



PO Box 129
Elm, PA 17521

www.ustransportationalliance.org
usta.info@ustransportationalliance.org

“Working today to make changes tomorrow”

March 14, 2019

Chairman McColley, Vice Chair Uecker, Ranking Member Antonio, and members of the Senate Transportation, Commerce, and Workforce Committee, thank you for the opportunity to provide written testimony in opposition of H.B. 62.

The United States Transportation Alliance (USTA) is writing in opposition to Ohio House Bill (H.B.) 62 creating the transportation budget. The USTA is made up of drivers representing drivers with a mission statement that focuses on promoting safety and enhancing public awareness of the trucking industry. H.B. 62 will continue to cripple the Ohio trucking industry, as well as Ohio consumers, by raising diesel fuel and gas prices. This will cause an increase cost to transport goods, which motor carriers are already on a tight margin. Most shippers refuse to pay appropriate fuel surcharges which leave trucking companies incurring the additional costs to transport goods. In a 2013 *Ohio Statewide Freight Study* prepared for the Ohio Department of Transportation (ODOT) it was reported that one challenge Ohio faces in its freight system is declining productivity. Reasons causing this decline include increase fuel prices and federal regulations. The trucking industry is the most vital part of the State’s freight system; therefore increasing challenges to an already over regulated and extremely expensive industry would cause major infliction. For example, one truck running 65,000 miles per year within the State of Ohio paid approximately \$25,000 in fuel cost in 2018. This is over one-quarter of the gross income for that truck. Passing this bill will lead trucks, such as this one, to not be able to afford to continue to operate in Ohio. Trucking companies also have expenses such as maintenance, equipment costs, insurance costs (vehicle, workmen’s compensation, etc.), administrative costs, and driver’s wages. As the price of fuel increases, Ohio trucking companies are forced to lower wages for drivers due to increased expense, which in turn decreases the income amount to Ohio truck drivers. Another issue is if Ohio passes the increase, as passed in the Ohio House, trucks passing through the State will purchase fuel outside the State at lower costs, such as in Kentucky or Indiana. A final issue that affects the trucking industry and drivers is using tax monies, as identified in this bill, to pay for the cost of public transit. The percentage of people using public transit, compared to the amount of consumers you are charging this tax upon, is incomparable. Trucks and vehicles traveling in the State of Ohio, as well as Ohioans in rural areas and small towns, are not using public transit; therefore should not be incurring the cost of such. The USTA proposes no gas and diesel tax increase in this transportation budget. The tax rate, as passed in the House, is extremely excessive for the trucking industry, as well as all Ohioans. We are respectfully asking you to vote No on Ohio H.B. 62. Thank you for giving us the opportunity to discuss our position on this legislation.