

Testimony of John Meyer

**Before the United States Senate Committee on
Health, Education, Labor and Pensions**

**“Tales From the Unemployment Line: Barriers Facing the Long-Term
Unemployed”**

December 8, 2011

Good morning, I am John Meyer from Winner, SD. I would like to thank the committee for allowing me to speak today.

As a small business owner of 30 years and former President of the SD Retailers Association, whether directly or indirectly, all businesses are reliant on a stable oil supply, which is why I signed on with a coalition of businesses that supports the construction of the Keystone XL Pipeline, called the Partnership to Fuel America.

This new coalition of business leaders, companies, and opinion leaders have come together to promote stable and secure North American energy development. By developing North American energy resources the United States will create thousands of jobs right here in America, while also increasing our security by decreasing our dependence on unstable oil producers such as those in the Middle East. Increasing demands on the same oil supply from China and India will only limit supply and drive up prices.

One of the first issues the Partnership to Fuel America is focused on is the proposed Keystone XL pipeline expansion. The Keystone pipeline carries crude oil from tar sands in Canada and drops it off at refineries in the Midwest and Texas. The proposed expansion to this system would increase the capacity of the pipeline from 591,000 a day to more than 1 million barrels a day, in addition to opportunities for use in our own states (Wyoming, North Dakota, Montana, and South Dakota) with oil resources.

The US Geological Service issued a report in 2008 that the Bakken is the largest domestic oil discovery since Alaska Prudhoe Bay and has the potential to eliminate all American dependence on foreign oil.

Building the Keystone expansion will pump thousands of dollars into South Dakota's economy, while bringing hundreds, if not thousands of workers to our state. And even though I am not a construction worker or manufacturer, I joined the Partnership to Fuel America because, as a business owner, I recognize that these workers and dollars will have an energizing effect on our state and region.

It is reported that the construction of the pipeline will bring as many 20,000 jobs to the states in which the pipeline goes through. By 2035, the pipeline could produce over 600,000 jobs, both directly and indirectly. This is something that all Americans, regardless of political party should support. Many businesses along the construction route, including mine, will see more customers and higher profits. Between new jobs and new workers relocating here, living in the area and spending money, our region – South Dakota as a whole – will see over \$10 million in state and local revenues.

The real estate tax on the pipeline will be equivalent to adding another county to South Dakota.

I see value in this pipeline beyond just more customers walking through my doors. Everyone will benefit, and it will be a welcome boom to our economy. At the end of the day, both businesses and individuals – the backbone of our entire economy – are relying on the Keystone XL pipeline for more than just stable oil. They're relying on it for a stable economy and a better life.

The construction of the first pipeline through Eastern SD increased sales tax dollars 6-8% in the communities along the pipeline. We're estimating a 37%

increase in our county (Tripp) with the real estate tax, gross receipt tax, and sales tax.

In the near future the world will need approximately 70% more food. Presently this is produced with fossil fuels. Time, money, and technology have made us more efficient producers. Right now we need fossil fuels to remain the top producer, right now we need to create jobs and put people back to work in America.

I have colored maps that show the existing pipelines that cross the Ogallala aquifer. Pipelines are the safest and most efficient way to transport oil, far safer than transporting via other modes of transportation such as tankers. Millions of barrels are leaked into our oceans every year during shipping.

I hope Congress and the President recognize the investment and return a partnership with TransCanada-Keystone pipeline would bring to my state and the United States.

Thank you for inviting me to testify about this important jobs issue and look forward to any questions you may have.