

**Testimony from Gregg J. Potter
President, Lehigh Valley Labor Council AFL-CIO**

My name is Gregg Potter and I serve as President of the Lehigh Valley Labor Council, representing over 40,000 union members in Lehigh and Northampton Counties. Many of our members as well as numerous other workers utilize LANTA to get to and from the workplace. As the jobs migrate to western Lehigh County and places like Forks Twp. in Northampton County, many workers find that they are reliant upon LANTA for basic transportation. It is imperative that routes not be cut if we want to remain competitive. Employers will come to the Lehigh Valley for various reasons and a reliable workforce is a huge selling point to attract new businesses which in turn increases our tax base.

Our public transportation, state highway and bridge systems are perhaps in the worst condition of all time. As recently as 2007, Pa. DOT released ratings of 25,000 bridges in the state. The study concluded that 6,000 of those bridges, nearly a quarter of them are structurally deficient. That was THREE years ago. At the time of that writing, Lehigh County had 2 bridges closed and 31 posted for weight limitations. Northampton County had 1 closed and 46 posted for similar weight limitations.

Only a year ago, PaDOT officials publicly stated that District 5, which includes Lehigh and Northampton counties, had the third worst-maintained roads in the state. At that time, the Lehigh Valley had 124 structurally deficient bridges and current plans would rehabilitate or replace 49 state-owned bridges, most of which are deficient structurally, within the next three years. The problem is that the money is no longer there to support the projects. The maintenance of the bridges has only got worse.

The deficient Pa. infrastructure has forced many residents; including me, to travel roads like Rt. 22 in order to travel to and from work. Roads like Hanover Ave. and Union Blvd. bear far too much traffic than they were designed to hold. However, they are the only arteries that travel east and west, unless you opt for Rt. 22 and or Rt. 78. In addition, there are very few arteries that allow for traffic traveling north and south in West Allentown. Work is finally being done on important arteries and bridges that should have been spaced out over time and done over the last 10 to 15 years, not all at once.

Inaction on rebuilding our infrastructure is just not acceptable. As inconvenient as it is attempting to travel in the Lehigh Valley, the alternative of inaction is unacceptable. Although our local bridges are not designed in the same fashion as some that have been the sight of disasters, (Minneapolis) many are still an accident waiting to happen.

By traveling over any bridge heading into Northampton, you do so at your own risk. The Hokendauqua bridge is still a nightmare and one that I avoid whenever possible.

I do not believe that we can put a price on human life. Unlike BP, who seems quite content to bury eleven workers with nary a parting good bye, I believe that the Commonwealth should display proper judgment and put safety first, regardless of the cost.

Obviously, we need funding solutions.

- (1) Close the "Delaware Loophole"---more than 70% corporations do not pay any income tax. Big businesses that operate in many states can hide income that they earn in Pa. to avoid paying taxes.**
- (2) Eliminate the sales tax vendor discount. In 1953, Pennsylvania added a provision in the tax code to encourage businesses to file sales tax payments on time. This may have made sense in the 1950s before the advent of personal computers, calculators and electronic filing, but it doesn't make sense anymore. Today, 90% of companies file their sales taxes electronically yet this out of date provision is still on the books because it benefits a few very big companies. Ten companies who report more than a billion dollars in sales annually receive a discount of approximately \$1 million from the state for paying their taxes on time.**
- (3) Enacting the Natural Gas Severance Tax---Pennsylvania is the only mineral-rich state without a tax on natural resources extraction. This tax will not make Pa. less competitive, as the rate being proposed is the same as in neighboring West Virginia.**
- (4) Pennsylvania is the only state that does not tax smokeless tobacco and one of only two states that does not tax cigar sales.**

These suggestions provide some reasonable options on how to create funding to maintain our current mass transit service and to also repair our decaying infrastructure.

**Gregg Potter
President, Lehigh Valley Labor Council**