TRANSPORTATION ISSUES

Interstate Rest Area Commercialization

In an attempt to raise state revenue, many state governments have supported the idea of commercializing rest areas and contracting fueling and other services to private vendors. While advocates for commercialization claim that such services will benefit the public, the reality is that rest area commercialization would close as many as half of the nearby interchange-based businesses (according to a 2003 study by the University of Maryland).

When Congress created the Interstate Highway System in 1956, community leaders feared that local businesses, jobs, and tax bases would shrink as truckers and other motorists bypassed their cities and towns. As a result, Congress prohibited development on interstate rights of way. Section 111 of Title 23 United States Code prohibits interstate rest areas built after January 1, 1960 from offering commercial services such as food and fuel.

The ban on the commercialization of rest areas has resulted in a strong, competitive economic environment with over 60,000 businesses developing along U.S. interstate highways. Prohibiting publicly-run rest areas from competing with private sector businesses has been an undeniable success, resulting in industries that provide valuable services such as gas stations, travel plazas, truck stops, restaurants, and hotels. More than 97,000 businesses are located within a quarter-mile of the interstate, and they employ 2.2 million people. Also, these businesses contributed $22.5 billion in state and local taxes alone in 2010.

PMAA is concerned that interstate-based gasoline retailers will be unable to compete with commercialized rest areas, which are conveniently located on the highway right-of-way, and would create a de facto monopoly in favor of businesses operated out of rest areas. Interstate rest area commercialization would destroy the property tax base of local governments (for a short-term gain in state revenue) and put many retailers out of business. Rest area commercialization would result in an unfair competitive environment for privately-operated retailers and would destroy a successful economic business model that has proven beneficial for consumers and retailers.

Commercialization of interstate rest stops may be included in infrastructure legislation later this year or next year, particularly since President Trump includes commercialization as one funding method for his $1.5 trillion infrastructure vision. PMAA is a member of the Rest Area Commercialization Coalition that has been meeting with lawmakers to oppose the commercialization of rest areas.

Responsible & Effective Standards for Truckers (REST) Act (H.R. 5417)

Today, petroleum marketers are permitted to drive a maximum of 11 hours after 10 consecutive hours off-duty. However, they may not drive beyond the 14th consecutive hour after coming on-duty. This is known as 'the 14-hour clock'. Also, a trucker must take at least a 30-minute rest break within 8 hours of their last rest break. This is known as 'the 30-minute break rule'.

The current requirements are overly complex, provide virtually no flexibility, and in no way reflect the physical capabilities or limitations of individual drivers. They often compel truckers to be on the road when they are tired or fatigued, in the midst of rush hour traffic or other periods of highway congestion, during adverse weather conditions, or when they are simply not feeling well. Additionally, the current HOS requirements have not resulted in improvements to highway safety.

H.R. 5417 would allow truckers to pause the 14-hour clock for a single period of up to 3 hours, provided the driver is off-duty. This would give truckers greater flexibility to rest when fatigued, as well as avoid congestion, adverse weather conditions or other factors that make driving unsafe. While truckers could essentially pause the 14-hour clock, they would still need to log 10 consecutive hours off-duty before the start of their next work shift. H.R. 5417 would also eliminate the 30-minute break rule. More importantly, the REST Act would not increase maximum drive time, increase maximum on-duty time or decrease minimum off-duty rest periods between shifts.

THE HIGHWAY TRUST FUND & MOTOR FUELS EXCISE TAXES
Federal motor fuel excise taxes have been the dedicated source of funding for the Federal Highway Trust Fund (HTF) since 1956. The current federal excise tax for gasoline is 18.4 cents-per-gallon and 24.4 cents-per-gallon on diesel fuel.

Revenue has been down in recent years because vehicle fleets have become more fuel efficient – hence – less taxable gallons. Motor fuel excise taxes have not been increased since 1993. However, some lawmakers have floated around the idea of increasing the motor fuel excise tax to help pay for the upcoming infrastructure plan, although a bill raising the tax would almost certainly not pass Congress at this time. Other funding options include: tolling, vehicle miles travel (VMT) – a user fee based on miles traveled – and public-private partnerships.

PMAA has been unable to reach a consensus on whether it supports or opposes a federal motor fuels excise tax increase. Thus, each PMAA state association can decide the best course of action regarding motor fuels excise taxes.

"THE ASK" *Committees: Senate Commerce, Science and Transportation; House Transportation and Infrastructure*

It is imperative that Congress oppose any attempt to commercialize rest areas and support H.R. 5417.

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