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Senator Cornyn, Keep Laredo the Trucking Capital of the U.S.

By Ernesto Gaytan, Jr.

Laredo may appear as a small pin on the map, but its role in U.S. trade and our economic growth is massive. As the largest inland port along the U.S.-Mexico border with \$234.66 billion in imports and exports in 2018, Laredo is the nation's busiest trade hub, surpassing even Los Angeles and other airports, seaports and international border crossings. Our trucks make nearly 16,000 border crossings each day, making Laredo truly the "Trucking Capital of the U.S.," if not of the entire western hemisphere.

That's why it comes with shock and disbelief to our trucking family that our own U.S. Senator John Cornyn would consider targeting this vital industry with an oppressive tax to help finance the nation's infrastructure projects. At a recent Senate hearing, our senior senator floated the idea of imposing a 25-cent tax on every mile driven by a truck in the country. This would devastate our industry and disrupt the vital supply chains that keep America's economy moving.

At Super Transport International, Ltd. (STI), our 180-truck fleet averages 18 million miles annually, which would mean we would face an additional \$4.5 million in taxes. No amount of number crunching, budget cuts or layoffs would help us absorb that type of tax hit. We would be out of business in one year, plain and simple. Texas is home to nearly 80,000 trucking companies, mostly small and family-owned businesses, 91% of which operate fewer than six trucks. They would also likely be wiped out.

This would put a tremendous number of Laredo residents out of work, particularly in the Latino community which makes up more than 95% of our community. These hard workers not only drive our trucks, but also work as mechanics, dispatchers, warehouse and office staff and more.

Senator Cornyn's proposed Vehicle Miles Tax (VMT) on trucks is a slap in the face to an industry who over the last year worked on the front lines delivering vaccines to clinics, medicine to hospitals, fuel to empty gas stations, and food to

store shelves. We are also the same truckers that stepped up during the historic winter freeze at the beginning of this year to help Texans through that crisis. Without trucks crisscrossing the state and across the border, our supply chain will lock up on everybody including energy producers, farmers, manufacturers, retailers, grocery stores and mom and pop shops – all who rely on trucks to serve their customers and get their goods to market.

A tax of this nature couldn't come at a worse time either. The trucking industry is facing one of the most severe driver shortages in history. Despite good pay and benefits, an average of \$55,000 per year with a commercial driver's license, there simply aren't enough drivers entering our industry. How can we attract new talent in an industry that is being decimated by a crippling tax?

Make no mistake, truckers are invested in our nation's economy and success. We don't shy away from paying our fair share. However, there are much better and equitable ways of financing infrastructure projects than through an inefficient truck-only VMT. An increase in the federal fuel tax, which hasn't been increased since the mid-1980s, would generate far more revenue across a much broader base. It is the most conservative way to generate funding for our deteriorating roads, highways and bridges. The trucking industry, which represents only 4% of the vehicles on the nation's roads, would continue to pay the majority of fuel taxes annually.

We implore Senator Cornyn to reconsider his support for the truck-only VMT and help preserve Laredo's status on the map as the Trucking Capital of the U.S.

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