

Testimony of

James W. Runk
President & CEO
Pennsylvania Motor Truck Association
(PMTA)

To

House Transportation Committee

Chairman, Dick Hess
Chairman, Mike McGeehan

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On

Senate Bill 1

Good morning. My name is Jim Runk, President & CEO of the Pennsylvania Motor Truck Association, headquartered in Camp Hill, Pennsylvania. PMTA is the only state-wide trade association representing the trucking industry. Our membership, which numbers approximately 1,500, includes large dry van carriers, bulk tank operators, heavy specialized carriers and dump truck operators. Pennsylvania's trucking industry is the forth largest in the Commonwealth, employing approximately 355,000 people, or 1 out of every 13 workers.

There is absolutely no question there is need for a healthy, adequate transportation system that is critical to the needs of all the citizens of the Commonwealth. Taking no action now to provide a fair and sustainable funding source for our roads and bridges is not only unacceptable, but irresponsible as well. Our industry relies on safe, well maintained roads, bridges, and highways to deliver products and services to over 86% of the Commonwealth's communities whose residents depend on us to help them preserve their superb standard of living.

While those of us in the transportation industry agree that our bridges and road system appears to be wearing out, I believe the general public is becoming more aware of the desperate situation we face.

Being part of the Governor's Highway Funding Commission, our industry is acutely aware of the disrepair of our highway infrastructure. All travelers now face an aging transportation system that in many cases is crumbling and knotted with delays. Those delays cost the trucking industry millions of dollars a year with wasted man-hours and late or even missed deliveries.

Deficient infrastructure directly impacts the way our industry does business. As I've stated previously, our industry serves over 86% of all populated communities all of which depend on trucks for delivering everything they eat, wear and use. If bridges and roads are weight limited, an additional route must be found. This means hours of circuitous routing, and more miles driven at an average of just six miles per gallon. That places a tremendous burden on the industry and adds increased costs for delivery.

Chairman, Hess and Minority Chairman McGeehan, on behalf of PMTA and the trucking industry, I want to thank you for providing me with the opportunity to present our comments on Senate Bill 1, and what effect it will have on our industry.

First, let me say how much we appreciate the interest generated by the Senate's proposal that closely mirrored the recommendations by the Governor's Highway Funding Commission, on which I served. Along with the Administration's plan, I think we've reached an excellent starting point to begin negotiations on a fair and equitable funding solution that will benefit Pennsylvania's entire infrastructure system.

More specifically, even though our industry generally supports the proposals contained in SB 1, I'd like to present to you several additional recommendations that will have a positive effect not only on the trucking industry, but PennDOT as well.

Refunds on registration fees paid for trucks that are sold, totaled in an accident or stolen.

Currently, carriers pay \$1687.50 to license an 80,000 lb. tractor on or before May 31 each year. For example, if the truck is sold, wrecked or stolen in July, the carrier will have forfeited \$1,406.25 in unused registration fees, unless they can transfer the license to another truck. As the cost of licensing starts to rise, these costs will increase dramatically. If a unit is sold, wrecked or stolen, carriers should be able to turn in the plate and registration card or provide a police report and get a refund for the remaining unused months of the registration period. We would recommend this for all trucks above Class 5 (11,001 lbs. GVW and up). This weight should encompass all commercial units and in our opinion should not present an undue burden on the Commonwealth.

Weight Class Stickers

Our recommendation is to eliminate this outdated requirement. This will save the Commonwealth a considerable amount of money. Chapter 55 (Registration Class Stickers), Title 75 PA Code, was originally written for the purpose of establishing the Gross Vehicle Weight of the unit, as the registered gross weight was not listed on the registration card as it is today.

Every time a windshield has to be replaced, which can occur frequently, the weight class sticker has to be replaced along with the state inspection sticker. The Commonwealth provides the replacement weight class decals free of charge. Eliminating the decal that no longer provides any legitimate purpose would result in considerable savings for both carriers and the Commonwealth.

Semi-trailer Registrations

In SB 1, the cost for a trailer registration fee would rise to \$103 from the current \$27 annual fee, a (282% increase). The permanent trailer registration fee would go from \$135 to \$195, a more manageable (44% increase). Keep in mind, trailers can still be licensed in any state and many of our carriers currently license their trailers in other trailer friendly states like Maine, Indiana, Tennessee and Illinois due to lower registration fees. According to the National Trailer Registration website, Maine charges as little as \$20 annually to register online. In fact, a quote from their website states “The cost of registering commercial trailers in many states is very expensive. We’re able to help truck drivers and truck companies save money by registering their trailers in Maine. In many cases, this will save hundreds or even thousands of dollars over the life of the trailer”. PA does

currently have the option of a permanent registration plate and many carriers have taken advantage of that provision. However, carriers still have the option to register their vehicles in other states that allow them to transfer such plates to new vehicles.

Thanks again Mr. Chairman for the opportunity to discuss our concerns about SB 1 and as we go through the process of coming up with a suitable highway funding bill, I'd like to suggest that some of these changes I discussed could help maintain a competitive trucking business environment in the Commonwealth.