



Statement of

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Before the

**Subcommittee on Surface Transportation,
Maritime, Freight, and Ports
Committee on Commerce, Science & Transportation
United States Senate**

Hearing on

*“Freight Mobility: Strengthening America’s
Supply Chains and Competitiveness”*

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Chairman Peters, Ranking Member Fischer, and Members of the distinguished subcommittee, on behalf of the American Trucking Associations (ATA)¹, thank you for providing me with the opportunity to testify before you today.

ATA is an 87-year-old federation and the largest national trade organization representing the trucking industry, with affiliates in all 50 states. ATA's membership encompasses over 34,000 motor carriers and suppliers directly and through affiliated organizations. Our association represents every sector of the industry, from Less-than-Truckload to Truckload, agriculture and livestock transporters to auto haulers and movers, and from the large motor carriers to the owner-operator and mom-and-pop one truck operations. In fact, 80 percent of our membership is comprised of small-sized carriers, and only two percent of ATA's membership would be classified as large carriers.

As evidenced by the COVID-19 pandemic, trucking is the dynamic linchpin of the United States' supply chain that keeps the wheels of our economy turning. This year, our industry will move more than 70% of the nation's freight tonnage. Over the next decade, trucks will be tasked with moving 2.4 billion more tons of freight than they do today, in addition to delivering the vast majority of goods to American communities.² Trucks will continue to be the dominant freight transportation mode for the foreseeable future.

More than 80% of U.S. communities rely exclusively on trucks for their freight transportation needs. In 2017, trucks moved \$10.4 trillion worth of goods, representing more than half of U.S. gross domestic product.³ The trucking industry is also a major source of employment, with nearly eight million people employed in trucking-related occupations, including 3.6 million truck drivers.⁴ Indeed, trucking accounts for 1 in every 18 jobs in the U.S.,⁵ and "truck driver" is the top job in 29 states.⁶

Without trucks, our cities, towns, and communities would fail to thrive, and would lack essential necessities such as food and drinking water; there would be no clothes to purchase, nor parts to build automobiles or fuel to power them. The rail, air, and water intermodal sectors would not exist in their current form without the trucking industry to support them as the final link in the supply chain. Trucks are central to our nation's economy and our way of life, and every time the government makes a decision that affects the trucking industry, those impacts are also felt by everyday Americans and the millions of businesses that could not exist without trucks.

As you hold this hearing, the trucking industry, the infrastructure that we operate upon, and our national economy are all rapidly approaching a crisis point. Even as the nation claws its way back from the devastating impacts of the COVID-19 pandemic, we are facing significant headwinds, hurdles, and challenges that threaten to grind the engines of our economy to a halt. Headwinds—such as deteriorating roads and bridges, severe congestion, bottlenecks, and unprecedented backlogs at our maritime ports—delay the movement of people and goods, threatening our global competitiveness and the continuity of the international supply chain. Hurdles—like the crippling shortage of drivers and mechanics, recruitment pipelines that were decimated by the pandemic, and barriers preventing the industry from reaching a new generation of drivers—increase freight transportation costs and imperil the supply of consumer goods. And challenges—such as antiquated regulatory barriers that could delay a technological transformation in the movement of freight—threaten to impede an industry-wide shift toward greater sustainability, allowing trucks to move more safely and efficiently, and with less impact on the environment than we ever dared to imagine.

¹ *American Trucking Associations* is the largest national trade association for the trucking industry. Through a federation of 50 affiliated state trucking associations and industry-related conferences and councils, ATA is the voice of the industry America depends on most to move our nation's freight. Follow ATA on [Twitter](#) or on [Facebook](#). [Trucking Moves America Forward](#).

² *Freight Transportation Forecast 2020 to 2031*. American Trucking Associations, 2020.

³ U.S. Census Bureau Commodity Flow Survey, 2017.

⁴ American Trucking Associations, *American Trucking Trends 2020*.

⁵ *American Trucking Trends 2018*, American Trucking Associations.

⁶ <https://www.marketwatch.com/story/keep-on-truckin-in-a-majority-of-states-its-the-most-popular-job-2015-02-09>

That said, the serious headwinds, hurdles, and challenges that led us to this crisis point can be overcome if Congress, the Administration, the stakeholders at this table, and the American people come together in the pursuit of a meaningful investment in real infrastructure. As Transportation Secretary Buttigieg has often said of late, including in testimony before this very Committee, before us is a “generational opportunity” for America’s infrastructure. An opportunity to meaningfully invest in the safety and efficiency of our transportation network. An opportunity to spur technological advancements and innovations in our trucks, cars, and highways. An opportunity to address labor shortages that threaten the trucking industry and the fragility of our supply chain. And a moment to look to the transportation sector to lead our nation’s efforts to confront the impacts of climate change.

As this subcommittee considers infrastructure legislation and a possible surface transportation reauthorization, we encourage you to look to four key areas, including 1) Infrastructure Investment, 2) Safety Improvements, 3) Workforce Development, and 4) Environmental Stewardship. Each of these important policy areas are addressed in my testimony below and will have a direct and meaningful impact on the trucking industry, the supply chain, the economy, and the American public.

As you know, just over a year ago, our industry dutifully answered the nation’s call to deliver medicine, food, fuel, water, and other basic necessities in response to the COVID-19 pandemic. Then, tasked with critical vaccine distribution, trucking proudly and courageously shouldered the important responsibility of moving COVID-19 vaccines safely across the country. We welcomed these challenges because it was the right thing to do. We now call on Congress, in that same spirit, to likewise embrace the challenges and work before it to ensure our nation’s infrastructure needs are met. In that effort, America’s trucking industry stands ready to support and work hand-in-hand with you, as we build a better America for all Americans.

We commend you for holding this important hearing today, and for your continuing efforts to address the challenges that impact the trucking industry, interstate commerce, and the millions of Americans and U.S. businesses that rely on the safe and efficient movement of our nation’s goods.

1) INFRASTRUCTURE INVESTMENT:

THE TIME FOR ACTION IS NOW:

The trucking industry welcomes the efforts of Congress and the Biden Administration to pursue a real and meaningful investment in our nation’s infrastructure. For decades, federal policymakers have deferred and delayed infrastructure investments that American families and businesses desperately need to enhance safety, reduce congestion and improve commerce. The thoughtful leadership of this subcommittee and Congress over the coming weeks and months can provide a road map to address the past, present, and future needs of our nation’s roads and bridges.

A well-maintained, reliable, and efficient network of highways is crucial to the timely delivery of the nation’s freight—both international and domestic—and is vital to our country’s economic and social well-being. Underfunded roads and bridges are increasingly choking the economy’s supply lines, making it costlier and more time-consuming to get goods to market. Decrepit roads and bridges cost motorists \$1,600 annually in wasted gas, lost wages, and vehicle damage.⁷ The typical motorist loses 42 hours of their life every year sitting in traffic, and the trucking industry loses 1.2 billion hours of productivity to

⁷ *Bumpy Road Ahead: America’s Roughest Rides and Strategies to make our Roads Smoother*, The Road Information Program, Oct. 2018; *2015 Urban Mobility Scorecard*. Texas Transportation Institute, Aug. 2015.

congestion, which is the equivalent to more than 425,000 drivers sitting idle for a year.⁸ Highway congestion also adds nearly \$75 billion to the cost of freight transportation each year.⁹

This caused the trucking industry to consume an additional 6.87 billion gallons of unnecessary fuel in 2016, representing approximately 13% of the industry's fuel consumption, and resulting in 67.3 million metric tons of excess carbon dioxide (CO2) emissions.¹⁰ Mr. Chairman, the large investments the private sector trucking industry has made over the last three decades to significantly reduce emissions—to the point that today's trucks emit up to 60 times fewer emissions than trucks manufactured in the 1980s—have been decimated by a lack of public sector commitment to build the highway infrastructure capacity necessary to accommodate growing traffic.

A report¹¹ by the Transportation Research Board (TRB) requested by Congress focused specifically on the current state and future needs of the Interstate Highway System. This critical network connects American communities across the nation and reaps immeasurable economic and national security benefits for the United States. Most importantly, interstates are far safer than surface roads; the construction of the Interstate System has prevented nearly a quarter million people from losing their lives in vehicular crashes since 1967.¹² Furthermore, the Interstate Highway System accounts for about one-quarter of all miles traveled by light-duty vehicles and 40 percent of miles traveled by trucks.¹³ The TRB report estimates that, conservatively, the state and federal investment necessary to address the Interstate System's maintenance and capacity needs will have to double or triple over today's expenditures in the next 20 years.¹⁴

The recent pattern of shoring up the Highway Trust Fund (HTF) without providing the long-term stability that transportation planners need is troubling and highly inefficient. According to the American Society of Civil Engineers, the U.S. spends just over half of what is necessary to address critical surface transportation needs.¹⁵ As the investment gap continues to grow, so too will the number of deficient bridges, miles of roads in poor condition, number of highway bottlenecks, and, most critically, the number of crashes and fatalities attributable to inadequate roadways.

Facing those glaring realities, it is abundantly clear that the time to invest in infrastructure is now. The impacts and compounding ramifications of underinvestment in our roads and bridges are serving as a roadblock to mobility, economic growth, and job creation nationwide. As we emerge from a severe economic crisis, putting Americans back to work and getting our economy's wheels turning once again hinges on our collective ability to solve this problem in the right way. We hope you will act with the urgency and expediency that this moment requires.

TRUCKING INDUSTRY PRIORITIES AND RECOMMENDATIONS FOR INFRASTRUCTURE INVESTMENTS:

As this subcommittee and Congress consider targeted investments in infrastructure which will inevitably have a significant impact on the trucking industry, supply chain and economy, the below priorities merit your strongest consideration.

⁸ *Ibid.*

⁹ *Cost of Congestion to the Trucking Industry: 2018 Update.* American Transportation Research Institute, Oct. 2018.

¹⁰ *Fixing the 12% Case Study: Atlanta, GA.* American Transportation Research Institute, Feb. 2019.

¹¹ *Renewing the National Commitment to the Interstate Highway System: A Foundation for the Future (2018).* Transportation Research Board, National Academy of Sciences.

¹² *Ibid.*, p. 2-18

¹³ *Ibid.*, p. 2-10.

¹⁴ *Ibid.*, p. S-5

¹⁵ *2021 Report Card for America's Infrastructure.* American Society of Civil Engineers.

➤ *Freight Intermodal Connectors*

Freight intermodal connectors—those roads that connect ports, rail yards, airports, and other intermodal facilities to the National Highway System—are critical to trade and a seamless supply chain. While intermodal connectors are an essential part of the freight distribution system, many are neglected and are not given the attention they deserve in spite of their importance to the nation’s economy. Just nine percent of connectors are in good or very good condition, 19% are in mediocre condition, and 37% are in poor condition.¹⁶ Not only do poor roads damage both vehicles and the freight they carry, but the Federal Highway Administration (FHWA) found a correlation between poor roads and vehicle speed. Average speeds on connectors in poor condition was 22% lower than on connectors in fair or better condition.¹⁷ FHWA further found that congestion on freight intermodal connectors causes 1,059,238 hours of truck delay annually and 12,181,234 hours of automobile delay.¹⁸ Congestion on freight intermodal connectors adds nearly \$71 million to freight transportation costs each year.¹⁹

One possible reason connectors are neglected is that the vast majority of these roads—70%—are under the jurisdiction of a local or county government.²⁰ Yet, these roads are serving critical regional, national, and international needs well beyond the geographic boundaries of the jurisdictions that have responsibility for them, and these broader benefits may not be factored into the local jurisdictions’ spending decisions.

While intermodal connectors are eligible for federal funding, it is clear that this is simply not good enough. We urge Congress to set aside adequate funding for freight intermodal connectors to ensure that these critical arteries are given the attention and resources they deserve.

➤ *Resources to Address Port Congestion and Bottlenecks*

The dramatic increase in freight entering the nation’s ports has received a great deal of attention, both in Congress and in the media, in recent months. Ports have had difficulty managing an influx of container ships, and the increased traffic in the maritime domain has created significant challenges for every link in the worldwide supply chain. Intermodal motor carriers play a critical role in the global supply chain, moving freight to and from the ports and railyards, as well as providing the last mile of delivery to get products directly to customers. Bottlenecks and congestion at ports have a trickle-down effect on the motor carriers who haul intermodal freight, and existing shortages of containers, chassis, terminal appointments, draymen, and truck drivers only exacerbate these supply chain disruptions. These supply chain issues have also created problems for American exporters, especially in agriculture, by making it more difficult for producers to get their products to overseas markets.

The increased cargo volumes at ports and the resulting bottlenecks have demonstrated the importance of reliable, well-maintained infrastructure to handle the intermodal aspect of international trade, which will continue to grow in the coming years. Without question, additional resources are needed to facilitate truck drivers’ timely access to ports, as well as their ability to obtain equipment to load and unload containers in a timely fashion. Greater focus and attention from all parties on ways to enhance efficiencies at ports will improve the trucking industry’s ability to get international freight from overseas producers into the hands of American consumers, and to get American products into international markets.

ATA applauds the many members of this subcommittee who have recently raised concerns about growing congestion at our nation’s ports, and the impact that is having on our supply chain. Additionally, ATA

¹⁶ *Freight Intermodal Connectors Study*. Federal Highway Administration, April 2017.

¹⁷ *Ibid.*

¹⁸ *Ibid.*

¹⁹ *An Analysis of the Operational Costs of Trucking: 2018 Update*. American Transportation Research Institute, Oct. 2018. Estimates average truck operational cost of \$66.65 per hour.

²⁰ *Ibid.*

commends Committee Chair Cantwell for prioritizing “mega-project” infrastructure, which would provide much-needed resources to address the serious congestion at our ports. As Congress and this subcommittee consider infrastructure legislation in the coming months, we urge you to prioritize forward-leaning investments in our nation’s ports to ensure that intermodal operations can keep pace with ever-increasing freight demand. We are eager to work with Congress, port authorities across the country, and our partners in the supply chain to find long-term solutions that will ease the movement of products around the globe.

➤ *Freight Funding Programs*

With the creation of two new freight funding programs in the FAST Act, Congress recognized the crucial role that the federal government plays in facilitating the efficient movement of freight in interstate commerce—a role memorialized by the U.S. Constitution. Both the Nationally Significant Freight and Highway Projects Program (AKA INFRA) and the National Highway Freight Program (NHFP) provided dedicated funds for projects that improve traffic flow and enhance safety on transportation facilities with significant freight volumes.

These programs should be continued with increased funding. Moreover, ATA supports maintaining the 10% cap on non-highway projects under these programs. Trucks move 70% of freight tonnage and are key to the efficient movement of intermodal freight. Furthermore, trucking is the only freight mode that contributes directly to the Highway Trust Fund and should not be forced to further subsidize modes that do not contribute. We urge Congress to give priority under the INFRA program to projects that address freight bottlenecks identified under 49 USC 70102(b)(4). Furthermore, we recommend eliminating the NHFP’s 50% transferability to other apportioned programs in order to ensure that all available resources are used for their intended purpose.

➤ *Truck Parking*

Research and feedback from carriers and drivers suggest there is a significant shortage of available, safe parking for truck drivers in most regions of the country. In 2019, the FHWA found that the 98 percent of drivers regularly experience difficulty finding truck parking, and that truck parking is most problematic along key freight corridors, near major ports, around intermodal facilities, and in metropolitan areas.²¹ Given the projected growth in demand for trucking services, this problem—as well as the clear safety implications for truck drivers and the motoring public—will likely worsen. FMCSA regulations require drivers to take rest breaks after they have driven for a specified number of hours, and if a driver is unable to find safe, legal parking, he or she is in a lose-lose conundrum, forced to either operate illegally or park in an unsafe or unauthorized location. Federal hours of service (HOS) rules were designed to promote the highest levels of highway safety, but the shortage of safe truck parking spaces makes it difficult, if not impossible, for drivers to follow the law.

Funding for truck parking is available to states under the current federal-aid highway program, but increasing truck parking capacity has not been a priority due to a shortage of funds for essential highway projects. Therefore, we urge Congress to enact the Truck Parking Safety Improvement Act (H.R. 2187), legislation that would establish a competitive discretionary grant program and dedicate \$755 million from the Highway Trust Fund over the course of five years for truck parking projects across the country. With a focus on increasing capacity, the bill would provide funding for the construction of new spaces at both public and private facilities, while also helping public entities convert existing facilities—such as weigh stations and closed rest areas—into truck parking locations. The Truck Parking Safety Improvement Act will both provide truck drivers with the means to comply with their federal HOS requirements and enhance the safety of our nation’s highways.

²¹ *National Coalition on Truck Parking*. Office of Freight Management and Operations, Federal Highway Administration, U.S. Department of Transportation. 1 December 2020.

➤ *Resiliency Funding*

ATA recognizes that changes in climate put highway infrastructure at risk, and adaptations must be implemented to avert or reduce this risk. However, the potential costs are likely to be significant. Given the overall lack of funding for core infrastructure projects, setting aside funds for resiliency without a significant increase in Highway Trust Fund resources will accelerate highway system deterioration. ATA urges Congress to either increase HTF funding to levels sufficient to address highway funding shortfalls and pay for resiliency projects, or fund resiliency from sources that do not deplete funding for core highway programs.

HOW TO PAY FOR INFRASTRUCTURE:

As the leading payer into the nation's Highway Trust Fund, trucks cover nearly half the entire user-fee tab while accounting for only four percent of vehicles on the road. Our industry is proud to pay our fair share, and we'll continue to do so. But, we call on policymakers to maintain an equitable system that draws on the contributions of all who use and benefit from it. Although fuel expenses are one of the largest cost centers in our business, the trucking industry supports modest and phased increases in the fuel user-fee, because we know the following to be true:

- **In order to create value for road users, infrastructure needs funding predictability.** An infrastructure bill with no dedicated funding stream has no efficacy. Without budget certainty over a multi-year window, transportation officials can't move projects from the planning phase to the construction phase. Ground can't be broken, jobs are frozen, and any progress is bogged down by Congress' annual appropriations cycle. Major projects await the certainty of longer-term funding streams, which increases backlogs and puts fewer construction professionals to work.
- **There's no tax that safeguards taxpayer dollars as vigorously as the fuel user-fee does.** Contrary to the ideological demagoguery surrounding this policy, the "fuel tax" is a model example of federal revenue efficiency. That's because it is collected at the wholesale level long before gasoline reaches the retail pump. There are roughly 1,300 wholesale racks across the country collectively operated by less than 270 entities—meaning fewer than 300 entities actually remit this tax.

The result is a tried-and-true system that minimizes overhead costs and maximizes efficiency—i.e. value—for road users. Ninety-nine cents of every dollar collected flows directly into the Highway Trust Fund. Compare that to alternatives like tolling or vehicle-miles tax systems, where as much as 20 cents of every dollar is lost to administrative and collection costs.

- **Decoupling infrastructure funding from user-fees will only make a bad situation worse.** For many decades following the creation of the interstate highway system, the user-fee model formed the bedrock of our nation's transportation systems, powering interstate commerce and fueling America's economic engine. Dismantling this system by linking the Highway Trust Fund to corporate tax rates would destabilize current funding formulas by introducing political uncertainty into the equation.

Other proposed funding mechanisms, including those that attempt to impose a sales tax on freight, are fraught with high administrative costs, are highly susceptible to evasion, and enjoy little support among the business community.

➤ *The Build America Fund: A Pathway to Nationwide Highway Improvements:*

ATA's proposed solution to the highway funding crisis is the Build America Fund. The BAF would be supported with a new 20 cent per gallon fee built into the price of transportation fuels collected at the terminal rack, to be phased in over four years. The fee would be indexed to both inflation and

improvements in fuel efficiency, with a five percent annual cap. We estimate that the fee would generate nearly \$340 billion over the first 10 years. It would cost the average passenger vehicle driver just over \$100 per year once fully phased in.²²

We also support a new fee on hybrid and electric vehicles, which underpay for their use of the highway system or do not contribute at all. We look forward to working with the subcommittee to identify the best approach to achieve that goal.

Ultimately, the fuel tax is the most immediate, cost-effective, and conservative mechanism currently available for funding surface transportation projects and programs. Collection costs are just 0.2 percent of revenue.²³ There is a misguided perception that the fuel tax is no longer a viable revenue source due to the availability of electric vehicles and improvements in vehicle fuel efficiency. This notion is belied by the facts. In 2019, Americans consumed more on-road fuel than in any previous year.²⁴ Furthermore, according to the Congressional Budget Office's latest estimates, annual revenue from fuel taxes will drop by just \$1.1 billion over the next decade.²⁵ A modest increase in the fuel tax, coupled with a new fee on alternative fuel vehicles, can easily recover these lost revenues.

FUTURE REVENUE SOURCES:

While ATA considers an increase in the fuel tax to be the best and most immediate means for improving our nation's roads and bridges, we also recognize that improvements in fuel efficiency and the development of new technologies may eventually render the fuel tax to be a diminishing source of revenue for surface transportation improvements over the long term. We therefore encourage Congress, in consultation with the executive branch, state and local partners, and the private sector, to continue to work toward identifying future revenue sources.

ATA urges Congress to include in the imminent surface transportation reauthorization bill a plan to bolster current highway funding mechanisms in the short-term, and ultimately replace them with new, more sustainable revenue sources in the long-term. We recommend a ten-year strategy that includes the creation of a blue-ribbon commission to explore the effectiveness of existing pilot programs, and provide recommendations for Congress to consider as it eventually transitions away from the fuel tax.

➤ *VMT Taxes*

While a Vehicle Miles Traveled (VMT) tax might ultimately be the favored approach, as many have suggested, full implementation faces several hurdles. Such a tax would have to be collected from millions of taxpayers—all those driving vehicles in the taxing jurisdiction. Indeed, there are over 276 million registered vehicles in the United States, and nearly all would need an account under a VMT tax system.²⁶ A recent report by the American Transportation Research Institute (ATRI) estimated that the capital cost of implementing a VMT tax could be as high as \$13.6 billion, and administrative costs could consume 10 to 20 percent of revenue.²⁷ As for the recorders now outfitted on commercial trucks, federal regulatory requirements for these devices were designed to ensure an accurate record of *hours* driven, not the number of *miles* driven. Nor do the requirements provide an ability to broadcast data to taxing authorities. Furthermore, most commercial vehicles—72 percent—are not required to be equipped with recorders. They are not, as currently configured, adaptable for taxing purposes.

²² Federal Highway Administration, *Highway Statistics 2019*, Table VM-1. Average light-duty vehicle consumed 518 gallons of fuel.

²³ American Transportation Research Institute. *A Framework for Infrastructure Funding*, Nov. 2017.

²⁴ Federal Highway Administration. *Highway Statistics*.

²⁵ Congressional Budget Office, *Budget and Economic Outlook: 2021-2031*, Feb. 2020.

²⁶ Federal Highway Administration, *Highway Statistics 2019*, Table VM-1.

²⁷ American Transportation Research Institute. *A Practical Analysis of a National VMT Tax System*, March 2021.

These are just some of the challenges we have identified; there are many hurdles to full-scale implementation that are known, and likely many more that are currently unknown. This is why rushing into a VMT tax system is unwise, especially as the HTF looms toward insolvency. We would be especially opposed to a truck-only VMT tax, or any other scheme that unfairly targets the trucking industry exclusively. ATA would oppose any reauthorization legislation that attempts to extract revenue only from trucks.

However, ATA supports a robust research and testing regime for VMT taxes. It should also be noted that most experts—and even ardent advocates of VMT taxes—believe that we are at least a decade away from full implementation.²⁸ Failure to provide interim funding for urgent surface transportation needs while these solutions are developed would be highly irresponsible.

➤ *Interstate Tolls*

Interstate highway tolls are highly inefficient compared to many other funding options. On average, toll collection takes 16 cents out of every dollar paid, compared to a penny in administrative costs for collecting state fuel taxes and 0.2% for the federal fuel tax.²⁹ Furthermore, the diversion of traffic to alternative routes created by tolls causes needless safety, congestion, environmental, and quality of life problems.

For these reasons, ATA opposes the implementation of tolls on existing Interstates. Federal law governing tolls on existing Interstates should be revised to ensure that the public interest is taken into account, that the negative impacts of diversion and other consequences of tolling are accounted for and minimized, and that tolling authority and the use of revenue derived from tolls are limited.

While restrictions on states' authority to toll Interstate highways have been imposed since the inception of the Interstate Highway System in 1956, over the years, a patchwork of exceptions has been created. Federal law governing where, how, and under what circumstances a state may toll existing, general-purpose lanes of the Interstate System is now a confusing, contradictory mess that serves neither transportation agencies nor highway users very well.

While ATA will continue to oppose all attempts to toll existing Interstates unless a viable toll-free option is available, we recognize that some in Congress would like to maintain some level of tolling flexibility. We believe it is important to have a tolling regime that is easily understood and is tied to federal policy considerations that take into account fairness and equity for highway users, safety, interstate commerce, the environment, as well as states' desire to use tolls as a tool to address congestion and fill their transportation funding gaps.

2) SAFETY IMPROVEMENTS:

LEGISLATIVE AND REGULATORY RECOMMENDATIONS TO PROVIDE THE GREATEST BENEFIT TO HIGHWAY SAFETY & EFFICIENCY:

As Congress contemplates a surface transportation reauthorization and accompanying infrastructure package, this subcommittee and the broader Committee have a responsibility to ensure that those transportation policies are coupled with a comprehensive safety title. Forward-learning investments in infrastructure must be considered in tandem with forward-leaning safety policies to ensure that infrastructure and reauthorization efforts are reflective of 21st century safety innovations and investments.

²⁸ For example, this was universally acknowledged by witnesses during a March 7, 2018 House Transportation & Infrastructure hearing on long-term surface transportation funding.

²⁹ American Transportation Research Institute. *A Framework for Infrastructure Funding*, Nov. 2017 and American Transportation Research Institute. *A Financial Analysis of Toll System Revenue: Who Pays & Who Benefits*, Jan. 2020.

Safety on our nation's roads and bridges, and the safety of the motoring public, is of the utmost importance. And safety anchors the very foundation of the trucking industry, shaping our core values and decision-making. That is why the trucking industry invests approximately \$10 billion annually in safety initiatives. While some of these investments are made to comply with a myriad of regulatory requirements, many of them are voluntary, progressive safety initiatives that are paying dividends in highway safety. In that vein, like this subcommittee, the trucking industry remains committed to a goal of accident and fatality-free highways.

Since 1980 when the trucking industry was deregulated, both the number of fatal truck crashes and the rate of fatalities have declined dramatically. From 1980-2018, there has been a 68% decrease in the large truck-involved fatal crash rate, and a 70% decrease in the combination truck-involved fatal crash rate³⁰. This decline since the 1980's is due, in part, to industry-supported initiatives, many of which were commonplace among motor carriers prior to becoming federal mandates. For example, the voluntary use of Electronic Logging Devices (ELDs) was prevalent in ATA member fleets dating back to the early 2000s. Now, federal regulations require motor carriers to utilize ELDs, and highways safety has since improved dramatically. Hours of service violations have dropped significantly—a direct result of the ELD mandate³¹.

However, ATA is also acutely aware that the rate of truck crashes has increased in recent years. This trend is concerning and has driven ATA's ongoing consideration of important safety-related policies. To address this, ATA is taking proactive steps to support regulations, technology, and policies that have a direct impact on highway safety. Meaningful improvements will require an acknowledgement of the principal causes of truck crashes and a commitment to making data-driven countermeasures the highest priority.

Notably, in response to an increase in speed-related crashes and the evolution of technologies to combat this, ATA updated its decade-old speed governing policy to reflect a more holistic approach that recognizes safety technologies widely deployed in fleets today. The updated policy includes provisions for the use of Automatic Emergency Braking (AEB) and Adaptive Cruise Control technology. Further, the policy includes a direction that the Department of Transportation conduct a recurring 5 year review of speed governing regulations to ensure that the regulations are appropriate and consistent with currently deployed technologies. ATA believes that the development and promotion of proven safety technologies, coupled with speed control measures, will result in the greatest positive impact on road safety.

ATA members support the use and deployment of additional initiatives that will improve safety, such as a requirement for states to manage an employment notification system to alert employers of drivers' moving violations and license suspensions in a timely fashion, the use of alternative testing specimens to detect drug use, and vehicle safety technologies to create a safer environment for all road users.

TRUCK CRASH CAUSATION STUDY AND CRASH DATA:

For the trucking industry to continue improving upon our safety record, we must focus more research and attention on the root causes of truck-involved crashes, with a particular emphasis on countermeasures. According to multiple studies, available data, and other indicators, the vast majority of large truck-involved crashes are the result of passenger vehicle driver behavior and errors. Furthermore, data indicates that other motorists, not professional truck drivers, are more likely to be at fault. According to a Federal Motor Carrier Safety Administration (FMCSA) report, 70% of fatal crashes involving a large

³⁰ ³⁰ *Large Truck and Bus Crash Facts 2017*, Trends chapter, Table 4, page 7, Federal Motor Carrier Safety Administration, Washington, D.C. https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/2020-09/LTBCF%202018-v5_FINAL-09-15-2020.pdf .

³¹ <https://eld.fmcsa.dot.gov/File/Open/18f45f72-df16-e41b-e053-0100007fe49a> .

truck and a passenger vehicle are initiated by the actions of, or are the fault of, passenger motorists.³² The American Automobile Association (AAA) conducted their own version of this study and found that in truck-related crashes, the critical factor leading to the crash was attributed to the passenger vehicle driver 75% of the time.³³

In February 2020, when I testified before this subcommittee, I reiterated ATA's desire for an updated Large Truck Crash Study. ATA was pleased to see that Congress has since appropriated funding for a Large Truck Crash Causal Factors Study (LTCCFS).³⁴ It has been more than 16 years since the last major investigation into the root causes of, and contributing factors to, crashes involving commercial motor vehicles. In the intervening time, data has shown an uptick in the rates of truck-involved crashes.³⁵ To better understand this increase, our industry needs accurate information that can direct our efforts to deploy appropriate countermeasures and invest in the most effective safety technologies.

Just as a LTCCFS will help identify the causes of large truck crashes, unified electronic crash report data will help to provide accurate and timely data on truck-involved crashes. Several states have already adopted electronic collection of crash reports, and many of those states have successfully leveraged the ability to provide more timely and accurate information to stakeholders. Real-time data allows law enforcement and transportation safety professionals to respond more quickly to escalating trends and "hot spots," and helps ensure limited resources are allocated to areas with the greatest need. ATA supports federal funding for states to adopt electronic crash report data collection, along with consistent funding to support and upgrade existing systems, implement NHTSA's Model Minimum Uniform Crash Criteria data fields, and train staff on new systems.

HOURS OF SERVICE:

Driver hours of service continue to be a foundational block of motor carrier safety. The federal rules governing working hours were specifically designed to ensure drivers get adequate rest, take breaks when they need them, and remain refreshed throughout the workday—all to achieve the highest levels of highway safety. Our industry's operations are diverse, and it's nearly impossible for all segments to agree on any one standard. However, as the trucking industry comes into full compliance with the ELD mandate, drivers and motor carriers now have a better understanding of how the underlying HOS rules can be further improved for safety and efficiency.

This is why ATA was pleased when, last year, DOT incorporated new flexibilities into the hours of service rules. DOT's process followed a two-year rulemaking that considered over 8,000 public comments from nearly every stakeholder. Many aspects of this rule make good sense from both a safety and operational standpoint. For example, instead of requiring drivers to operate in potentially hazardous conditions, the extension of the adverse driving provision by two hours encourages drivers to pull off to the side of the road and wait out hazards. In addition, rather than requiring drivers to use on-duty time sitting in their truck cab as loads are loaded and unloaded, drivers can productively count idle time toward their required rest break. And DOT's approval of a new 7/3 sleeper berth split better allows a driver who prefers to sleep seven hours with a longer nap later in the day to choose that option, instead of requiring eight consecutive hours.

³² *Financial Responsibility Requirements for Commercial Motor Vehicles*, U.S. Department of Transportation, Federal Motor Carrier Safety Administration, January 2013, page xii, footnote 2.

³³ Kostyniuk LP, Streff FM, Zakrajsek J. *Identifying Unsafe Driver Actions that Lead to Fatal Car-Truck Crashes*. Washington DC: AAA Foundation for Traffic Safety, April, 2002.

³⁴ 85 Fed. Reg. 2481 (January 15, 2020).

³⁵ *Large Truck and Bus Crash Facts 2017*, Trends chapter, Table 4, page 7, U.S. Department of Transportation, Federal Motor Carrier Safety Administration, Washington, D.C. <https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/safety/data-and-statistics/461861/l tcbf-2017-final-5-6-2019.pdf>.

Despite some attempts to claim otherwise, these changes *did not* alter the maximum number of driving hours—they merely provide drivers with a means to better account for factors that influence their operations. Importantly, these changes provide flexibility for real-world situations, while at the same time preserving the same level of safety. ATA believes other flexibilities can be incorporated into the current regulations so long as the data supports such changes and safety is not compromised.

Moving forward, any changes to truck drivers' HOS rules must be grounded in the same science, data, safety, and stakeholder engagement that was exhibited in the regulatory process that led to the 2020 HOS rule changes.

COMPLIANCE, SAFETY, ACCOUNTABILITY:

Compliance, Safety, Accountability (CSA) was launched by FMCSA in 2010 as a way to use data to streamline enforcement programs and target the least safe motor carriers for enforcement intervention. Since its inception, the methodology behind CSA “scores” has been called into question with regard to its correlation with future crash risk. The relationship between scores and crash risk is a reflection of the many methodological and data problems that plague the system. These include the flawed weighting of violations, a lack of data on a large portion of the motor carrier population, and the scoring of carriers on all crashes they are involved in, regardless of fault. In light of these issues, Congress requested that both the Government Accountability Office (GAO) and the DOT Inspector General conduct reviews of the CSA program and its scoring methodology. Ultimately, both entities confirmed that the system is still grappling with serious flaws. In December 2015, the Fixing America's Surface Transportation (FAST) Act removed motor carriers' CSA scores from public view while the National Academies of Science (NAS) conducted a thorough review of CSA.³⁶ The FAST Act also stipulated that FMCSA prepare a corrective action plan to address the shortcomings identified by the study and remove carriers' CSA scores from public view until the study and resulting implementation plan are completed.

In June 2018, FMCSA released their corrective action plan responding to the NAS review of CSA.³⁷ FMCSA indicated that they would pursue a different methodology, known as an Item Response Theory (IRT), and would conduct testing of the IRT methodology to determine its accuracy in identifying motor carriers who are at risk for future crashes. As of today, the agency has yet to implement any changes to the CSA program. Motor carriers seek changes to this program so that they are not mischaracterized by a flawed scoring system that has proven ineffective in identifying unsafe carriers. Congress should continue to monitor FMCSA's corrective actions, and ensure that any changes to the CSA system are available for stakeholder review and comment prior to implementation. During the period of time that such changes are made, CSA scores should continue to remain unavailable to the public.

DISTRACTED DRIVING:

While many of the regulatory items discussed in this testimony are specific to trucking, there are safety regulations that can be implemented and should be applied equitably to *all* road users. For example, federal regulations prohibit commercial motor vehicle drivers from using a handheld mobile device at any time while driving, including while stopped at traffic control devices. And although 70% of fatal crashes involving a large truck and a passenger vehicle are initiated by the actions of, or are the fault of, a passenger vehicle,³⁸ there is no federal law preventing passenger vehicle drivers from using handheld mobile devices while driving. Our nation's professional truck drivers encounter distracted drivers all the

³⁶ The National Academies of Sciences, Engineering, and Medicine. 2017. Improving Motor Carrier Safety Measurement. Washington, DC: The National Academies Press. doi: <https://doi.org/10.17226/24818>.

³⁷ The National Academy of Sciences Correlation Study, Corrective Action Plan Report to Congress. Retrieved January 27, 2020, from <https://cms8.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/mission/policy/407251/nas-correlation-study-corrective-action-plan-enclosure-final-june-2018.pdf>.

³⁸ *Financial Responsibility Requirements for Commercial Motor Vehicles*, U.S. Department of Transportation, Federal Motor Carrier Safety Administration, January 2013, page xii, footnote 2.

time, and, unfortunately, no level of defensive driving can prevent all accidents from occurring when there is limited accountability for passenger vehicle drivers.

As such, ATA believes that the SAFE TO DRIVE Act (S.195), introduced by Senator Klobuchar, is a tremendous opportunity to focus greater resources and attention on accidents that our professional drivers cannot easily anticipate: those caused by distracted passenger motorists. In commercial trucking, we require drivers to keep their eyes on the road ahead at all times—and we should expect the same vigilance from every motorist on the road. Sadly, convenient access to social media and streaming services has only increased the number of potential road hazards, leading to increases in the quantity and severity of distracted driving incidents. In 2019, the number of fatalities in distraction-affected crashes was 3,142, or 8.7 percent of all fatalities in 2019. This represents an increase of 284 *more* fatalities than the previous year—an increase of 9.9%.³⁹ We believe S. 195 represents an important first step towards combating this disturbing trend.

EMPLOYER NOTIFICATION SYSTEM:

ATA supports the establishment of a national employer notification system to provide motor carrier employers with timely alerts to driver's license actions, such as suspensions, revocations, and convictions for moving violations. Use of this system should be voluntary, at least initially. Under the current process, motor carriers are often not notified about drivers' convictions in a timely manner. Employers are required to check each driver's record once per year, and this check may reveal violations committed up to 11 months earlier. Employees are required to notify their employer of a violation of any State or local traffic law (other than a parking violation) within 30 days of a conviction, and of a license suspension, revocation, or cancellation within one day. However, they are often reluctant to do so because of the potential negative ramifications on their employment. FMCSA estimates that at least 50% of drivers may not notify employers of convictions and licensing actions within the required timeframes.⁴⁰

In 2007, a pilot ENS program was conducted to assess the feasibility, cost, safety impact, and benefits of such a system. The pilot program, tested in Colorado and Minnesota, allowed motor carriers to register with the driver's express permission, which enabled them to receive timely electronic notification of driver convictions and suspensions. The results of the pilot indicated that a nationwide ENS is needed and would likely have significant safety and monetary benefits for motor carriers. ATA supports a standardized ENS approach and advocates for a national ENS system to further enhance the safety of our nation's highways.

DRUG AND ALCOHOL CLEARINGHOUSE:

Since the late 1990s, ATA has supported the establishment of a database to close a known loophole in existing regulations that allows CDL drivers who test positive for prohibited substances to escape the consequences of their actions. As required by the 2012 highway reauthorization legislation (MAP-21), FMCSA published a final rule creating a Drug and Alcohol Clearinghouse in December 2016. The Clearinghouse would act as a central repository for drug and alcohol violations of CDL drivers, allowing carriers to search its database when hiring a driver for the first time and on an annual basis. On January 6, 2020, the Clearinghouse became operational, and as of April 2021, 70,652 DOT drug and alcohol violations have been entered into the Clearinghouse, with 54,237 drivers currently in a prohibited operating status. Within only 16 months of operation, the Clearinghouse has become an essential safety tool for motor carriers in reducing preventable, substance-involved crashes.

³⁹ *Traffic Safety Facts: Overview of Motor Vehicle Crashes in 2019*, U.S. Department of Transportation, National Highway Traffic Safety Administration, December 2020.

⁴⁰ *Driver Violation Notification Service Feasibility Study*, U.S. Department of Transportation, Federal Motor Carrier Safety Administration, July 2005, figure 1, page 1.

Even though the Clearinghouse is helping to prevent motor carriers from hiring drivers in a prohibited status due to a DOT drug and alcohol violation, many drivers with unaddressed drug and alcohol violations continue to hold an active CDL and operate on our nation's highways, putting themselves and the motoring public at risk. For FMCSA to close this dangerous regulatory loophole, the agency must first fully implement the requirement that State Drivers Licensing Agencies (SDLAs) downgrade active CDL holders with DOT violations. Although required under FMCSA's final rule, the agency announced a three year implementation delay due to "a forthcoming rulemaking to address the States' use of driver-specific information from the Clearinghouse, and additional time needed to develop the information technology platform through which States will electronically request and receive Clearinghouse information."⁴¹ ATA urges Congress to ensure no additional delays of FMCSA Clearinghouse requirements for States are needed.

HAIR TESTING:

An increasing number of motor carriers are conducting pre-employment and random drug tests using drivers' hair as a testing sample. Hair tests provide a longer, more accurate picture of an applicant's past drug use and are more difficult to subvert compared to other testing methods. However, since urine is the only sample type permitted under DOT regulations, companies that voluntarily conduct hair tests must do so in addition to mandatory urine tests. This duplicated time and expense deters fleets from adopting this more effective testing method. To help eliminate this redundancy and incentivize fleets to utilize this effective means of testing, ATA strongly supports the recognition of hair testing as a federally-accepted drug testing method.

Congress sought to address this issue in the Fixing America's Surface Transportation (FAST) Act of 2015 by including a provision that would facilitate the adoption of hair follicle testing as a federally recognized drug testing method. The provision directed the Department of Health and Human Services (HHS) to develop technical guidelines for the use of hair testing as an alternative to urinalysis for motor carriers to meet DOT drug testing requirements. Regrettably, we are now more than 5 years since the enactment of this important provision, but nowhere closer to unlocking this critical safety tool.

In the fall of 2020, HHS issued proposed guidelines to allow federal executive branch agencies to incorporate hair testing into their federal drug testing programs. However, these guidelines neither met the requirements included in the FAST Act nor provided a path forward for the use of hair testing as an alternative drug testing method for motor carriers. Regrettably, the proposed guidelines included several alarming implementation stipulations that, if codified, could have devastating effects on current levels of highway safety, and could increase private-sector employers' employment and liability litigation risk. For example, HHS's proposed "two-step approach" to confirm a positive hair test would result in thousands of false-negative drug test reports by medical review officers (MROs) annually because a negative follow-up urinalysis is far more likely to reflect a shorter detection window than the initial hair test. In their proposed guidelines, HHS provided zero evidence that false-positive hair testing results are a material problem that justifies reversing thousands of laboratory-confirmed and MRO-reviewed positive hair test results. ATA conducted a small survey of 12 motor carriers, who employ over 68,000 drivers⁴² and found that if DOT were to have adopted HHS's additional evidence requirement, 89.47% of MRO-confirmed positive hair test results would have been reversed in 2019.

During the years since the FAST Act was signed into law, our nation has experienced a growing substance abuse epidemic, and particularly a massive prescription opioid abuse crisis, which the trucking industry is not immune from. This is a glaring reminder that drug-impaired driving remains a very serious issue, which poses a tremendous risk to the safety of our nation's highways. And, yet, we are unable to

⁴¹ 84 Fed. Reg. 68052 (December 13, 2019). <https://www.fmcsa.dot.gov/regulations/rulemaking/2019-26943>

⁴² ATA Collected Motor Carrier Driver Data from FMCSA Safer Company Snapshot <https://safer.fmcsa.dot.gov/CompanySnapshot.aspx>.

fully realize the tremendous safety benefits of hair testing—which was mandated by Congress in 2015—and, therefore, prevented from truly making our highways safer and achieve our shared goal of zero highway fatalities.

Ultimately, HHS failed to heed the Congressional intent of the hair testing provisions included in the FAST Act. This failure will have a significant impact on motor carriers' ability to keep drug users from behind the wheel of their trucks and will unnecessarily endanger our nation's roads, bridges, and the motoring public. For these reasons, and because the proposed guidelines have fallen so far outside of the instructions required by the FAST Act, it is imperative that Congress and this subcommittee take the legislative steps necessary to pave the way toward adoption of this important safety initiative.

MARIJUANA LEGALIZATION & IMPLICATIONS FOR ROAD SAFETY:

Recent marijuana legalization efforts have uniquely challenged our industry, and have exposed critical issues related to workplace and highway safety. As states move to legalize marijuana, the trucking industry, like the rest of American society, is evaluating and considering changes to keep pace with the evolving regulatory environment. Our members also recognize that public opinion toward marijuana legalization has shifted dramatically over the last two decades. However, trends and popular opinion do not always lead to good policy, and while debates about decriminalization are timely, policies that limit employer drug testing programs to the detriment of transportation safety will result in more crashes, injuries, and fatalities.

An example of this can be found in the Marijuana Opportunity Reinvestment and Expungement (MORE) Act, legislation approved by the U.S. House of Representatives last Congress. As originally drafted, the MORE Act neglected to recognize the significant impact that removing marijuana from the schedule of controlled substances would have on highway and workplace safety. The legislation would have effectively prevented motor carriers from testing for marijuana as a condition of employment, which would adversely impact the safety of our nation's roads, bridges, and the motoring public. Thankfully, before final passage of the MORE Act, the House included a drug testing carve-out for federally mandated drug testing programs.

Until there is an enforceable national impairment standard for marijuana, and until Congress grants DOT the authority to specifically regulate marijuana use, any marijuana-related legislation must take into account the impacts that such changes would have on the safety of our transportation network, as well as employer's ability to maintain a safe working environment.

AUTOMATIC EMERGENCY BRAKING, ADVANCED DRIVER ASSISTANCE SYSTEMS:

Substantial advancements have been made in commercial vehicle collision mitigation technology throughout many types of advanced driver assistance systems (ADAS). Automatic emergency braking (AEB) is a form of ADAS that has been supported, promoted, and scrutinized before becoming the most impactful safety technology since the deployment of anti-lock braking systems in cars and trucks. In fact, forward collision warning and AEB-equipped commercial vehicles can prevent up to 52% of rear-end crashes annually, including an estimated 11,499 crashes that result in 7,703 injuries and 173 deaths.⁴³ In 2016, NHTSA and the automotive industry announced a commitment to standardize AEB on virtually all Class 1 vehicles sold in the U.S. by 2022, and Class 2 vehicles by 2025.⁴⁴

Since NHTSA's 2017 mandate that tractors be equipped with electronic stability control (AEB source-based technology), Class 7 & 8 manufacturers have voluntarily made AEB standard on most models.

⁴³ Glassbrenner, D., Morgan, A., Kreeb, R., Svenson, A., Liddell, H., Barickman, F. (2017, July). *A Target Population for Automatic Emergency Braking in Heavy Vehicles* (Report No. DOT HS 812 390). Washington DC: National Highway Traffic Safety Administration, U.S. DOT.

⁴⁴ NHTSA. (December 17, 2020). *NHTSA Announces 2020 Update on AEB Installation by 20 Automakers*. Washington, DC: Retrieved from <https://www.nhtsa.gov/press-releases/nhtsa-announces-2020-update-aeb-installation-20-automakers>.

ATA supports mandating AEB on all new vehicles—passenger and commercial—after the technology is adopted successfully over time by manufacturers for fleets. Like passenger vehicles, tractors have matured significantly with the availability of AEB, and both sets of vehicle classes should be considered for regulation to improve highway safety. In addition to mandating AEB, incentivizing investments in safety technology and equipment will increase adoption rates of ADAS (i.e., AEB across Class 1-8 vehicles), thereby reducing crashes and saving lives.

AUTOMATED TRUCK OPERATIONS:

The trucking industry remains firmly supportive of automated vehicle (AV) technologies, which will increase safety for all road users and provide more freight efficiency to support our nation’s economy and society overall. For decades, truck manufacturers and suppliers have improved safety and efficiency technologies that demonstrate measurable improvements to freight transportation and highway safety. As technical solutions have evolved, and as costs have become more reasonable, policymakers and regulators are trying to catch up to the market-driven innovation and proliferation of advanced technologies. New technology companies, as well as traditional equipment suppliers, are also developing AV technology specifically for the trucking industry, further accelerating the development of automated trucking operations.⁴⁵

While some have raised concerns about the potential impacts of automation on the workforce, ATA does not perceive this technology to be completely “driverless” for the trucking industry, but instead a vital service in monitoring and operating certain freight deliveries. We expect that there will continue to be a role for drivers in trucking for the foreseeable future and have confidence in how the role of drivers assisted by automation will be modified and adjusted as the technologies continue to advance.

Because of the complexity and diversity of the trucking industry, drivers will retain an essential role in trucking for a long time to come, with automated truck technology applied to improve their safety and productivity. In addition to monitoring automated driving systems and manually driving in the cityscape and at loading docks, drivers will retain their current responsibilities related to securing cargo—particularly hazardous materials—as well as interacting with customers, shippers, and receivers. Additionally, these new technologies are expected to make drivers safer and more productive, making truck driving a more attractive career choice, and attracting new people to our industry.

ATA holds the unwavering belief that the deployment of AV technology for all vehicle types has the potential to improve safety, reduce congestion and overall environmental impacts, and save fuel. The widespread benefits of these technologies include a reduction in crash risk and roadway fatalities, improved quality of life, enhanced mobility for all individuals, lower energy usage, and streamlined supply chain management.

For those reasons, as this subcommittee and Congress consider AV legislation, we strongly recommend that any legislation establishing a federal role overseeing the advancement, development, and deployment of AV technologies should capture all road users, including passenger vehicles, commercial trucks, buses, pedestrians, and bicyclists, as well as the supporting infrastructure.

CONNECTIVITY & 5.9 GHz TRANSPORTATION SAFETY SPECTRUM:

The safety benefits from advancing automated truck technology also parallel the importance of intelligent transportation systems. Plans to enhance vehicle-to-vehicle (V2V) and vehicle-to-infrastructure (V2I) communications—collectively known as V2X—have significant future safety benefits to next-generation

⁴⁵ (April 27, 2021). *Plus, Cummins Partner on Self-Driving CNG Trucks*. Retrieved from <https://www.ttnews.com/articles/plus-cummins-partner-self-driving-cng-trucks>.

U.S. transportation.⁴⁶ NHTSA estimates V2V technology alone has the potential to prevent 89% of all light duty crashes.⁴⁷ In addition, NHTSA estimates that V2V-equipped commercial motor vehicles can prevent 45,775 crashes, and save 857 lives and \$7.8 million in crash comprehensive costs annually.⁴⁸ V2V crash warning applications for trucks have an estimated 49% crash avoidance effectiveness. Importantly, these V2X technologies are dependent on a 5.9 GHz spectrum originally dedicated to vehicle safety applications.

Unfortunately, while much work has been done to develop V2X protocols and applications,⁴⁹ recent actions taken by the Federal Communications Commission (FCC) to reallocate the 5.9 GHz spectrum have turned back the clock on highway safety. The decision made by the FCC in November 2020 rejects the foresight the Commission demonstrated when it originally allocated spectrum for improving traveler safety, decreasing traffic congestion, and reducing air pollution. The FCC's decision will increase the already-large spectrum allocation for Wi-Fi so that it can be used to connect our TVs, refrigerators, washing machines, and even toilets, because the FCC believes that connected consumer devices are evolving quickly and are more widely deployed than the vehicle communications services in the 5.9 GHz spectrum. There is no reasonable justification for prioritizing faster internet speeds and streaming infotainment over saving lives and reducing the environmental impact of our transportation system.

The FCC's 2020 decision clearly demonstrates that the agency undervalues efforts that could overwhelmingly improve the safety and efficiency of our transportation network. ATA urges this subcommittee and Congress to support retaining the full 75 MHz spectrum of the 5.9 GHz band for V2X technology to improve safety, reduce traffic congestion, and curb emissions.

MISGUIDED SAFETY TECHNOLOGY MANDATES:

Safety technologies are paramount to achieving our shared goal of zero highway fatalities. However, a clear distinction must be made between proven safety technologies and other technologies that have yet to be effectively researched, tested, or deployed. One such technology that has not been proven effective in operational scenarios is underride guards equipped to the side and front of commercial motor vehicles. Over the past few years, ATA has raised strong concerns about the Stop Underrides Act because the legislation promotes a solution that is neither data-driven nor proven to be effective in real-world highway settings. While we remain committed to the goal of zero fatalities on our nation's highways, we cannot ignore the serious and potentially dangerous consequences of this legislation.

The Stop Underrides Act calls for mandating these devices on the sides and front of all newly-manufactured commercial vehicles. Unfortunately, the bill disregards proven safety technologies, such as automatic emergency braking, camera monitoring systems, and active lane keep assist. And, it ignores the diversity of our industry, failing to take into account the fact that trucking is not a one-size-fits-all industry, and that investments in certain technologies that one company makes may not make sense, or be safe, for another. Standards for new truck equipment should be based on sound economic and engineering principles that enhance safety, take into account real-world operations, and weigh possible unintended consequences.

Our concerns regarding the operational feasibility of installing front and side underride guards on all new commercial motor vehicles are shared by the Government Accountability Office (GAO). In April 2019, in

⁴⁶ Chang, J. (2016, July). *Summary of NHTSA heavy-vehicle vehicle-to-vehicle safety communications research*. (Report No. DOT HS 812 300). Washington, DC: National Highway Traffic Safety Administration.

⁴⁷ 82 FR 3854. (January 12, 2017). Pg. 3991.

⁴⁸ Guglielmi, J., Yanagisawa, M., Swanson, E., Stevens, S., & Najm, W. J. (2017, November). *Safety benefits of heavy-vehicle crash warning applications based on vehicle-to-vehicle communications* (Report No. DOT HS 812 429). Washington, DC: National Highway Traffic Safety Administration

⁴⁹ (October 4, 2018). *Preparing for the Future of Transportation Automated Vehicles 3.0*. Retrieved from <https://www.transportation.gov/av/3>

response to a Congressional request, the GAO published a report⁵⁰ on the topic of underride crashes. After a yearlong investigation, which included numerous interviews with State and Federal government officials, local police departments, foreign governments, and over 29 industry groups—including those supportive of this mandate—GAO concluded that the Department of Transportation “...should conduct additional research on side underride guards to better understand the overall effectiveness and cost associated with these guards and, if warranted, develop standards for their implementation.”⁵¹ When these results were published, ATA concurred with GAO’s findings and recommendation for additional research on the efficacy of side underride guards. To date, this additional research has not taken place, and until it does, any Congressional action on the Stop Underrides Act would be premature.

Ultimately, ATA is committed to our shared goal of eradicating highway fatalities, including those resulting from underride crashes. We believe, however, that the Stop Underrides Act should be reimagined to help mitigate crashes *before* they have occurred. Rather than expending limited resources on unproven mitigation efforts, we should instead focus on proven and emerging mechanisms to reduce the likelihood of crashes occurring altogether.

This subcommittee and the broader Committee have a responsibility to create a forward-leaning safety framework for the imminent surface transportation reauthorization and accompanying infrastructure package. Just as safety shapes the trucking industry’s core values and decision-making, safety should also be the guiding principle that buttresses all investments in our transportation networks. ATA remains unwavering in our commitment to improving the safety and security of our nation’s roads and bridges, and we look forward to our continued work with Congress, the Administration, enforcement, and other interested parties to that end.

3) WORKFORCE DEVELOPMENT:

THE TRUCKING INDUSTRY IS ESSENTIAL, AND THE DRIVER SHORTAGE IS AN ECONOMIC AND SUPPLY CHAIN CRISIS:

The trucking industry has always been essential—more than 80% of American communities rely exclusively on trucks for their freight transportation needs—but the COVID-19 pandemic greatly underscored that fact. Essential workers, like truck drivers, kept America moving forward even as the nation hunkered down. The trucking industry worked diligently behind the scenes to ensure that Americans all over the country had access to critical goods like food, medicine, fuel, and even toilet paper while they were quarantining at home. The trucking industry shouldered this incredible responsibility with the fortitude that being ‘essential’ demands, all while grappling with a devastating driver shortage.

Seventy percent of the nation’s freight is carried by commercial trucks, and while demand is projected to increase over the next decade, the current driver shortage threatens to disrupt the continuity of the supply chain. This is especially problematic as the nation and our economy recover from the monumental impacts of the COVID-19 pandemic.

The trucking industry’s successful mobilization in response to the public health crisis demonstrates how essential our industry truly is to the economy, our emergency response supply chain, and our way of life. The driver shortage is a looming threat that, if unaddressed, could destabilize the continuity of our operations throughout the country. And those monumental impacts threaten to ripple across the supply chain and hamstring our nation’s recovering economy.

⁵⁰ (March, 2019). *Truck Underride Guards, Improved Data Collection, Inspection, and Research Needed* (Report No. GAO-19-264). Retrieved from United States Government Accountability Office: <http://www.gao.gov/assets/700/697585.pdf>.

⁵¹ *Ibid*, pg. 33.

NOW MORE THAN EVER, THE TRUCKING INDUSTRY IS HIRING:

According to a recent estimate, the trucking industry needs an additional 60,800 truck drivers immediately—a deficit that is expected to grow to more than 160,000 by 2028. In fact, when anticipated driver retirement numbers are combined with the expected growth in capacity, the trucking industry will need to hire roughly 1.1 million new drivers over the next decade, or an average of nearly 110,000 per year.

The COVID-19 pandemic further exacerbated the truck driver shortage, and the temporary closures of state DMV's and truck driver training schools disrupted the already-fragile pipeline of new drivers entering the trucking industry. While portions of the trucking industry have somewhat weathered the pandemic's economic storm, according to the BLS April 2021 Report, the trucking subsector had a net loss of 42,500 jobs in 2020.⁵² As a result of the already-crippling driver shortage, companies in supply chains across the economy are now facing higher transportation costs, leading to increased prices for consumers on everything from electronics to food. Perhaps the best evidence of the acute need for more drivers is the recent media reporting of a possible summer gas shortage.⁵³ The country depends on a qualified transportation workforce, and the trucking industry offers great middle-class careers that do not require the debt that often accompanies a college degree.

The Bureau of Labor Statistics (BLS) reported a mean salary of \$47,130 for truck drivers in a May 2020 report.⁵⁴ Additionally, an industry survey shows the average truck driver earns over \$54,000 per year, plus benefits like health insurance, a retirement plan (e.g., 401(k)), and paid time off.⁵⁵ Since 2014, private fleet drivers have seen their pay rise from \$73,000 to more than \$86,000, or a gain of nearly 18%.⁵⁶ In addition to rising pay, many fleets offer generous signing bonuses and other expanded benefit packages to attract and keep drivers. We want to welcome more individuals into the trucking industry, but we need Congress' help to open up career pathways that are otherwise closed to qualified people due to obsolete regulatory barriers.

THE DRIVE SAFE ACT, A LEGISLATIVE SOLUTION TO THE DRIVER SHORTAGE GROUNDED IN SAFETY:

Given the severity of the existing driver shortage and the overwhelming expectation that the shortage will continue to grow in tandem with freight demand, we encourage Congress to explore initiatives that will expand the pool of qualified drivers and reduce backlogs. To stem the growing driver shortage immediately, we urge Congress to consider proposals to remove obsolete regulatory barriers that prevent trucking from replenishing its aging workforce with younger, qualified workers who have received the appropriate training and experience required to operate a commercial motor vehicle (CMV). Although forty-nine states and the District of Columbia currently allow 18 to 20-year-olds to operate CMVs in intrastate commerce, federal law prevents these same 18 to 20-year-olds from driving across state lines. ATA believes the most effective and safety-focused solution to the trucking industry's dire workforce dilemma is the DRIVE Safe Act (S.659), legislation championed by subcommittee Members, Senators Todd Young and Jon Tester, and supported by several Members of the Commerce Committee and United States Senate. Data and experience both show that properly-designed training—such as the training regimen found in the DRIVE Safe Act—can enable young people to operate equipment and machinery safely.

⁵² [Employment in trucking rebounds after modest decrease in February \(landline.media\)](https://landline.media)

⁵³ <https://abcnews.go.com/US/lack-truck-drivers-lead-fuel-shortage-summer/story?id=77374905>.

⁵⁴ [Heavy and Tractor-trailer Truck Drivers : Occupational Outlook Handbook: : U.S. Bureau of Labor Statistics \(bls.gov\)](https://www.bls.gov/occupational-outlook-handbook/)

⁵⁵ ATA Driver Compensation Study (2017); American Trucking Associations.

<https://www.atabusinesssolutions.com/ATAStore/ProductDetails/productid/3852684>.

⁵⁶ Id.

As a testament to the safety considerations underpinning the DRIVE Safe Act, all qualified drivers who participate in the apprenticeship program established by the bill would only be allowed to drive trucks outfitted with the latest safety technology, including active braking collision mitigation systems, forward facing event recording cameras, speed limiters set at 65 miles per hour or less, and automatic or automatic manual transmissions. Professional drivers training within the program are also required to be accompanied by an experienced driver throughout the process. Ultimately, the DRIVE Safe Act is not just a workforce replenishment tool—it's a job creation and safety enhancement bill.

Importantly, the DRIVE Safe Act would impose a robust safety regime for 18 to 20-year-old qualified drivers where one currently does not exist. Under current law, the day a 20-year-old turns 21 is the magical day that they are arbitrarily deemed to be safe enough to drive in interstate commerce. This bill would add an extra level of safety by requiring qualified 18 to 20-year-old CDL holders to complete a rigorous multi-step apprenticeship program before they drive in interstate commerce so that they can develop the skills and attitudes necessary to lead a long, safe and successful career in trucking.

Significantly, even though the minimum age for interstate driving is 21, the reality is that the average age of entry-level drivers enrolled at private truck driver training schools is actually 35.⁵⁷ This means that many drivers entering our industry may be on the back end of their second, third, or fourth careers pursuing a job in trucking as an opportunity of last resort. As such, the trucking industry is unable to tap into the ambitions of the next generation's workforce and replenish its aging workforce with younger workers. Unfortunately, blue-collar professions are still stigmatized in our society and culture, which place a disproportionate emphasis on four-year-degree colleges at the expense of vocational schools and the skilled trades.

In light of the proven safety performance of 18 to 20-year-old drivers—who are already allowed to operate trucks in forty-nine U.S. states and the District of Columbia—and given the threats that the driver shortage poses to the cost of moving freight and to supply chain efficiencies, ATA urges Congress to address this problem now, by including the DRIVE Safe Act in any forthcoming surface transportation reauthorization package. In making that recommendation, I would also note that this bipartisan legislation was previously cosponsored by over one third of the House and Senate last Congress, and now enjoys the support of over 120 organizations and companies throughout the supply chain with a presence and impact in every state and Congressional district across the nation, and support is still growing.

ADDITIONAL LEGISLATIVE SOLUTIONS TO HELP STEM THE DRIVER SHORTAGE:

ATA supports other legislative initiatives designed to bring greater attention to the growing driver shortage and attract a new workforce into the industry. Empowering individuals to seek rewarding careers enjoys broad, bipartisan support, and ATA overwhelmingly supports legislation that would help promote job opportunities for all Americans, regardless of race, gender or socioeconomic status. Two such bills are the Promoting Women in Trucking Workforce Act (S. 469) and the Promoting Service in Transportation Act (S.3303 in the 116th Congress).

The Promoting Women in Trucking Workforce Act, introduced by Senators Moran, Baldwin, Tester, and Subcommittee Ranking Member Fischer, rightly notes that although women currently make up 47% of the U.S. workforce, they make up less than 7% of truck drivers, and only a quarter of all transportation and warehousing jobs in trucking. Through the establishment of a Women of Trucking Advisory Board under the leadership of the FMCSA, this legislation will bring greater attention to the recruitment, retention, training, and mentorship of women in the trucking industry. This, in turn, will lead to increased female representation in trucking and greater industry diversity, while providing another tool to help the trucking industry confront and stem its growing driver shortage.

⁵⁷ The average age of a truck driver is 49, 7 years older than that of the typical U.S. worker.

The Promoting Service in Transportation Act, introduced by Subcommittee Chairman Peters last Congress, is a further crucial step that will enhance the use of broadcast, digital, and print media public service announcement campaigns to promote job opportunities, and also encourage improved diversity in the transportation workforce. ATA supports both of these important legislative efforts, and encourages their inclusion in any forthcoming safety title to accompany a surface transportation reauthorization bill.

THE PRO ACT, LEGISLATION THREATENING TO FURTHER EXACERBATE THE DRIVER SHORTAGE:

Finally, I would be remiss if I did not address a piece of legislation the Senate may consider that would be extremely harmful to the trucking industry and hurt the very workers it purports to help: the Protecting the Right to Organize (PRO) Act (S.420). The PRO Act, which I know many of you support, includes a provision that would effectively bar the trucking industry from utilizing the independent contractor business model. The trucking industry and American consumers depend on independent contractors, and the implementation of a restrictive national test to limit independent contractor status would jeopardize the livelihoods of over 350,000 owner-operators, destabilizing America's supply chain and irreparably harming the U.S. economy.

The involvement of independent contractors in trucking promotes efficiency and an increased ability to meet customer demand, which has been acutely necessary during heightened delivery periods like the COVID-19 pandemic, and annually during the holidays. Americans choose to work as independent contractors because of the economic opportunity it provides and the empowerment to select the conditions (e.g., hours and routes) that suit their lifestyles. Accordingly, the Americans who choose to become owner-operators in trucking should be respected and supported in their endeavors, not driven out of business because of the authoritarian view that employee status is better for them. Enactment of the PRO Act would be a clear signal to the 350,000 owner-operators in the trucking industry that Congress is indifferent to their chosen professions and apathetic about the loss of their livelihoods.

REGULATORY SOLUTIONS TO HELP ADDRESS THE DRIVER SHORTAGE:

ATA appreciates and supports the steps agencies have taken to address driver recruitment bottlenecks by issuing emergency waivers and declarations during the pandemic, and believes some of those should be made permanent. For example, permanent waivers on certain requirements for Commercial Learners Permits and Third Party Testing could assist in easing the current delays associated with the testing of drivers who wish to obtain their CDL. These delays existed prior to the COVID-19 public health crisis and have only been exacerbated by the pandemic. ATA anticipates that the existing backlog of testing appointments will steadily increase in the future and encourages FMCSA to harmonize state licensing procedures, including, for example, state of domicile requirements and Third-Party Testing.

FMCSA has mandated that an individual's state of domicile must accept the results of a CDL *skills* test that was administered out-of-state; however, the rule does not require the state of domicile to also accept the results of an out-of-state *knowledge* test. As a result, driver candidates who obtain training out-of-state are required to travel back to their state of domicile to obtain their credentials, creating an unnecessary burden. It has become all the more important to allow trainees to test, train, and receive their relevant credentials—be it a CLP or a CDL—without having to travel back and forth to their state of domicile during the pandemic, and there's no safety justification that would warrant returning to that requirement as we recover from the public health crisis.

4) ENVIRONMENTAL STEWARDSHIP:

THE TRUCKING INDUSTRY'S COMMITMENT TO SUSTAINABILITY AND THE ENVIRONMENT:

The trucking industry's commitment to sustainability is well-known and ongoing. Before 1985, there was no such thing as federal emission standards for trucks. The historical progress made since then is nothing short of phenomenal. Since the mid-1980's, newly-manufactured trucks have reduced emissions of both nitrogen oxide (NOx)—associated with smog and ozone formation—and particulate matter (PM), or “soot,” by over 98%. Put another way, 60 new trucks purchased today emit the equivalent NOx and PM emissions of a single truck back in 1988.

Trucking virtually phased-out sulfur in diesel fuel beginning in 2006. This fuel, more commonly referred to as ultra-low sulfur diesel fuel or “ULSD”, practically eliminated sulfur dioxide (SO₂) emissions and further reduced overall fine particulate matter emissions from trucks.

But it does not stop there. In 2011 and 2016, our industry supported two separate U.S. Environmental Protection Agency (EPA)/ National Highway Traffic Safety Administration (NHTSA) regulations establishing first-ever standards for truck engine, vehicle, and trailer greenhouse gas emissions and fuel consumption standards (known as Phase 1 and Phase 2 respectively) to promote a new generation of cleaner, more fuel-efficient trucks and engines.

The Phase 1 standards, implemented between 2014 and 2018, were projected to reduce carbon dioxide (CO₂) emissions by 270 million metric tons, save vehicle owners and operators an estimated \$50 billion in fuel costs, and eliminate the use of 530 million barrels of oil over the lifetime of new vehicles purchased under the program. Phase 1 improved fuel efficiency and reduced carbon emissions from each new truck/engine by up to 23%. The Phase 2 standards being implemented between 2021 and 2027 are expected to further lower CO₂ emissions by 1.1 billion metric tons, save vehicle owners fuel costs of around \$170 billion, and reduce oil consumption by up to 2 billion barrels over the lifetime of the vehicles sold under the program. In short, Phase 2 picks up where Phase 1 left off, improving fuel efficiency and reducing carbon emissions from new trucks, engines, and trailers up to an additional 34%.

Our industry is also working closely with EPA and other stakeholders to further reduce NOx emissions from new trucks under EPA's *Cleaner Trucks Initiative* (CTI). While the latest round of NOx reductions for new trucks was implemented in 2010, achieving unprecedented near-zero levels, CTI will raise the bar even further, likely achieving 90% or greater NOx reductions from all new trucks. A proposed rule is expected later this year and should be finalized by the end of 2022.

When discussing sustainability, we should not forget about the award-winning, voluntary EPA SmartWay Transport Partnership program developed to reduce freight fuel use, curb greenhouse gas emissions, and improve transportation efficiency. Since 2004, this groundbreaking public/private partnership, developed between EPA and Charter Partners such as ATA, has saved fleets \$42 billion in fuel costs, reduced consumption by over 312 million barrels of oil, and eliminated over 150 million tons of air pollutants.⁵⁸ SmartWay and its 3,700+ partners continue to stand out as a stellar example of how the federal government can work side-by-side with industry to achieve real results outside regulatory frameworks.

We are entering a major transitional period as transportation moves towards a new generation of lower-emission and zero-emission equipment. However, it is important to note that this transportation shift will

⁵⁸ SmartWay Program Successes, U.S. EPA, <https://www.epa.gov/smartway/smartway-program-successes>.

not happen overnight, and fossil fuels will not magically disappear with the flip of a switch. It is therefore essential to address the existing and near-future stock of equipment and their corresponding fuel needs given trucking's essentiality in moving the nation's economy forward. To this end, ATA has identified the following areas to help further decarbonize the trucking sector:

➤ *The Road to Sustainability Must be Multi-Modal*

ATA urges Congress to better address the needs of the medium- and heavy-duty truck sector in the context of the current infrastructure and clean energy debates. Many bills being introduced in Congress lack specificity and tend to be focused on the advancement of light-duty vehicles. For instance, while an electric charging location may be compatible for an electric car, it is incompatible for a big rig pulling a 53-foot trailer. The real estate requirements, energy needs, charging connectors, facility costs, and physical placements are far different than those for other vehicle classes. Other bills focus exclusively on electric charging as the sole fuel solution to reduce carbon emissions, with no reference to other sustainable fuels, such as hydrogen, renewable natural gas, or other energy sources utilizing carbon capture. If goals related to increased grid demands, infrastructure build-out, financial incentives, and carbon reduction are to be successful, discussions must include a diverse array of potential solutions.

➤ *Research and Development Funding is Critical*

ATA supports increasing federal financial support for research and development (R&D) in all aspects involving the decarbonization shift. Several federal entities serve key roles in overseeing, analyzing, and researching advanced vehicle technologies and their supporting needs. The Department of Energy (DOE), for example, funds a wide range of research activities on heavy-duty trucks through its Vehicle Technologies program. The DOE's 21st Century Truck Partnership addresses important national challenges related to medium-duty and heavy-duty truck efficiency, safety, and emissions by pursuing collaborative research and development among government and industry partners. The DOE's 17 National Labs conduct R&D work to tackle the most critical scientific challenges of our time and possess unique instruments and facilities, many of which are found nowhere else in the world. Additionally, the Federal Energy Regulatory Commission has a significant role to play in the assessment of the transmission of electricity in interstate commerce, the reliability of high voltage interstate transmission systems, and the monitoring of national energy markets. Finally, the military's extensive research on alternative fuels and vehicles is critical in assessing new fuels and technologies as it seeks safer and cleaner mobility options for national security interests.

Increased funding for R&D is not only needed by all federal departments and agencies to ensure that advanced vehicle technologies and fuels for the transportation sector are feasible, affordable, and do not result in unintended consequences, but also for non-federal research needs as well.

While current research has resulted in a steady decline in battery costs and continuous improvements in battery energy density, weight, and size, more critical research is still necessary. Therefore, R&D funding levels must be robust enough to finance, at a minimum, a more thorough analysis of the nation's electrical grid system, an assessment of the availability of precious metals and feasible alternatives, and further research into green hydrogen production, alternative fueling infrastructure expansion, trailer refrigeration electrification, vehicle technology pathways, and battery development and storage.

Without sufficient and coordinated funding for R&D on all aspects involving advanced vehicle technologies and fuels, the timelines for the transition to zero and near-zero trucks may be delayed or may prompt disruptions in the nation's supply chains.

➤ *Zero-Emission Vehicle Fueling Infrastructure Incentives are Needed*

Battery Electric Vehicles (BEVs) and Fuel Cell Electric Vehicles (FCEVs) are widely-recognized as the most promising technologies to reduce transportation-related greenhouse gas emissions and air pollution in trucking. However, the *chicken-or-egg* quagmire continues in that zero-emission vehicles (ZEVs)

require compatible ZEV fuels—whether that fuel is electricity or hydrogen. Scaling up charging infrastructure is a necessary enabler for a widespread ZEV transition. Whereas local and regional hauling operations are generally anticipated to be powered by “electric” fuel, longer hauling operations may trend towards the use of hydrogen fuel given their unique challenges. The federal government is not—and should not be—in the business of choosing fuel and technology winners and losers. Likewise, not all fueling locations are created equal. The cost of a single 150-350 kW electric truck charger and installation can cost up to \$220,000.⁵⁹ Likewise, an onsite hydrogen fueling station with a capacity of 700kg/day with delivered hydrogen could cost \$2 million or more.⁶⁰ If hydrogen production were to occur on-site, that figure could increase exponentially by over eight-fold.⁶¹

ATA stands ready to work with Congress and the Biden Administration to establish programs and provide economic incentives to reduce costs and barriers facing EV charging infrastructure installation and the expansion of a hydrogen fueling infrastructure along key freight corridors. Such efforts could include participation on the anticipated task force with federal agencies and the private sector to support vehicle-grid integration, the creation of load management strategies, public-private co-financing approaches, and the standardization of smart charging infrastructure.

➤ *Truck Purchase Incentives are Important*

Fleets will encounter markedly higher vehicle costs when purchasing BEVs or FCEVs. Today, while product availability remains limited, the price of a new Class 8 BEV can cost over \$200,000 when including payment of the 12% Federal Excise Tax.⁶² Class 8 FCEVs, which are not currently available in the marketplace, are expected to retail for \$300,000 or more.⁶³ Given that 97% of trucking companies own 20 trucks or less and are, by definition, small businesses, these companies will be hard-pressed to expend increased capital outlays for new equipment given that they already operate on razor-thin profit margins. It is therefore critical to provide sufficient financial incentives to trucking companies to ensure ZEV equipment is affordable to all users, while also achieving greater market penetration rates of such equipment.

➤ *Diesel Emissions Reduction Act Funding Must Continue*

The transition to ZEVs in the trucking sector will take considerable time since diesel-powered trucks can operate for 15 years or more. Given their long, useful lifespan, ATA has strongly supported the Diesel Emission Reduction Act (DERA) to reduce emissions from older diesel equipment, and has worked to secure continued funding for the program since 2008. DERA provides funding in the form of grants and rebates to incentivize owners to retrofit or replace older diesel engines and equipment. Since implementation, DERA has become one of the most cost-effective federal clean air programs.

The EPA’s most recent estimates indicate that every \$1 in federal assistance is met with \$3 in non-federal matching funds, including significant investments from the private sector. Furthermore, each federal dollar generates between \$11 to \$30 in public health and economic benefits, including \$2 in fuel savings for each dollar invested. Moreover, states benefit because 30% of the funding is directed to support state programs. As demonstrated in the EPA’s fourth report to Congress, the value of this program continues to provide an important tool to allow the EPA and communities around the country to meet their Clean Air goals in the most cost-effective and feasible manner.

⁵⁹ South Coast Air Quality Management District, Second Draft Staff Report, Proposed Rule 2305 – Warehouse Indirect Source Rule - Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program and Proposed Rule 316 – Fees for Rule 2305, Page 127, April 2021.

⁶⁰ Id at 130.

⁶¹ Id.

⁶² See: <https://cleantechnica.com/2020/08/06/head-to-head-nikolas-hydrogen-fuel-cell-trucks-vs-the-tesla-semi/>.

⁶³ Id.

ATA supports the expansion of DERA funding to incentivize ZEV purchases through increased federal cost-sharing. Increased funding would require legislation, though diesel eligibility could be addressed through EPA regulatory action.

The trucking industry recognizes that it is good business to be a conscientious environmental steward, and we hope to collaborate with Congress, the Administration, and like-minded stakeholders to further our shared goal of becoming a cleaner and greener industry. ATA looks forward to partnering with you to tackle the numerous challenges ahead, and stands ready to assist as you consider solutions to rebuild our nation's infrastructure, improve the safety of America's roads and bridges, promote employment opportunities in the transportation sector, and tackle the climate crisis.

CONCLUSION:

Chairman Peters, Ranking Member Fischer, and members of the subcommittee, thank you again for providing ATA with the opportunity to testify before you today. Due to a variety of circumstances, the trucking industry, our nation's infrastructure, and the broader supply chain are facing increasing pressure, which is fast approaching crisis levels. The absence of Congressional action to address this imminent crisis will yield catastrophic consequences. However, I am confident that your leadership, along with that of the entire Congress and the Biden Administration, will address the infrastructure challenges of today with forward-leaning solutions that will bring much needed certainty, sustainability, and opportunity to the trucking industry, our nation's supply chain, and the economy as a whole.

The actions of this subcommittee, Congress, and the Administration over the coming weeks and months could shepherd the trucking industry towards tremendous advancements in safety, efficiency, and productivity. We urge you to take the steps necessary to provide the resources and regulatory framework that will make our fleets safer and more connected. Your efforts could empower our industry to safely meet the growing driver shortage head-on and recruit a workforce for the next generation of trucking. Providing a significant investment in real infrastructure will help stem and reverse the continued decay of our nation's roads and bridges, and meaningfully address climate change. With your leadership, we remain hopeful that federal action can solve this growing national crisis.

Our steadfast hope is that Congress and the Biden Administration will now roll up their sleeves, work together and make the tough decisions to support infrastructure, the economy, and the industry that moves it. In that effort, ATA and the trucking industry stand ready to work hand-in hand with you. Thank you.