

U.S. XPRESS ENTERPRISES, INC.



Statement of:

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Before the

Senate Committee on Commerce, Science and Transportation

On

**“Transportation for Tomorrow: Report of the National Surface
Transportation Policy and Revenue Study Commission”**

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Good afternoon. My name is Pat Quinn and I am the Co-Chairman of U.S. Xpress Enterprises, headquartered in Chattanooga, Tennessee. I also am a past Chairman of the American Trucking Associations, the national trade association of the trucking industry. I was appointed to the National Surface Transportation Policy and Revenue Study Commission by former Tennessee Senator Bill Frist.

U.S. Xpress Enterprises is the nation's third-largest, privately owned truckload carrier, with a fleet of 7,500 tractors and 22,000 trailers. U.S. Xpress provides dedicated, regional, and expedited team truckload services throughout North America, with regional capabilities in the West, Midwest, and Southeastern United States. The Company is one of the largest providers of expedited and time-definite services in the truckload industry and is a leader in providing expedited intermodal rail services.

Mr. Chairman, I came to the Infrastructure Commission with the goal of convincing my fellow commissioners of the need for a new national transportation vision that put a priority on a freight system that would serve the needs of the Nation's economy. That vision would include a strong federal role today and continuing over the next 25 to 50 years. I was pleased to discover they didn't need any convincing. Even more importantly as we scheduled hearings around the country and heard testimony from a wide range of interested parties, we found out the public didn't need any convincing. This may well be a case where the public is far ahead of the policy-makers in understanding that our ability to move goods efficiently, safely and in a timely manner needs to be a national priority.

In addition to the Commission's recommendations regarding freight movement as a national priority, I also would like to briefly comment on several other recommendations.

Financing

The Commission report reasserts the long-standing federal policy of user financing. Specifically, the report states that, “personal and commercial travelers should pay for the transportation systems and services they use in proportion to the costs associated with their use.” Furthermore, the Commission report acknowledges that the primary funding source for highway infrastructure needs should remain the federal fuel tax, both on gasoline and diesel fuel. And while the Commission report recognizes that alternatives to the tax may be necessary in 15 to 20 years, it also points out that the fuel tax has the following key attributes: low administrative and compliance costs; ability to generate substantial amounts of revenue; relative stability and predictability; and ease of implementation. I believe those principles should be the benchmark against which Congress evaluates future alternatives to the fuel tax.

Equally important, the Commission report recommends that Congress needs to enact strict criteria and conditions for the approval of any new tolling or privatization initiatives in order to ensure that the public interest is protected. From the trucking industry’s perspective, the allure of privatization of our Nation’s highway infrastructure runs counter to the very needs of interstate commerce and a national highway network.

Reform of the Program

One of the most important recommendations of the Commission centers on the relationship between the need for additional revenues and reform of the program. The Commission report states that, “simply raising the Federal fuel tax and putting more money into the same programs will not be acceptable.” The Commission report clearly states that before any Federal financial support is increased, “the Nation’s surface transportation programs must be fundamentally reformed.”

Those reforms include:

- Limiting the scope of programs eligible for Federal assistance to those having a true national interest
- Making State and local agencies receiving Federal funds accountable for meeting performance objectives
- Reducing unnecessary and wasteful project delivery requirements
- Requiring that major projects be subject to benefit-cost analysis

Safety

The Commission spent considerable time developing its recommendations regarding safety, a subject that is very important to the membership of this Committee. Specifically, the Commission recommends that the USDOT establish national safety standards, beginning with an ambitious but reachable goal to cut surface transportation fatalities in half from current levels by 2025. And again, the Commission recommends performance standards for states to meet in order to ensure that this recommendation is not merely a headline but rather an achievable goal.

Thank you for this opportunity to testify today. I look forward to answering any questions you may have.