

Altmire Chairs Hearing on Rising Gas Prices Impact on Small Business

(Washington, DC) — U.S. Congressman Jason Altmire (PA-04), Chairman of the Small Business Subcommittee on Investigations and Oversight, held a hearing in Washington, D.C. today on the toll that record high gas prices are taking on America's small businesses.

(Washington, DC) — U.S. Congressman Jason Altmire (PA-04), Chairman of the Small Business Subcommittee on Investigations and Oversight, held a hearing in Washington, D.C. today on the toll that record high gas prices are taking on America's small businesses.

Michael Graff, the president of Graff Trucking in Natrona Heights, Pennsylvania, joined representatives from the medical equipment supply, heating and cooling and other industries to testify on how rising energy costs have shrunk profit margins and restricted businesses' ability to grow. A recent study by PNC Economic Outlook found that the rising cost of energy was entrepreneurs' top concern.

"Rising gas prices are contributing to the economic slowdown, straining the pocketbooks of hardworking families and the bottom lines of small businesses. Given that small businesses are our nation's single largest employer, we need to do everything we can to make sure they thrive," Altmire said. "I hope that by shedding light on the costly toll that high gas prices are taking on small businesses, this hearing will help identify additional ways for us to take action and provide relief. There is no time to lose in implementing policies that will drive down gas prices in the short term and increase our energy security in the long term."

Since starting his trucking company in Natrona Heights in 1986, Michael Graff has expanded his business into an operation with 12 employees, nine vehicles, and 44 trailers. But with the trucking industry on pace to spend an unprecedented \$135 billion on diesel this year — an increase of \$22 billion over last year — Graff is joining the throng of truckers struggling to keep their businesses afloat.

"My trucking company, like so many others, is struggling to absorb rising fuel costs before they drive us out of business," Graff said. "I wanted to testify before Congress today to give a voice to the thousands of small businesses nationwide whose financial future is being jeopardized by our continued dependence on foreign oil."

Gary J. Gilberti, President of Chesapeake Rehab Equipment, which operates a small medical equipment supply store in Plum, Pennsylvania, testified that rising gas prices have hurt his company by increasing the cost of delivering equipment to patients, raising manufacturers' prices, and making employees' commutes more expensive. It has been especially hard for companies like Chesapeake Rehab Equipment to absorb increased fuel costs because they cannot raise prices since they are primarily paid through Medicare, State Medicaid, or private insurers, which rarely adjust their fixed reimbursement rates.

In an attempt to drive down gas prices, this week Congressman Altmire sent a letter to President Bush asking him to

suspend shipments of oil to the Strategic Petroleum Reserve (SPR), American's emergency oil stock. Although the SPR is 95 percent full, the U.S. continues to add 70,000 barrels of oil to it each day. According to industry analysts, suspending shipments of oil to the SPR could reduce gas prices by as much as 25 cents per gallon.

Congressman Altmire also co-sponsored the Prevent Unfair Manipulation of Prices (PUMP) Act (H.R. 594), which would end the excessive speculation and price manipulation of energy futures in unregulated commodity markets. A 2006 bipartisan report by the Senate Homeland Security Committee found that anywhere from \$20 to \$30 of the price of oil per barrel was caused by this excessive speculation or manipulation.