA), I am writing to thank you and members of the conference committee for your efforts to enact a multi-year surface transportation reauthorization bill. ARA members provide goods and services to farmers and ranchers which include: fertilizer, crop protection chemicals, seed, crop scouting, soil testing, custom application of pesticides and fertilizers, and development of comprehensive nutrient management plans. Retail and distribution facilities are scattered throughout all 50 states and range in size from small family-held businesses or farmer cooperatives to large companies with multiple outlets.

As you know, investing in our nation's infrastructure is critical to ensuring the safe and efficient movement of essential goods throughout the United States. This is especially true in rural communities that heavily rely on well maintained and improved road and highway systems. There are some essential priorities included in the legislation that directly impact ARA members and their rural communities.

Transportation of Agricultural Commodities and Farm Supplies: ARA supports including a modified Section 32101(d) *Transportation of Agricultural Commodities and Farm Supplies* of the "Moving Ahead for Progress in the 21st Century" or MAP-21 9S. 1813) in any final Senate-House conference agreement. A similar provision was included in H.R. 7. Without the adoption of this much-needed provision, there could be severe disruptions to the delivery of critical farm supplies to agricultural operations during peak times of the year. We request "In the State" be removed from (A),(B), and (C) of Section 32101(d) to ensure that the transportation of farm supplies across state lines is allowed to continue under this exemption as long as the respective states have both adopted the agricultural hours of service exemption. We also request conferees adopt the House proposed language as it relates to the designated air-mile radius as it more accurately reflects the needs of today's agricultural industry.

Hazardous Materials Transportation: ARA supports the Senate and House legislative efforts to reauthorize the Hazardous Materials Transportation Act (HMTA). The HMTA is the U.S. Department of Transportation's (DOTs) source of authority to oversee the safe, secure and efficient transportation of these materials, which are critical to the health of the Nation. ARA recommends conferees adopt the Senate title of the HMTA along with important provisions that were addressed by the House in H.R. 7. For example, HR 7 includes important reforms to the Motor Carrier Safety Permits program that will provide permit holders consistency by replacing fluctuating disqualification rates. It also will ensure through existing regulations an additional review of the holder's safety management controls and the opportunity to submit a corrective action plan prior to the denial, revocation, or suspension of a permit unless the holder presents an imminent hazard or shows evidence of a pattern of willful and knowing non-compliance with safety regulations. The current system is biased against carriers like agricultural retailers that operate in rural areas as they receive far fewer inspections than carriers operating on federal highways in busy areas.

Electronic On-Board Recorders: ARA opposes a provision included in the Senate bill that would mandate electronic on-board recorders (EOBRs) on every single one of the millions of commercial motor vehicles (CMV) in use across the United States. ARA believes this creates an unnecessary expansion of the current regulations and would substantially increase the financial burdens on the nation's agricultural retailers and distributors. ARA is concerned with the equipment, annual service and maintenance costs associated with this proposed mandate. The Obama administration estimates the implementation of electronic on-board recording devices in commercial motor vehicles would cost \$2 billion, making it one of the seven costliest regulations sought by administration. ARA understands there are federal lawsuits currently underway related to this proposed mandate. While there may be some unrelated safety benefits to EOBR technologies, it is our belief that it should remain voluntary for motor carriers to utilize EOBR on their CMV, not be forced to do so through a federal government mandate.

RAMP Act: ARA supports the inclusion of the *Realize America's Maritime Promise (RAMP) Act* (HR 104) in any final Senate-House conference agreement. This proposal, which was included in the House-passed version of the surface transportation bill (H.R. 4348), would ensure that all funds collected as part of the Harbor Maintenance Tax (HMT) and deposited into the Harbor Maintenance Trust Fund (HMTF) are to be used for the operation and maintenance of U.S. ports, waterways and harbors. The HMTF was established in 1986 to fund the operation and maintenance of ports and harbors. The HMT is charged against the value of imports and domestic cargo arriving at U.S. ports that have federally maintained harbors and channels and the funds are deposited in the trust fund. The current balance in the trust fund is approximately \$5.6 billion, but there remains a backlog of necessary dredging and other maintenance needed to keep the waterways open to deep draft vessels.

Surface Transportation Board: ARA supports provisions included in the Senate Bill that would take meaningful steps in the right direction to reform the Surface Transportation Board (STB). These freight rail provisions are modest steps that are needed to ensure a more equal balance between shipper and carrier interests in rail policy deliberations at the STB and make the agency more accountable, transparent and effective.

Improved Daytime and Nighttime Visibility of Agricultural Equipment: ARA supports the Senate's bill's provision (Sec. 31601 of S. 1813) that would require the U.S. Department of Transportation (DOT) after consultation with representatives of the American Society of Agricultural and Biological Engineers (ASABE) and appropriate federal agencies to promulgate a rule to improve the daytime and nighttime visibility of agricultural equipment that may be operated on the public road. The methods, materials, specifications, and equipment to be employed with such standards would be equivalent to the ASABE Standard 279.14 (Lighting and Marking of Agricultural Equipment on Highways) published in July 2008. ARA believes a federal DOT standard for this type of agricultural equipment makes more sense for industry rather than be subjected to the potential for differing state standards.

Pension Funding Stabilization: ARA supports efforts by conferees to address pension funding issues being faced by many American businesses. The Senate's Pension Funding Stabilization provision (Sec. 40312) would help free up billions of dollars for businesses to reinvest back into their companies and the economy by making necessary interest rate adjustments and allow for the reduction of tax free contributions to pension plans.

Thank you for your review and consideration of our views. We look forward to continue working with you and other conferees and your staffs on a final Senate-House conference agreement that can be quickly be enacted into law.

Sincerely,



Daren Coppock
President & CEO

cc: Conference Committee Members