

National Freight Issues 2017 Outlook

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Director of Government Affairs



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» Current Leadership



Secretary of Transportation
Anthony Foxx



FMCSA Administrator
T. F. Scott Darling, III

» Future Leadership



Secretary of Transportation
Elaine Chao



FMCSA Administrator
TBA

Distribution of For-Hire Carriers in the U.S.¹

★ *United States* ★

TRUCK MARKET
DEMOGRAPHICS

1,003,939 truck tractors
206,667 for-hire motor carriers



1-5 Trucks

6-50 Trucks

51-399 Trucks

400-3,999 Trucks

4000+ Trucks

286,972 Units
28.6%

287,492 Units
28.6%

211,739 Units
21.1%

149,103 Units
14.9%

68,633 Units
6.8%

183,916 Carriers
89.0%

20,691 Carriers
10.0%

1,890 Carriers
0.9%

162 Carriers
0.1%

8 Carriers

¹C.H. Robinson 2015 analysis of May 2015 FMCSA's MCMIS Census Data

- Carriers Included: For Hire, USA 48 state, active status updated in 2014 and 2015
- Carriers Excluded: Bus companies, LTL carriers, parcel, government vehicles, private, forwarders and brokers (audit performed on carriers of 500 tractors and greater)

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» Infrastructure Investment

2015 FAST Act (Dec 2015)

- 5 year bill through Fall of 2020
- Provides \$43-\$47 Billion per year
 - \$225 Billion in total
- Fully “paid for” including:
 - Indexing customs fees to inflation
 - Selling of Strategic Petroleum Reserve
 - Allow IRS to hire private tax collectors

2017 Infrastructure Investment

- Forces against a new bill
 - No required deadline
 - No agreement on how to pay for
 - States stepping up
- Momentum for a new bill
 - Core campaign promise
 - Construction jobs
- Options for “pay fors”
 - Repatriation of foreign earnings
 - Requires tax reform
 - Oil royalties
 - Private money (PPP)
 - Series of Smaller Bills
 - Barrel Tax or Gas Tax

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» Regulatory Hot Topics

2017-18 Impact

- Coercion Rule
- ELD's
- HOS fix
- Sanitary Transportation of Food
- Overtime Rules*
- Drug and Alcohol Clearing House
- Other Issues:
 - Public Liability Insurance Minimums*
 - CA break rules (F4A issue)
 - ACE Customs Rollout
 - US DOT # Updates
 - TPP*

2018-19 and beyond impact

- Speed Limiters*
- CSA Reform*
 - SFD rulemaking is stalled until correlation study is completed
- Other Issues:
 - Detention/Driver Pay*
 - Emerging Technology (Autonomous Trucks, Drones, etc)

» ELD's

Timeline:

- Implementation is required by December 2017
- OOIDA Lawsuit was denied in Nov 2016

Major Issue(s):

- Mandates ELD's for all motor carriers
 - Impact of ELD's and Driver Harassment
- Cost for compliance
 - Smartphone apps can be compliant
 - Costs as low as \$175 for hardware and \$30/month
- Technological complexity of details
- Impact on capacity?

Impact to Shippers:

- Will fear or fundamentals impact the market?
- Check back in March 2017 for an update

Device Name	Model Number	Software Version	ELD Identifier	Image	User Manual	Company	Contact Company (Phone)	Contact Company (Email)	Company Website
Load Logistics TMS	LOGI-APPS	1.35 or higher	LLSAPP	LOGI-LAUNCH-20150923-500.png	LOGI-APPS-REFERENCE-MANUAL-Ver35-ELDONLY.pdf	Support Resources, Inc.	770-426-6927	contactus@load-logistics.com	www.load-logistics.com
Gorilla Safety ELD	GS0001	1.0.9.2500	GS0001	Gorilla Safety ELD image.png.jpg	Driver Manual-2.pdf	Gorilla Fleet Safety, LLC	844-636-1360	info@gorillasafety.com	www.gorillasafety.com
FleetUP	3GL	1.0	TLT3GL	FleetUP ELD.jpg	FleetUP ELD Driver User Manual V2.0.pdf	FleetUp	855-274-2886	info@fleetuptrace.com	www.fleetuptrace.com
DriverLog	BlueLink	210	WL001	BlueLink-standalone1-black-arrow(1).png	Compliance DriverLog Manual.pdf	Wireless Linka	201-531-5906	support@wlink.com	www.wlink.com
Hutch ELD	Mercury	V1.2.3 or higher	HELD16	Image for FMCSA Registration.jpg	ELD Manual Version 1.0.pdf	Hutch Business Group, Inc.	6047763564	sales@hutchsystems.com	www.hutchsystems.com
TSO INCABIN PLUS	TSO100	2.0 or higher	TSO100	TSO100.JPG	Manual_3.0.pdf	TSO MOBILE by Tracking Solutions Corp	1877472922	sales@tsomobile.com	www.InCabinPlus.com
e-Track Certified	ATS001	1.1.0.0 or above	ATS001	e-Track Certified Screenshot.png	e-Track Certified Driver Guide.pdf	ATS Fleet Management Solutions	570-309-0060	joeb@abw.com	http://www.atsfleetracking.com/
KeepTruckin ELD	LBB-1 and higher	8.0 and higher	KTIELD	KeepTruckin - The most powerful and reliable ELD.jpg	KeepTruckin - ELD User Manual.pdf	KeepTruckin, Inc.	855-434-3564	sales@keeptruckin.com	keeptruckin.com
Geowiz Truck Tracker Edition	HG100	v.2.0 and higher	FF44EE	Geowiz_Pictures.png	Driver Instruction Guide for ELD.pdf	Geowiz, Inc.	877.4.GEOWIZ	david@geowiz.biz	www.geowiz.biz
at.eDash	Apollo	1.0.20 or higher	APOLLO	ApolloELD.jpg	HOSAppUserGuideRev108.pdf	Assured Tracking Inc.	305-971-6777	support@assuredtracking.com	www.assuredtracking.com

» ELD's

How many HOS violations are there?

- 2015 CVSA roadcheck data placed 2.88% of all inspected drivers out of service for HOS and False Log violations
 - For comparison, 12.4% of vehicles were placed out of service during the surprise brake check in May 2016
- 2016 FMCSA Pocket Guide to Truck Statistics cites 3.3 million roadside inspections conducted in 2015 and a maximum of 13.7% of violations related to logbook violations.
 - Only 23,652 violations were written for driving more than 11 hours (0.7% of all stops)

2-10 Most Frequent Driver Violations in Roadside Inspections, 2015

Violation Code	Category	Violation Description	Number of Violations
395.8	No Log/Log Not Current	Log Violation (General Form and Manner)	164,639
391.11B2	All Other Driver Violations	Non-English Speaking Driver	98,929
395.8F1	No Log/Log Not Current	Driver's Record of Duty Status Not Current	73,045
395.3A3I	Hours of Service	Driving Beyond 8-hour Limit Since the End of the Last Off-duty or Sleeper Period of At Least 30 Minutes	69,906
392.2SLLS2	Traffic Enforcement	State/Local Laws - Speeding 6-10 Miles Per Hour Over the Speed Limit	62,103
392.16	Seat Belt	Failing to Use Seat Belt While Operating Commercial Motor Vehicle (CMV)	56,381
392.2C	Traffic Enforcement	Failure to Obey Traffic Control Device	43,104
395.3A2 PROP	Hours of Service	Driving Beyond 14-hour Duty Period (Property-carrying Vehicle)	43,027
391.41AF	Medical Certificate	Operating a Property-carrying Vehicle without Possessing a Valid Medical Certificate	38,908
395.8E	No Log/Log Not Current	False Report of Driver's Record of Duty Status	34,979
391.41A	Medical Certificate	Driver Not in Possession of Medical Certificate	27,905
395.8K2	No Log/Log Not Current	Driver Failing to Retain Previous 7 Days' Logs	27,532
395.8A	No Log/Log Not Current	No Driver's Record of Duty Status	26,623
395.3A3 PROP	Hours of Service	Driving Beyond 11-hour Driving Limit in a 14-hour Period (Property-carrying Vehicle)	23,652
392.2SLLS3	Traffic Enforcement	State/Local Laws - Speeding 11-14 Miles Per Hour Over the Speed Limit	23,581
393.23A2	All Other Driver Violations	Operating a CMV without a Commercial Driver's License (CDL)	21,491
392.2LV	Traffic Enforcement	Lane Restriction Violation	21,063
392.82A1	All Other Driver Violations	Using a Handheld Mobile Telephone While Operating a CMV	20,590
392.2SLLS4	Traffic Enforcement	State/Local Laws - Speeding 15 or More Miles Per Hour Over the Speed Limit	13,945
391.45B	Medical Certificate	Expired Medical Examiner's Certificate	11,197

Notes: Total number of driver inspections in 2015: 3,259,973. Total number of driver violations in 2015: 1,041,642. Total number of driver out-of-service (OOS) violations in 2015: 185,558. Only the top 20 driver violations (based on frequency of occurrence) are listed in this table.

Data Source: FMCSA, Motor Carrier Management Information System (MCMIS), data snapshot as of January 29, 2016.

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Thank You