



April 23, 2013

The Honorable Ray Cleary
Chairman
Senate Finance Transportation Funding Special Subcommittee
610 Gressette Building
Columbia, SC 29201

Dear Senator Cleary:

I am writing on behalf of Palmetto AgriBusiness Council (PABC) to encourage you and your colleagues in the Senate to find a solution to fix our state's declining highway system by funding infrastructure this legislative session.

As you know, our highway system needs are great and long term needs well exceed \$6 billion. However, an immediate infusion of an additional \$300 million annually can address the critical needs within our state maintained system. This includes:

- \$100 million new dollars per year dedicated to Act 114 "ranked interstate widenings", as a supplement to the existing federal aid interstate program shown in the current Statewide Transportation Improvement Program (STIP).
- \$100 million annually dedicated to the "replacement of all 420 "load restricted bridges" within a five-year period. After completing the load restricted bridges, these funds will supplement the current federal allocation dedicated by the SC Department of Transportation (SCDOT) toward the replacement/rehabilitation of the remaining 468 structurally deficient bridges.
- An additional \$100 million annually would be dedicated to an Act 114 ranked "statewide resurfacing program", within each of the state's 46 counties.

Obviously, our primary focus is to see improvements in rural roads and bridges.

While there are a variety of funding alternatives available, WE DO NOT ENDORSE ANY SPECIFIC FUNDING METHOD. However, we encourage you to consider ALL of the funding alternatives to determine the appropriate mechanism or combination of revenue sources to include redirecting of current revenues. At the request of the SC Business Roundtable, SCDOT provided a plan, which is based on the General Assembly's approved formula configured on traffic count and needs. PABC

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is supportive of this plan, and although the expansion of Interstate 26 is not covered in the DOT formula; we strongly encourage you to include this project not necessarily due to current traffic counts, but due to the future economic impact of this major industrial corridor.

The resurfacing program is critically necessary from system-preservation, safety, and long range cost-effectiveness standpoints and touches every county in our state.

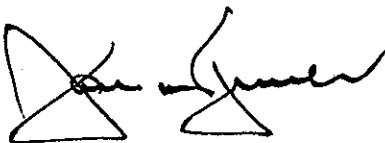
The economic significance of insufficient funding of South Carolina's infrastructure is evident as our aging highway system continues to deteriorate, negatively impacting the state's agribusiness industry. According to SCDOT, nearly one-third of SC's primary and interstate highways are in poor or mediocre condition, with approximately half of the state's secondary roads considered to be in failing condition. One out of every five bridges in the state is considered deficient.

The success and sustainability of South Carolina's number one industry- agribusiness (which includes agriculture, forestry and timber products) is dependent upon getting products to markets. The agribusiness industry contributes \$34 billion to our state's economy and provides over 200,000 jobs. This industry is poised to increase its value to \$50 billion by the year 2020 by capitalizing on economic development opportunities. Part of that strategy is creating new markets through exporting. This means efficiently transporting ag products to the Port of Charleston has become more crucial than ever. Although SCDOT has increased weight limits on some transported agribusiness products, they are route limited due to the poor conditions of certain roads and bridges.

Agribusiness continues to be a vital industry in our rural communities, many times the only available economic asset that can create jobs, increase revenue and improve our per capita income. The good news is we are positioned to participate in the international marketplace and become globally competitive- factors that are essential in increasing the economic contribution of our industry. A plan to improve our state's infrastructure would confirm a commitment to preserve the economic growth and development of agribusiness and all of South Carolina's industry.

Thank you for your service to our state and your continued support of agribusiness.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack W. Shuler". The signature is written in a cursive style with a large, stylized initial "J".

Jack W. Shuler
President

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