

September 3, 2015

Dear FULL HOUSE:

U.S. agriculture relies heavily on all transportation modes to efficiently move inputs and agricultural commodities throughout the supply chain. While all modes of transportation are important to agriculture, trucks move almost all agricultural commodities from the field to the warehouse and also transport 64 percent of grains and oilseeds from warehouse to end user. This adds up to approximately 40 million semi-trailer loads each year for grains and oilseeds alone. The diversity of American agriculture means that many agricultural products are heavily reliant upon truck transportation, such as livestock and poultry, fruit and vegetables, fiber and numerous other high-value commodities.

A large portion of the consumer cost of food is directly attributable to the cost of transportation throughout the food supply chain. Strong infrastructure, such as highways and bridges, are hugely important in keeping U.S. agriculture competitive and consumer food costs down.

The undersigned agricultural groups strongly urge passage of multi-year surface transportation legislation that would provide adequate funding and greater certainty for transportation infrastructure projects. We respectfully request that during the crafting of such legislation the following areas of concern are addressed:

Positive Train Control (PTC) – In order to prevent a disruption in the supply of necessary fertilizers, crop inputs and rail cars for transporting freight, an extension on the implementation of PTC is necessary. Several railroads have indicated that they may be unable to move important crop inputs such as anhydrous ammonia on lines that do not have PTC installed. In addition, one railroad has indicated that it is considering shutting down rail lines that are required to have PTC installed because it is unable to meet the deadline for PTC implementation. This development could threaten delivery not only of fertilizers and other inputs but other traffic on those lines as well. Ammonia is an essential source of nitrogen-based fertilizer for American farmers, both for direct application and as the primary ingredient in all other forms of nitrogen fertilizer. It is also used in the production of phosphate fertilizers. Fertilizers are manufactured around the clock to ensure there is an adequate supply for on-time planting. The inability to move anhydrous ammonia by rail after the December 31, 2015 PTC deadline would cause fertilizer manufacturing facilities to curtail production, leaving farmers without enough fertilizer to use during the narrow planting seasons across the country.

Trucking Efficiency and Productivity – Major barriers to efficient truck transportation include traffic congestion and under-utilized semi-tractor trailers due to a federal highway truck weight limits that are lower than most state road weight limits. Providing states with the option to increase truck weight tolerances on federal highways would alleviate impediments to efficient truck transportation. Specifically, we urge you to support the soon-to-be introduced Safe

Trucking Act which would allow states to increase truck weight limits on their Interstate Highways to 91,000 pounds as long as those trucks are equipped with an additional sixth axle.

Commercial Driver Access – The trucking industry struggles to attract truck drivers and the discrepancy between federal and state minimum age limits for a commercial driver's license (CDL) exacerbates the truck driver shortage. All 48 contiguous states have a minimum CDL age limit of 18 to be eligible to obtain a CDL for operation on state roads; meanwhile the federal minimum age limit to operate across state lines is 21. A consistent minimum CDL age limit of 18 is needed to bring down this regulatory hurdle to interstate commerce.

Motor Carrier Regulation – Motor carriers must be able to comply with safety regulations in an affordable manner; otherwise the pool of motor carriers will diminish and the cost of transportation will increase. We request careful examination of regulatory attempts to unduly raise the cost of truck transportation without corresponding safety benefits, such as the Federal Motor Carrier Safety Administration's proposal to greatly expand motor carrier financial responsibility and its proposal to place unwarranted responsibilities on shippers and receivers for drivers that are not employed by them.

Endorsements – Current federal law makes it very difficult for farmers and custom harvesters to transport the amount of fuel necessary for a single day of field operations with today's agricultural equipment. Class A CDL holders cannot haul more than 118 gallons of diesel fuel without a hazardous materials endorsement, which can be costly and time-consuming to obtain. Granting an exemption to a hazardous materials endorsement for custom harvesters and other operators of similar equipment would allow the agricultural industry to perform more efficiently and recognizes the needs of modern production agriculture.

Hours-of-Service Rule for Livestock and Poultry – To avoid unnecessary discomfort for livestock and poultry, we request the permanent removal of the 30-minute break after eight hours of service.

Covered Farm Vehicles – In MAP-21, several provisions were signed into law that are vitally important to farmers and ranchers in providing regulatory relief from several Federal Motor Carrier Safety Administration (FMCSA) regulations. As those exemptions were being implemented over the past few years, several states raised questions regarding the scope of exemptions that could be provided to the intrastate operation of "covered farm vehicles." When petitioned, the FMCSA interpreted the provisions of MAP-21 much more narrowly than Congress intended, stating that MAP-21 only limited the agency's authority to withhold federal funding in five exemptions (commercial driver's licensing, medical cards, hours-of-service, drug testing, record keeping and inspection reports) that were specifically prescribed for covered farm vehicle drivers. FMCSA further stated that they may withhold funding if states try to provide needed flexibility and additional regulatory relief. This gap between congressional intent and FMCSA interpretation is likely to be an issue for any state seeking to make changes (without

jeopardizing funding) to intrastate requirements for farm trucks. We request that you confirm congressional intent, clarifying that states may adopt standards that still provide safety but are more reasonable to farmers and employees operating farm trucks near the farm, without jeopardizing federal funding.

Port Performance Data – Trade is critical to U.S. agriculture and when disputes arise at ports it is consumers, and industries such as agriculture, that bear the brunt of the damage. Rather than relying on anecdotal reports of problems at ports, key metrics need to be collected.

Surface Transportation Board Reauthorization/Rail Reform Legislation – The Senate has passed a reauthorization bill for the Surface Transportation Board. We urge passage of a stand-alone companion bill or inclusion of these provisions as part of a multi-year surface transportation bill.

We thank you for your work on this important piece of legislation and look forward to working with you in addressing the aforementioned areas of concern.

Sincerely,

Agricultural Retailers Association
American Farm Bureau Federation
American Soybean Association
Association of Equipment Manufacturers
Corn Refiners Association
Institute of Shortening and Edible Oils
National Association of Wheat Growers
National Barley Growers Association
National Cattlemen's Beef Association
National Chicken Council
National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Grain and Feed Association
National Milk Producers Federation
National Oilseed Processors Association
National Pork Producers Council
National Potato Council
National Sunflower Association
National Turkey Federation
North American Meat Institute
North American Millers' Association
Soy Transportation Coalition

The Fertilizer Institute
United Fresh Produce Association
USA Dry Pea & Lentil Council
U.S. Canola Association
U.S. Custom Harvesters, Inc.