

JOSEPH R. SCULLEY
PRESIDENT

February 18, 2021

Honorable Martin Looney, Senate President Pro Tempore
Honorable Bob Duff, Senate Majority Leader
Honorable Kevin Kelly, Senate Minority Leader
Honorable Matt Ritter, Speaker of the House
Honorable Jason Rojas, House Majority Leader
Honorable Vin Candelora, House Minority Leader

Dear Leaders:

After reviewing Governor Lamont's budget address and subsequent legislative proposals, there are a couple of items I would like to bring to your attention. In my opinion, the items I will highlight show a lack of understanding of how the trucking industry works, even as the proposal targets the trucking industry for punitive taxes.

Section 24 of HB 6443 – An Act Concerning Revenue Items to Implement the Governor's Budget – makes an apparent reference to mileage reports that motor carriers file with the federal government. There is a provision which talks about comparing a "return to the state [that] so differed from the return to the federal government ..." and what corresponding legal repercussions could be.

Motor carriers do not file mileage reports with the federal government. Based on this provision, it appears that the proponents of this bill – the administration – thinks that they do. In my opinion, that alone is such a large misunderstanding of how the industry works, that it should be enough to prevent this proposal from moving forward.

Secondly, in Governor Lamont's budget address, he talked about "the fragility of our families and small businesses where women, and especially women of color, took the biggest hit during this pandemic." Yet, this proposal is going to hurt the very people he is claiming to care about. USDOT data shows that 97% of trucking companies operate 20 trucks or less. That is the perfect example of a small business. USDOL data shows that more than 40% of truck drivers are minorities. Many of the drivers who are minorities may be in business for themselves as owner-operators, meaning they own their truck and will haul freight for whoever is willing to pay them. This proposal is not going to help small businesses or people of color who work in the industry. It will just impose a punitive tax and create a huge administrative burden.

For these reasons, I ask you to consider removing this tax from the budget. Thank you for your consideration of these concerns. I would be happy to talk in further detail at any time.

Sincerely,



Joseph R. Sculley
President

