

## T. L. BAKER Pilot Car Escort Services

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Owner / Operator & Sole Proprietor

Testimony before the U.S. House Committee on Small Business Subcommittee on Underserved, Agricultural, and Rural Development

## Hearing Entitled:

"The Infrastructure Investment and Jobs Act's Benefits for Small Businesses"





Thank You Chairwoman Velázquez and Ranking Member Luetkemeyer, I'll start by also expressing my gratitude to Representative Jim Hagedorn and His Office Staff, for all that They do for our Minnesota Congressional District, and Our Nation, and for making my appearance here today possible.

My background and biography have been shared with the Committee via emails, the most significant of which I consider to be my service as an active U.S. Navy Reservist 1973 – 1977, along with my service in the regular U.S. Navy as a Surface Warfare Officer 1977 – 1992.

A *Pilot Car*, also known as an **escort vehicle**, is **any vehicle used to help guide and support convoys of one or more large trucks**. Typically, a Semi-Truck carrying an over-dimensional load must be accompanied by one or more pilot cars if the load is more than: 12 feet wide; and/or 14 1/2 feet high, exceeds 90 to 100 ft in length, and/or weighs more than 80,000 pounds. In many states, if the width is 14 feet **or more** wide, two pilot cars are required, one leading and one following. The primary purpose is to warn the public of the presence of the potential DANGER of this Oversize Load due to its dimensions and inability to maneuver. The lead Pilot Car will maintain the Load on a specific State DOT permitted route, whereas the chase (following) Pilot Car will control and clear lanes of traffic as the need arises to maneuver or negotiate corners. Depending on load and trailer configuration, the Chase Car may also STEER the rear axles of the trailer to assist in clearing obstacles while turning corners.

In 2010 to follow my desire to become more flexible, self-employed and independent, I purchased a pick-up and started a Pilot Car operation. On a small scale with one vehicle and no employees, operating costs were reasonable, certification was simple, most states had straightforward regulations, and diesel duel was cheap enough. I certified as a Pilot Car Operator with Utah DOT as it had the most reciprocity with 47 other states. The exception was New York, where I also became certified.

Running escort jobs the next few years through most of the Continental U.S.A., Canada, and Québec was reasonably successful. I built a reliable customer base with several major heavy haul trucking companies, built a great reputation and references, and had all of the work that I ever wanted. My main customers were Lone Star Transportation out of Fort Worth, TX and Southern Tier Express out of Andover, NY. Most of the service I performed was that of a Chase Car / Steerman. As such, I was a specialized trailer operator directly assisting the Load Driver in the assembly, loading, unloading, disassembly, and steering the trailer around obstacles when in the loaded configuration.

Notably during 2010 - 2016 I encountered rising fuel prices because of Washington's "climate initiatives" and the punishing regulations on the petroleum industry. Budgeting and net profits were difficult. 2017 - 2020 saw a huge improvement as energy was de-regulated, domestic oil production made us energy independent, and fuel prices became affordable.

2020 promised to be a great year until the Covid Panic hit in March. Mask mandates, vaccine mandates, social distancing rules and general flu hysteria shut down the heavy haul trucking industry and work went to zero. Restaurants, motels, hotels, truck stops...essential SUPPORT activities that I need for my job and travel...were mostly shut down. Work stopped and my Income stopped.

Further complicating the Covid disaster, the Governor of my state has imposed California Air Standards on Minnesota. Impact? Sometime in the future I will not be able to renew the MN registration as my pick-up does not meet CA air standards!

Additionally, Minnesota is now requiring that Pilot Cars based in Minnesota take a Minnesota Pilot Car certification course, and other state certifications are no longer honored! More time and expense.

In January 2021, the new administrator of the SBA publicized money and support available to small businesses.... Loans up to \$500,000 were available at 3.75% with a pay back period of 30 years!!! Really excellent terms! The Minnesota District Office of the SBA still advertises this availability today under the so-called "Money Smart" program.

So, acting on my URGENCIES to comply with new and more onerous DOT and EPA Requirements, I applied for a Loan from SBA over ONE YEAR AGO. During this period, I have complied with multiple

repetitive demands from SBA for my Tax Returns and resubmissions of Form 4605-T (Tax Transcript request from IRS). **SBA has not yet processed my loan!!!** 

So now I am facing an additional needed re-investment of conservatively \$40,000 with or without assistance from SBA. In order to remain in business, I will soon be required to retro-fit my pick-up with CA emissions equipment, buy a new CA emissions compliant vehicle, or move out of state!

The **CPI** (**Consumer Price Index**) last month was 7%. CPI this month reported on Thursday, February 10, is 7.5%!!! Both 40-year highs. These numbers are pure fantasy! The actual increases are much higher: The Crude Oil price on January 20, 2021 was \$49.74. Today it is \$94.00. In December 2020 I could buy diesel from the local CENEX at 2.08° per gallon. Now it is 3.89°!!! Skim Milk one year ago at Aldi's was \$1.80 per gallon, no it is \$3.90!!! All groceries in general have increased in price 20% to 40% over the last year. There are a multitude more too numerous to list here.

In order for Me to remain in business and remain profitable, I MUST pass these price increases on to my few remaining customers.... As I am discovering, **THEY WON'T PAY IT!!!** 

This Administration could instantly fix the Inflation and Cost of Living Crisis by reopening Domestic Oil Production. Instead of pursuing nefarious "climate initiatives" that benefit no one, the Administration needs to refocus on restoring the Nation's economy and prosperity by completing the Keystone XL pipelines, stopping restrictions on other pipelines (Dakota Access), and reopening federal lands to oil & natural gas expansion. Make Energy Affordable again and You will stop inflation without market-crippling interest rate hikes. When will Washington ever learn that the cost basis of everything (Goods, Services, Housing, Food, Transport) is ENERGY???

This Administration's failed policies are fomenting Fear, Resentment, and Hatred towards Washington. This Country will not allow itself to be driven into poverty and destitution. Take Canada's Trucker Strike as a fair warning!

Thank You for Reading / Listening

Respectfully

Terrance L. Baker

