

BEFORE THE OHIO HOUSE OF REPRESENTATIVES

WAYS AND MEANS COMMITTEE

ON HOUSE BILL NO. 155

TESTIMONY OF THE OHIO PETROLEUM MARKETERS & CONVENIENCE STORE ASSOCIATION

TUESDAY, June 19 2018

Dear Chairman Schaffer, Vice Chairman Scherer, Ranking Member Rogers and Members of the House Ways and Means Committee,

My name is Jennifer Rhoads and I serve as the president and CEO of the Ohio Petroleum Marketers & Convenience Store Association (OPMCA).

The Ohio Petroleum Marketers & Convenience Store Association is the statewide trade association representing more than 500 independent, small businesses in the petroleum and convenience industry. OPMCA members own and operate the overwhelming majority of Ohio's 6,302 convenience stores and employ over 91,000 Ohioans. This robust industry sector in our State posted \$20.2 billion in total sales in 2016, of which \$11.65 billion were motor fuel sales.

OPMCA members serve time-starved motorists across Ohio, and so much more. The association's members work around the clock to supply the fuel to move commerce through the state, and to keep companies energized and open for business. Additionally, OPMCA members heat the homes of hundreds of thousands of Ohioans, drive the economy through job creation, and strengthen local communities through philanthropic engagement.

I appreciate the opportunity to submit testimony in support of House Bill 155 (H.B. 155). Trucking drives the economy in the United States, and here in the Buckeye State. Without question, America needs more truck drivers. The trucking industry has been plagued by a driver shortage for over a decade. But, compounded by a confluence of factors, like a rebounding economy, a historically tight labor market and regulation-driven productivity losses, the toll of the ongoing driver shortage is stark and fast-approaching epic levels.

The American Trucking Association (ATA) estimates that more than 70 percent of goods consumed in the U.S. move by truck. With a current shortage of 50,000 drivers, trucking analysts anticipate a shortage of 176,000 drivers by 2026, requiring trucking companies to hire 960,000 drivers in the next decade just to keep up with current demand.

Demographics are working against the industry. An aging fleet of drivers is the fundamental reason for the shortage. The Bureau of Labor Statistics estimates that the average age of a commercial truck driver in the U.S. is 55 years old. In recent years, the industry has struggled to attract new drivers. Moreover, the industry also heavily relies on male drivers — only 6 percent of commercial truck drivers are women, according to the ATA.

Ohio's petroleum marketers continue to supply the motor fuel to move commerce and motorists across the state and across the Midwest as they have for nearly a century. Like the large, long haul carriers, our members also struggle to attract and retain qualified truck drivers. In addition, our members wrestle with the added burden of determining the safest way to ensure on-time delivery of essential petroleum products under worsening staffing circumstances. Further complicating the overall driver shortage for our members is the special Hazardous Material endorsement that drivers' must hold in order to transport petroleum products.

Complex problems often require comprehensive, multi-faceted solutions. This proposal is a productive step toward alleviating the driver shortage that continues to hamper Ohio businesses. The association commends Reps. Sprague and Howse for their leadership on this issue, and we support the nonrefundable income tax or commercial activity tax credits proposed in H.B. 155 for training expenses paid by employers to train employees to operate a commercial vehicle.

Thank you for the opportunity to provide testimony to you this morning. Thank you for your time and consideration.

Sincerely,

Jennifer Rhoads, Esq.
President and CEO