

Testimony of

Samuel J. Lansberry

President

Samuel J. Lansberry, Inc.

To

House Transportation Committee

Chairman, Joseph F. Markosek

Minority Chairman, Rick Geist

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Lock Haven University

Lock Haven, Pennsylvania

Improving Pennsylvania's Transportation System

Good Morning. My name is Samuel Lansberry. I am President of Samuel J. Lansberry, Inc., a hauler of dry bulk commodities located in Woodland, PA. My company operates approximately 75 to 100 dump trucks and dump and pneumatic trailers at various times of the year. We travel throughout the Commonwealth and surrounding states. The need for a well-built and well-maintained transportation system throughout the Commonwealth is critical for the safe, efficient and economical movement of goods and property. Crumbling roads and bridges create unsafe conditions for our drivers, necessitate additional repairs to our trucks and trailers and shorten the life of the trucks, especially tires and suspension parts. Other effects of bad roads are accidents, delays, detours and congestion.

I, and my fellow truckers, recognize the funding crisis that presently exists to repair and replace our roads and bridges. We have always advocated a fair and equitable source of additional funding for PADOT for these purposes; however, this additional funding must to be paid by all users of our highway system, not just a few in a selected area. This additional funding should be used only for the repair, rebuilding and replacement of roads and bridges or for building new roads and bridges. We oppose the tolling of existing highways, especially those already built with our tax money. The act of tolling an existing highway has so much expense and time delay associated with it that it would take several years to begin a positive cash flow toward its initial purpose.

For the past two or three years we have been engaged in an exercise of musical chairs consisting of “lease the Turnpike”, “toll I-80 for the Turnpike”, again “lease the Turnpike” and “toll I-80 for the Turnpike” all to no avail. In the meantime the issue of the \$460 million annually the Governor needs in additional funds has gone unresolved. Well over \$1 billion, possibly \$1 ½ billion, could have already been collected had the legislature increased the fuel tax 10 cents per gallon when this all started.

The most practical way to increase revenue is with an across-the-board fuel tax increase. It can be done quickly, is fair to all motorists, and does not require any additional expense of collection. The change of the fuel tax rate for collection and reporting will be a one time administrative change, much less complicated than the almost daily price fluctuations for gas and fuel we have experienced the past several years. Trucks from all states and Canadian provinces will pay their fair share because they must be registered under the International Fuel Tax Agreement (IFTA). If they don't buy fuel in PA, Pa will still receive the proper amount of tax from their home state every quarter. For the past 3 tax years PA received \$118 million from other states for IFTA fuel tax on fuel not bought in PA. For the same period of time PA collected \$1.363 billion for fuel franchise tax and over \$3.654 billion liquid fuels tax..

I would like to point out that a fuel tax increase is a daily expense that can be built into a carrier's rates and budget. It is equal for all carriers using PA roads. A fuel tax increase will

not divert traffic from Interstate highways to secondary roads as would tolls. Traffic will continue to use Interstate highways and multi-lane freeways insuring no increase in damage and congestion to secondary roads and small towns, which would happen if any Interstate highways were to be tolled.

In considering other ways to increase revenue, I would urge you not to increase registration fees because registration time is a real crisis for most carriers and is the time when many companies elect to either downsize or quit. As far as a ton-mile tax is concerned, implementation would take a lot of time and be difficult. Plus, another complete set of reports would need to be completed and administered. This tax is ill advised.

Therefore, I believe that the answer to the funding crisis is to increase the fuel tax by \$0.10 per gallon for all highway fuels. This is the least expensive to collect, it is the fastest to implement, shares the burden most evenly and is the least painful to highway users.

Thank you for your time and attention, and for allowing me to express my thoughts.

Samuel J. Lansberry