



House Bill 110

Senate Finance Committee

June 3, 2021

Chairman Dolan, Vice Chair Gavarone, Ranking Member Sykes and members of the Senate Finance Committee, my name is Tom Balzer and I am the President & CEO of the Ohio Trucking Association (OTA). I would like to thank you for this opportunity to testify on the Commercial Truck Driver Student Aid Program, which was created in the House-passed version of HB 110, but then eliminated in the most recent substitute bill accepted by this committee.

A key part of the operating budget is the investment in workforce initiatives, which is why I would like to highlight the workforce needs facing the logistics industry. Many of you have likely heard from businesses in your district about the challenges associated with finding qualified drivers to transport their goods. According to the American Trucking Association, the current driver shortage is 60,000 and it could grow to over 160,000 by the year 2028.¹ This is a problem sweeping the nation, yet unfortunately many states, including Ohio, do not have adequate support established to help individuals overcome the financial barrier many face when trying to attend CDL school.

Due to the high demand, truck drivers make an excellent salary and companies offer comprehensive benefits. The U.S. Department of Labor places the median pay for drivers at over \$47,000 per year, and this can grow to much more.² Pay for drivers is often based on production, so entry level drivers can expect to make an increased wage shortly after entering the industry. Salaries for drivers can even top \$100,000 per year.

For years we have worked to identify ways to address this problem by introducing legislation that would help individuals overcome the financial hurdle of obtaining a CDL and encourage companies to provide training opportunities to their employees. As we all experienced, the COVID-19 pandemic has shown how critical the trucking industry is to the state, yet essential goods can't be moved without a driver behind the wheel, which is why these workforce development initiatives are so important.

Unfortunately, the previous operating budget (HB 166) eliminated funding from the OhioMeansJobs Workforce Development Revolving Loan Program, which was primarily used by students attending CDL school. The funding was transferred to the TechCred program. While the

¹ ATA Truck Driver Shortage Analysis 2019 - <https://www.trucking.org/sites/default/files/2020-01/ATAs%20Driver%20Shortage%20Report%202019%20with%20cover.pdf>

² United States Department of Labor - <https://www.bls.gov/OOH/transportation-and-material-moving/heavy-and-tractor-trailer-truck-drivers.htm>

TechCred program is certainly worthy of this investment, CDL training is ineligible because it does not qualify as a “microcredential.” In HB 110, the state is making another significant investment into the TechCred program, but once again, CDL training does not qualify leaving those attending CDL schools with limited options. The elimination of the OhioMeansJobs Workforce Development Revolving Loan Program in 2019, and now the elimination of the Commercial Truck Driver Student Aid Program from HB 110 means individuals seeking to obtain a CDL have few resources available to overcome the financial barrier associated with attending a CDL school. This barrier is often too great for many to enter the industry.

We urge this body to reinstate language from the House-passed version of HB 110 that would create the Commercial Truck Driver Student Aid Program. This \$2.5 million per year program would provide scholarships and loans to students seeking to obtain their CDLs. As a provision of the program, the student must remain employed in the state for at least a year. This proposal will provide the critical resources necessary to remove the financial barrier facing many as they pursue a high-paying career that is essential to all Ohioans.

Once again, the COVID-19 pandemic has shown just how important the trucking industry is to our daily lives. We would urge Ohio to encourage individuals to enter the profession by helping remove the financial barriers to obtain a CDL. Thank you for allowing me the opportunity to express our concerns with the Senate’s decision to eliminate the Commercial Truck Driver Student Aid Program created in HB 110. I would be happy to answer any questions at this time.

Sincerely,

A handwritten signature in black ink that reads "Tom B". The signature is written in a cursive style and is positioned above the typed name.

Thomas A. Balzer, CAE
President and CEO
Ohio Trucking Association