

### TCA Call on Washington - September 2024 Talking Points for Capitol Hill Meetings

### **TCA and Introductions**

TCA is the only national trade association whose sole focus is the truckload segment of the trucking industry. With over 800 members, the association represents dry van, refrigerated, flatbed, and rail intermodal carriers operating in the 48 contiguous United States, as well as Alaska, Mexico, and Canada.

You can note that this is TCA's 6th Call on Washington and we are using this opportunity to educate legislators and staffers on truckload-specific issues.

Introduce yourself and your company:

- Briefly describe the location of your offices/terminals in Member's state or region
- The number of employees and how long your company has been in business
- Suppliers explain to the Member/staffer your company's customer base and impact on the industry or more specifically, the Member's state or region

### **Priority Legislation**

### Truck Parking Safety Improvement Act (House Bill 2367 / Senate Bill 1034)

- Calls for \$755 million over the next three years to expand commercial motor vehicle parking throughout the country.
  - The \$755 is allocated from the Highway Trust Fund
  - Due to the house bill's bipartisanship the House Appropriations
    Subcommittee of Transportation, Housing and Urban Development (THUD) added language mandating \$200 Million for truck parking projects.

# Senate THUD to adopt the House THUD language regarding \$200 million for truck parking.

- The House FY25 Transportation Funding Bill (THUD) has language mandating \$200 Million for truck parking projects. However, the Senate Appropriations THUD subcommittee has not adopted this language.
  - The \$200 million would be allocated out of the Highway Trust Fund.



#### **Talking Points on Truck Parking**

#### **#1:** There is an expanding national shortage of truck parking.

- For every 11 drivers, there is one truck parking space (roughly 3.5 million truck drivers in the United States with only 313,000 truck parking spaces nationally)
- The USDOT's 2019 Jason Law Report found that 98% of drivers regularly experience issues finding safe parking a steep increase from the 75% who reported just 4 years prior.
- The USDOT found that the shortage exists in every state and region across the United States.

### **#2: The shortage burdens truck drivers.**

- To find safe and secure parking drivers often park prior to completing their available drive time or travel off-route as a result, drivers lose out on an average of \$7,105 in direct lost compensation annually.
- It is a major stressor for drivers they consistently list truck parking availability as a top industry concern in annual surveys.
  - Many drivers are forced to choose between compliance with the Hours-of-Service regulations or choosing safe and secure truck parking.
- Female drivers who are forced to park in potentially unsafe locations are disproportionately impacted since they already experience greater safety risks overnight and while parked.

### #3: The shortage heightens safety risks for all motorists.

- 70% of drivers reported being forced to violate hours of service rules to locate parking and 96% have had to park in areas not designed for trucks.
- Parking illegally and unsafely along highway shoulders and interstate entry and exit ramps puts drivers and other motorists at higher risk. 84% admit to feeling unsafe when required to park in illegitimate areas.

### #4: The shortage worsens efficiency within our supply chains.

- Drivers forfeit an average of 56 minutes of available drive time per day to find parking.
- The adverse economic effects of inefficiently deploying American truck drivers creates productivity loses that reverberate throughout our supply chain.

# **#5: Truck parking needs dedicated funding at the federal level and needs to be prioritized in accessing state-level DOT grants.**

- The infrastructure package did not include dedicated funding to truck parking.
- State DOTs have grants that can be used for truck parking.



• TCA & industry want state and municipal infrastructure planning committees to prioritize this issue, apply for grants, and include industry stakeholders in strategic decisions when deploying parking investments.

# #6: The House FY25 Transportation Funding Bill (THUD) has language mandating \$200 Million for truck parking projects.

• Due to bipartisanship of H.R. 2367 the House Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies added this language.



#### **Talking Points on Electric/Alternative Fuel Vehicles**

# **#1:** As the trucking industry's essential role in the economy continues to grow, our environmental footprint continues to shrink.

- Truck engines manufactured today emit 98% less nitrogen oxide (NOx) and particulate matter (PM) than those built thirty-five years ago.
- 60 of today's trucks emit what just one truck emitted in 1988.
- Since 2006, the industry has eliminated virtually all sulfur oxide (Sox) emissions.
- Since model year 2014, trucks have cut CO2 emissions by 1.37 billion tons, reducing oil consumption by 2.5 billion barrels by 2027.
- Trucking has worked with EPA and DOT on Phase 1 (2011) and Phase 2 (2016) regulations on greenhouse gas emissions, which stand to cut CO2 emissions by 1.37 billion metric tons and reduce oil consumption by over 2.5 billion barrels.

#2: The transition away from carbon-based fuels must be a careful process. Success depends on cost parity, the right market incentives, necessary infrastructure, and access to a wide array of scarce natural resources.

- Preparing today's commercial vehicle fleet for electrification would require the commercial vehicle industry to invest upwards of \$620 billion in charging infrastructure alone, including chargers, site infrastructure and electric service upgrades.
- Utilities would need to invest \$370 billion to upgrade their grid networks to meet the demands of just commercial vehicles.
- This nearly \$1 trillion expenditure does not account for the cost of new battery electric trucks, which according to market research can be two to three times more expensive than their diesel-powered equivalents. For example, a diesel Class 8 truck costs roughly \$180,000, while a comparable battery-electric truck costs over \$450,000.
- This transition will require clear, national standards that are technology neutral, empower innovation and enable the industry to plan and invest.
- An EV's battery weight is 16,000 pounds, with the weight capacity of a tractor trailer being no more than 80,000 pounds, this truck will haul less freight. More trucks will have to be on the roads causing additional wear and tear to our nation's infrastructure.
- Government policies and programs must provide sufficient lead time, create regulatory stability for consumers and manufacturers and support necessary infrastructure development.



#### **#3:** There are other viable alternatives that are environmentally friendly.

- American Transportation Research institute (ATRI) research found renewable diesel as an effective alternative pathway to decarbonization. Switching a petroleum diesel truck to a renewable diesel truck would decrease CO2 emissions by an average of 67.3%.
- Renewable diesel uses the same infrastructure, has fewer performance issues, and is more cost competitive than diesel.
- Flex-fuel hybrid technologies provide a way for such trucks to gain early entry into the marketplace by overcoming limited range, cost, and battery-weight concerns.
- 43% of the trucks in our nation's fleet are pre-2010 models. 2010 marked a milestone in truck engine technology with the standardization of selective catalytic reduction and diesel particulate filters.
- The cleanest and most fuel-efficient diesel engines are coming to the market in 2027 where they will reduce NOx emissions by 82% of the remaining 1% of pollutants.
- An EV's battery weight is 16,000 pounds, with the weight capacity of a Tractor trailer being no more than 80,000 pounds, this truck will haul less freight. More trucks will have to be on the roads causing additional damage to our nation's infrastructure.

### **Talking Points on Federal Excise Tax**

### TCA advocates for a suspension or reduction of the FET

- The FET is 12% on the purchase of new heavy-duty trucks and trailers, resulting in an average \$22,000 increase in cost.
- Supply chain disruptions and CARB-style regulations are already increasing prices.
- High costs like the FET force fleets to delay upgrading to new, more energyefficient and safer equipment.
- 60% of fleets say they're somewhat or very likely to buy more trucks if FET is eliminated.
- Eliminating the 12% Federal Excise Tax on new truck purchases would incentivize fleets to invest in cleaner and safer trucks.



### **Talking Points on Supply Chain & Workforce**

#### #1: The trucking industry is suffering a shortage of at least 60,000 drivers

- TCA supports the 18–21-year-old pilot apprenticeship initiative and is a registered apprenticeship sponsor.
- Need to streamline recruitment; remove unnecessary hurdles in licensing process.
- Women make up between 12.1% of the professional driver population need new ways to recruit & retain.

#### #2 The January DOL Ruling of the Independent Contractor Status Threatens the Owner Operated Business Model

- The previous existing rule was straightforward as it established two primary factors to determine IC or employment status:
  - The level of control exerted by the hiring entity.
  - $\circ$   $\;$  The entrepreneurial engagement of Independent Contractors.
- The new ruling, independent contractors must qualify under six key factors which jeopardize the freedoms of those businesspeople that have chosen to become entrepreneurs.

# #3: AB5 threatens to end the owner-operator business model and exacerbates the driver shortage

- The Supreme Court decided not to review the California Trucking Association v. Bonta case, thereby affirming California's Assembly Bill 5 (AB5) which defines independent contractor status using the "ABC test".
- 350,000 owner-operators in trucking (gov. survey: 79% prefer this arrangement).
- The independent contractor is a representative of the classic American dream starting a business from the ground up and turning it into a success.

### #4: Supply chain disruptions continue to burden trucking

- TCA and NITL created a *Voluntary Guide to Good Business Relations for Shippers, Receivers, Carriers, and Drivers* – endorsed by Food Shippers of America and ATA
- Bottlenecks and inefficiencies at ports hinder productivity
- Semiconductor and equipment shortages cause delays



#### **Talking Points on Drugs & Alcohol**

# #1: Trucking maintains a zero-tolerance policy toward drugs and alcohol, even as various U.S. states and Canada legalize marijuana.

• Any drug use by professional truck drivers or others in safety-sensitive functions poses a grave threat to innocent motorists on our nation's roadways.

# #2: TCA supports federal requirements for all interstate and intrastate truck drivers to undergo tests for drug and alcohol use.

• These include pre-employment testing, testing for reasonable cause, post-accident testing, random testing, and optional testing.

# #3: TCA and its membership oppose the DEA's NPRM of rescheduling Marijuana to a Schedule I Drug to a Schedule III Drug.

- A 2022 study found that the legalization of the recreational use of marijuana and the subsequent onset of retail sales in five states were, on average, associated with a 5.8% increase in injury crash rates and a 4.1% increase in fatal crash rates.
  - With the increased accessibility and acceptance of marijuana, there is a heightened risk of impaired driving, which can result in devastating consequences for road safety.
- The American Transportation Research Institute (ATRI) found that 57.2 percent of positive drug tests were for marijuana, based on data from the 2020-2022 Drug and Alcohol Clearinghouse.
- ATRI also highlights that several states recognize medical marijuana use as legitimate and have enacted laws to protect employees' use under state law. Currently, marijuana's classification as a Schedule I drug shields employers from lawsuits under the Americans with Disabilities Act (ADA) for discriminating against medical marijuana use.
  - If marijuana were to be reclassified from a Schedule I drug, it could lead to costly legal ramifications for the industry and compromise highway safety.



### **#1: TCA supports permitting hair testing as an alternative to urine**

- Most accurate method of drug testing.
- Less invasive and harder to cheat compared to urine testing.
- Concerns over racial bias in hair testing results have been disproven by studies showing any differences are not statistically significant.

# #2: Hair testing can detect ten times the number of violations than urine-based testing can.

- In a recent study nearly 88,000 drivers at seven large trucking companies took both hair and urine tests during preemployment drug testing programs.
- Urinalysis yielded 446 positive drug tests.
- Hair testing yielded 4,727 positive test results.

# #3: Compared to testing through urinalysis, testing for drugs using hair samples detected:

- 25 times more opioid users.
- 23 times more cocaine users.
- 13 times more amphetamine users.
- 5 times more marijuana users.



#### Talking Points on Size & Weight

# #1: TCA is opposed to any federally mandated increase in truck size from double/twin 28' trailers to double/twin 33' trailers

- This is a very divisive issue, and the trucking industry is not unified.
- Twin 33s are less safe.
  - Drivers call Twin 33s "wiggle wagons" because of their instability.
  - An estimated 11% higher fatal accident involvement rate.
  - USDOT reported that Twin 33s take 22 feet longer to stop than Double 28s.
  - Coupling and uncoupling Twin 33s is dangerous and risks driver injury.
  - Unreliable in adverse weather conditions.
- Increased cost carriers would be forced to replace their entire fleets with Twin 33s to meet shipper demand or risk becoming obsolete.
- Lack of availability of drivers that hold the doubles/triples CDL endorsement.
- Drivers searching for safe parking to rest will have an even more difficult time finding parking.
- Twin 33s would increase pavement damage 1.8% to 2.7 % which translates to \$1.2 to \$1.8 billion in pavement damage every year.
- Double-tailer configurations have a 58% higher out-of-service rates than singletrailer trucks. The Insurance Institute for Highway Safety (IIHS) found that trucks with any out-of-service violations are 362% more likely to be involved in a crash.

#2: TCA is opposed to any federally mandated increase in truck weight from 80,000 lbs./5 axles to 91,000 lbs./6 axles.

- Burden to retrofit or add a new trailer to fleet with 6th axle.
- Shippers won't pay additional fees to haul heavier loads.
- Extra axle contributes to higher emissions and increased burden on infrastructure.
  - The USDOT found that the 88,000-pound, five-axle configuration would negatively affect more than 3,600 bridges with replacement costing \$400 million.
- Rolling resistance & fuel economy are concerns.
- A USDOT study found that heavier trucks with six axles- specifically those weighing 91,000 to 97,000 pounds had a higher crash rate.
  - Washington state: 47% higher crash rates for six-axle trucks up to 91,000 pounds.
  - Idaho: 99% higher crash rate for six-axle trucks up to 97,000 pounds.
  - Michigan: 400% higher crash rate for six-axle trucks up to 97,000 pounds.