

HB 154 Proponent Testimony Kimberly McConville, CAE Executive Director

House Education & Career Readiness Committee May 31, 2017

Chairman Brenner, Vice-Chair Slaby, Ranking Member Fedor and members of the House Education and Career Readiness Committee, I am Kimberly McConville, Executive Director of the Ohio Soft Drink Association.

I am here to support HB 154 Commercial Truck Driver Student Aid Program, and offer some perspective from an industry that relies on CDL drivers. We have critical driver shortages now and HB 154 is a way to enlarge the pool of drivers.

Our Industry

I represent nearly 10,000 beverage industry employees statewide. Our members manufacture and distribute some of the most popular non-alcoholic beverages in the world. Our industry has a \$6.4 billion economic impact in Ohio, pays over \$750 million in annual wages and benefits and contributes over \$516 million annually in state taxes. A healthy beverage industry supports an additional 33,814 workers in restaurants, grocery stores, and other retail outlets.

Fleet Management

My members constantly innovate—from diverse beverage portfolios to operational efficiency, this industry is always looking for a better way to go to business. Fleet management is a critical cost center for all our companies. Whether they are investing in hybrid trucks, installing no idle switches or using load and route optimization software, this industry spends heavily on vehicle purchase, function, insurance and maintenance.

But the most critical part of our product distribution is Class A CDL drivers. Getting our products from production centers to warehouses and into stores, demands qualified drivers. Adding to our challenge is attracting and keeping drivers willing to thread an 18 wheeler through city streets, alleyways and tight loading docks.

Driver Shortage Challenge

You have heard from HB 154 sponsors about current and projected driver shortages in Ohio and beyond. How does this play out for us? One of my members recently posted two jobs in Twinsburg--one for a warehouse worker and one for a Class A CDL driver. He had over 60 applicants for the warehouse and zero for the driver. Another member in Columbus had a driver shortage last month that idled 4-6 trucks nearly every day.

To combat driver shortages and a shrinking pool of qualified drivers, my industry often uses a "grow your own" approach. We find existing employees willing to train and pay for their CDL. This is a costly and time-consuming process with our members spending an average of \$6,000 for the training and investing 6-8 weeks to train. Another approach is to get newly permitted drivers and offer "finish" training and continuous safety coaching.

If we successfully train, often an employee will quit after their employer invests time and money. If we successfully recruit from a small pool of already licensed drivers, many of these drivers come with a federal "E" restriction because they took their required skills test in a truck with an automatic transmission. Most of our trucks are manual drive and an "E" restriction disqualifies a driver from operating our trucks.

HB 154 Long Term Approach

We appreciate the long term approach HB 154 takes in growing the pool of qualified CDL drivers. By giving the next generation of high school graduates another career path to consider, and financial help navigating that path, HB 154 will grow interest in commercial truck driving. This in turn will supply more drivers to our member companies who are ready to pay great wages and benefits. We have the jobs and HB 154 will help us put drivers in trucks.

I want to thank Representatives Smith and Manning for their leadership on this critical issue. I also want to thank my colleague Tom Balzer at the Ohio Trucking Association for his creative approach to workforce challenges.