



Owner-Operator Independent Drivers Association

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The Honorable Mike Pence
Chairman
Trump Transition Team
725 Fifth Avenue
New York, NY 10022

Re: Challenges Facing the Trucking Industry in America

Dear Vice President-Elect Pence:

On behalf of the more than 160,000 members of the Owner-Operator Independent Drivers Association (OOIDA), congratulations to you and President-elect Trump on an impressive victory. We are enthusiastic about working with you in the coming years, particularly on our shared goal of revitalizing America's infrastructure. We are optimistic robust infrastructure investment can be accomplished without excessive burdens to the trucking industry and highway users. We look forward to being a part of the conversation and working with Secretary Elaine Chao upon confirmation.

As you are aware, OOIDA represents small-business truckers, who comprise 90% of the trucking industry, with single truck enterprises accounting for 56% of total carriers in the United States. OOIDA's typical member has more than two million miles of accident-free driving experience. Small-business truckers are the safest and most diverse operations on the road. Their activities impact all sectors of our economy, including agriculture, household goods movement, consumer products, oil and gas, the military, sports and entertainment, and construction. Day in and day out, they transport nearly everything we eat and drink to supermarkets across the country. When disasters strike, small business truckers are the first to arrive with relief supplies and the materials needed to rebuild communities.

Yet, for far too long government has failed to grasp the value and importance of this diversity, and has burdened the industry with a "one-size-fits-all" approach that punishes small businesses, stifles competition, and overregulates an industry deregulated by design. Currently, the regulatory agencies tasked with overseeing the trucking industry appear blissfully unaware of the critical role truckers play in the daily lives of Americans. Few bureaucrats in Washington, DC, understand that without the trucking industry, life as we know it would come to a grinding halt in less than a week – manufacturing would reach a standstill, grocery shelves would become bare, and hospitals would lack the necessary supplies to save lives. Over the past decade and a half,

the federal government has released new regulations with unprecedented costs at unprecedented volumes. Compliance with those regulations has never been greater and as a result, crashes with trucks are increasing, not decreasing. Predictably, the response of the Agency will be even more regulations. It is our hope that with your administration we can collectively review the excessive burdens being pursued by federal regulators and seek less intrusive alternatives that enhance highway safety and promote opportunity for independent operators.

In order to achieve this goal, we hope your administration would consider a stay of pending regulations that unjustly jeopardize the survival of small businesses. Three examples of such pending regulations include the mandate to compel the use of electronic logging devices (ELDs), a proposed requirement that all trucks have an engaged speed limiting device set to a predetermined and unalterable speed, and expensive environmental standards that will increase the cost of purchasing new equipment. Regulations such as these have little connection to safety or compliance, but change the trucking landscape to favor only a handful of large carriers.

In 2011, ELDs were identified by the Obama administration, at the request of Congress, as one of the most expensive rulemakings proposed by any federal Department. By the administration's own estimates, which are often notoriously below industry cost analyses, the implementation of ELDs would cost \$2 billion. ELDs are theorized to improve compliance with hours of service (HOS) regulations. However, they are incapable of tracking the amount of time drivers expend during the loading and unloading process – a sizable portion of a driver's work week and where the vast majority of HOS non-compliance occurs. Since ELDs are only capable of tracking when the wheels of the truck are moving and are vulnerable to failures, drivers are still required to keep paper log books. ELDs are admittedly no more reliable than these logs and are not proven to result in any safety benefits. Large carriers use ELDs as fleet management and productivity tools, whereas small businesses do not share these needs. We suggest the Department of Transportation seek less costly and burdensome alternatives and also work with Congress to ease the stringencies of the ELD mandate that will go into effect in December 2017.

Nearly ten years ago the Federal Motor Carrier Safety Administration was petitioned to pursue a rulemaking to require speed limiters on all heavy duty trucks. However, the Agency has persisted with this unnecessary rulemaking that is intrusive upon a state's right, as granted by Congress, to set speed limits based on their unique conditions and concerns. The Agency even admits that highways are safest when traffic travels at the same rate of speed, yet the proposed rule would force trucks to travel more than twenty miles per hour slower than some state's established speed limits. Further, the Agency admits the rule has a dramatic impact on small businesses noting "...we expect that large trucking companies would absorb the additional cargo with their reserve of capacity of trucks but would need to hire additional drivers." Additionally, the agency concludes, "Although the proposed rules would apply to all heavy vehicles, the agencies' analysis indicates that this joint rulemaking could put owner-operators and small fleet owners at a disadvantage..." Smaller carriers working at the behest of the larger carriers is not ideal for safety, the consumers, or the industry.

Furthermore, a recently released EPA regulation on heavy trucks has pushed the ten-year regulatory burden on America past \$1 trillion – this equates to an annual cost of \$540 for every American. While attempting to reduce already declining emissions from trucks, the regulation

will simultaneously increase the cost of equipment, making it more difficult for independent drivers to purchase new, more advanced vehicles.

If ever there was a time to pause and assess the impact today's avalanche of federal regulations is having on small business truckers, it's now. We must take a moment to evaluate the usefulness of pending, existing, and future regulations in the trucking industry before the current regulatory environment eradicates small business truckers. We look forward to working with you on this and await the rollout of an infrastructure investment plan that will create jobs, boost the economy, and improve the trucking industry within the first 100 days of the administration.

Sincerely,



Jim Johnston
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