Statement of

Dennis Dellinger
President and CEO
Cargo Transporters, Inc.

on behalf of

The American Trucking Associations

Committee on Transportation & Infrastructure
Subcommittee on Highways & Transit
United States House of Representatives

Hearing on

"America Builds: Highways to Move People and Freight"

January 22, 2025

Introduction:

Chairman Crawford, Ranking Member Norton, and members of the Subcommittee, I appreciate the opportunity to testify before you today on behalf of the American Trucking Associations (ATA).[1] My name is Dennis Dellinger, and I am President & CEO of Cargo Transporters, Inc., headquartered in Claremont, NC. I currently serve as ATA's Chairman of the Board.

ATA is a 90-year-old federation and the largest national trade organization representing the 8.5 million men and women working in the trucking industry. As a 50-state federation that encompasses 37,000 motor carriers and suppliers, ATA proudly represents every sector of the industry. From less-than-truckload to truckload carriers, from agriculture and livestock transporters to auto haulers and household goods movers, and from large fleets to mom-and-pop one-truck operators, ATA serves as the single unified voice of the trucking industry.

As President and CEO of Cargo Transporters, I am blessed to lead a company that will enter its 60th year of business next year. Starting as a truck rental company, our family-run business has grown to provide truckload transportation, warehousing, logistics, and truck and trailer maintenance and repair. We employ 750 people who help us operate a fleet of over 500 trucks and 1,900 trailers across the country. We take tremendous pride in giving back to our community, taking care of our environment, and maintaining a culture of safety.

Trucking is the backbone of the nation's economy, with more than 80% of U.S. communities relying *exclusively* on trucking to meet their freight transportation needs. America's truck drivers move 73% of the nation's annual freight tonnage,[2] and over the next decade, the trucking industry will be tasked with hauling an additional 2.7 billion tons of freight more than it does today. [3] Now and in the future, America's trucks will continue to play a vital role in delivering the goods that communities nationwide rely on. However, to meet these growing demands, our industry requires thoughtful, targeted investments in our transportation infrastructure that are rooted in common sense. I believe that combining those investments with concerted efforts to bolster the trucking workforce is vital to ensuring the trucking industry and our supply chain partners can meet the demands of a growing economy.

If there was a silver lining to the 2021 supply chain crisis, it was the glaring spotlight that exposed the costs of decades of underinvestment in infrastructure, which ultimately galvanized Congressional action. Years of inadequate highway funding had left our nation's transportation networks—the trucking industry's workplace—in a state of disrepair. Deteriorating roads and bridges, insufficient truck parking, unreliable intermodal connectors, severe congestion, and bottlenecks around ports created tangible daily consequences for the trucking industry at a critical moment in history. While decrepit infrastructure did not cause the global supply chain crisis, the inefficiencies borne out of our nation's broken transportation networks certainly contributed to the scale of disruptions and cost increases suffered by consumers and businesses alike. The conclusion is clear: decades of underinvestment in our nation's transportation networks reduced the resiliency of our supply chains and eroded the United States' global economic competitiveness on the world stage.

---

[1] The 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.
[2] *Freight Transportation Forecast 2024 to 2035*. American Trucking Associations, 2024.
[3] *Ibid.*

Fortunately, the time is at hand for this Congress and the Trump Administration to begin work on a comprehensive reauthorization of Federal surface transportation programs. With the Infrastructure Investment and Jobs Act (IIJA) set to expire in 2026, this Congress can ensure the U.S. maintains its position as the world's leading economy, prioritizing world-class infrastructure and a resilient transportation network capable of withstanding supply chain pressures. ATA applauded the 2021 passage of the landmark IIJA, which provided increased resources to counter years of neglect to our nation's highways. However, inflation and political distractions in recent years have diminished the full potential impact of the legislation. Over the first nine months of fiscal 2024, the government spent approximately $35 billion on bridges and highways, but after adjusting for higher construction costs, that's 24 percent less than the same period in the year before the IIJA was enacted.[4] Looking to the upcoming surface transportation reauthorization, it is imperative that Congress and Members of this Committee build upon the lessons learned from the IIJA, and dedicate the appropriate resources and attention to strengthen and maintain the infrastructure America's truckers need and deserve.

The extent to which future infrastructure investments optimize our domestic supply chains will largely depend on how projects are prioritized by the new Administration and Congress. To bolster American manufacturing, grow American businesses, and lower costs for consumers, the Administration and Congress must prioritize projects that *directly* improve the safe and efficient movement of freight. Trucking is the beating heart of the U.S. economy, but we can only be as efficient as the roads and bridges of the interstate highway system allow us to be. As evidenced by our nation's emergency response efforts in the wake of recent natural disasters—including Hurricane Helene which devastated my home state of North Carolina—points of congestion and inefficiency create unnecessary headaches and heartache in times of need. Investing in the resiliency of supply chains not only ensures the uninterrupted flow of people and commerce, it ensures the reliable transportation of medicine, water, generators, and other emergency equipment to the locations they are needed most when the unthinkable happens.

Investments in our nation's roads and bridges make our highways, communities, and the motoring public safer. Accordingly, safety is the trucking industry's highest priority. We welcomed the investments in federal roadway safety programs under the IIJA and, while the industry continues to make great strides in partnership with federal agencies, we continue seeking ways to improve. Federal regulatory reforms supported by ATA have reduced both the number of truck-involved crashes and the crash rate over the past several decades. However, more must be done to improve highway safety for all motorists. Today we are primarily focused on the impacts of marijuana legalization, the adoption of effective safety technologies, driver distraction on our roadways, and ensuring that our drivers are well-trained.

We also remain deeply concerned about the impacts that burdensome, unrealistic environmental regulations have on the trucking industry's ability to efficiently and effectively meet the nation's supply chain demands. Of particular concern is the reckless rush to force electrification upon the nation's heavy-duty trucking fleet despite the lack of supporting electrical infrastructure to generate and transmit the necessary power, the inadequate availability of appropriate charging facilities for Class 8 trucks nationwide, and the extraordinary cost and duty-cycle challenges of new electric trucks. While ATA and our members support achievable federal standards to meet ambitious environmental goals, current policies, such as those enacted by California and mimicked in new federal rules like the Greenhouse Gas (GHG) Phase 3 standards, impose unworkable mandates on trucking.

---

[4] https://www.washingtonpost.com/opinions/2025/01/07/biden-economy-bidenomics-legacy-inflation/

Finally, I would be remiss if I did not highlight the workforce needs confronting the trucking industry. While the driver shortage was roughly 60,000 in 2023, down from a record of over 81,000 in 2021, this number is still projected to grow significantly in the coming decade. Overall, the trucking industry will need to hire more than one million additional drivers over the next decade to keep pace with economic growth and an aging workforce. ATA supports several solutions to address this multifaceted problem, including expanding access to federal workforce training resources, increasing flexibility for educational funding for credentialing and training, and eliminating state and federal policies that discourage entrepreneurship within the trucking industry.

Thank you for convening today's hearing to consider these critical issues. I, and the ATA, look forward to working with you to share information and inform potential legislative solutions to promote the safe and efficient movement of our nation's goods.

Investing in Infrastructure:

Well-maintained, reliable, and efficient infrastructure is crucial to the delivery of the nation's freight—both international and domestic—and vital to our country's economic well-being. That is why, as mentioned before, ATA supported the enactment of the IIJA. The IIJA represents the largest investment in our nation's supply chain infrastructure in nearly a century, though its implementation and impact were somewhat marginalized by inflation and political distractions. The forthcoming reauthorization effort should build upon the lessons learned from the IIJA, increasing resources where appropriate to account for rising construction costs, reducing government red tape and inefficiency, and restoring focus on projects of critical strategic importance.

Addressing Critical Bottlenecks

Any investment made in infrastructure must reflect the impact an efficient highway system has on supply chain costs, consumer prices, and business competitiveness. Highway congestion, for example, added nearly $109 billion to the cost of freight transportation in 2022—a 15% increase year-over-year.[5] In 2022, truck drivers sat in traffic for 1.2 billion hours, equivalent to more than 435,000 drivers sitting idle for a year.[6] This caused the trucking industry to consume an additional 6.4 billion gallons of fuel, resulting in the release of 65.4 million metric tons of additional carbon dioxide emissions.[7]

Congestion serves as a brake on economic growth and job creation nationwide. On multiple occasions, Committee Ranking Member Larsen has said, "You cannot have a big-league economy with little league infrastructure." I am confident that members on both sides of the aisle would agree. As such, the federal government has an obligation to ensure that resources are made available to address this self-imposed and completely solvable situation. Specifically, ATA recommends that the next surface transportation bill bolster discretionary funding programs to ensure that they address major freight bottlenecks. The American Transportation Research Institute (ATRI) annually identifies the top 100 freight bottlenecks nationwide, and the trucking industry suggests that the Department of Transportation (DOT) prioritize these locations for maintenance and improvement.[8]

Another contributing factor to supply chain bottlenecks and efficiency is the poor state of freight intermodal connectors— the roads that connect ports, rail yards, airports and other multimodal facilities to the National Highway System. Despite their vital role in the freight distribution network and the

---

[5] *Cost of Congestion to the Trucking Industry: 2024 Update*. American Transportation Research Institute, Dec. 2024.
[6] *Ibid.*
[7] *Ibid.*
[8] *Top 100 Bottlenecks – 2024*. American Transportation Research Institute, 2024.

economy, these connectors are often neglected and fail to receive needed investments. Currently, only 9% of intermodal connectors are in good or very good condition, 19% are in mediocre condition, and a troubling 37% are rated in poor condition.[9] Not only do deteriorating roads damage both the vehicles and the freight they carry, but the Federal Highway Administration (FHWA) found a correlation between poor roads and vehicle speed. Average speed on a connector in poor condition was 22% lower than on connectors in fair or better condition.[10] 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.[11] Congestion on freight intermodal connectors adds nearly $71 million to freight transportation costs each year.[12]

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.[13] Too often, these roads serve critical roles in regional, national, and international commerce beyond the geographic boundaries of the jurisdictions that have responsibility for them, but those broader interests may not be factored into the local jurisdictions' spending decisions. While intermodal connectors are eligible for federal funding, this is simply not good enough. ATA supports a set-aside of funding for freight intermodal connectors to ensure that these critical arteries are given the attention and resources they deserve.

Prioritizing Projects That Improve Freight Mobility

Although the IIJA did not set aside funding for either highway bottleneck elimination or intermodal connectors, these projects are eligible for funding under several of the discretionary programs, including the Nationally Significant Freight and Highway Projects Program, the Bridge Investment Program, the National Infrastructure Project Assistance Program, and the Local and Regional Project Assistance Program. Congress should ensure that the resources available from these important programs are used primarily for projects that improve transportation safety and mobility, as well as projects that address infrastructure deficiencies that contribute to supply chain inefficiencies. These programs should not be used to advance parochial agendas that are outside of their Congressionally-mandated scope.

Additionally, ATA recommends against federal policies that are likely to prevent or restrict state and local agencies' efforts to expand highway capacity. This includes conditioning the expenditure of federal funds for new capacity on showing that alternatives, such as operational strategies or investment in alternative transportation modes, are definitively ruled out. The National Environmental Policy Act (NEPA) process already requires consideration of alternatives, and layering additional requirements onto the existing process is redundant, costly, and cumbersome. We are also concerned about policies that seek to eliminate or downgrade highways in the name of equity or environmental justice without fully accounting for the impacts of these approaches on supply chain efficiency.

Expanding Truck Parking Capacity

Another barrier to supply chain efficiency is the ongoing, well-documented shortage of safe truck parking. In 2015, the Federal Highway Administration's *Jason's Law* report acknowledged the shortage of truck parking capacity as a serious highway safety concern. The FHWA found that more than 75% of truck drivers and almost 66% of logistics personnel "regularly [experienced] problems with finding safe

---

[9] *Freight Intermodal Connectors Study*. Federal Highway Administration, April 2017.
[10] *Ibid.*
[11] *Ibid.*
[12] *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.
[13] *Ibid*.

parking locations when rest was needed."[14] Due to inaction at the federal, state, and local level, the truck parking shortage has only worsened since 2015. In its 2019 update to the Jason's Law report, the FHWA found that the percentage of drivers who regularly had trouble finding truck parking had skyrocketed from 75% to 98%.[15] Thanks to an IIJA provision requiring states to report on the parking situation in their jurisdictions, data gleaned from state studies demonstrate just how challenging and unsafe the situation has become. For example, a Missouri Department of Transportation study found that the shortage is so severe that, on an average day, approximately 1,200 trucks are forced to park on the shoulder of an Interstate highway, creating a dangerous situation.[16] A similar report from the Washington State Department of Transportation found that 60 percent of drivers reported spending an hour or longer to find overnight parking, and that truck parking areas along major corridors are at or over capacity, with trucks parking along on/off ramp shoulders and at car or recreational vehicle parking areas.[17] Several high-profile incidents of vehicles crashing into trucks that were forced to park on shoulders have drawn attention to this serious issue.

The lack of available truck parking significantly impacts not only the health and well-being of truck drivers but also driver utilization and efficiency. On average, truck drivers lose approximately $5,500 annually in direct compensation—equivalent to a 12% reduction in yearly pay—due to time spent searching for parking.[18] This sacrifice occurs when drivers waste an average of 56 minutes of available drive time each day parking earlier than legally required to avoid the risk of not being able to find safe, legal parking further down their route. Hours-of-service (HOS) violations stemming from an inability to find safe and legal truck parking can be costly as well. HOS fines range from $150 to $16,000, and an accumulation of violations can lead to higher insurance rates and even license suspension. All these factors contribute to the driver shortage and supply chain inefficiency.

Sustained and robust federal investment in the expansion of truck parking capacity is key to addressing this longstanding problem. ATA supports the *Truck Parking Safety Improvement Act*, which would establish a competitive discretionary grant program and dedicate $755 million for truck parking projects across the country.

Providing Consistent, Sustainable Funding

Underpinning all these recommendations is the need for a long-term, stable revenue source for the Highway Trust Fund (HTF) to support investments in our roads and bridges. A revenue source paid for equitably by all road users, including those that do not currently contribute to the HTF. The trucking industry is the leading payer into the HTF, contributing almost half of all revenues while representing less than five percent of road users. While the trucking industry is proud to pay our fair share, Congressional attention and action is necessary to ensure a lasting, viable and equitable revenue source for continued infrastructure investments.

The fuel tax has, for at least a century, provided that stable income. However, because the tax rate has not increased since 1993, inflation has significantly reduced the value of the revenue generated by the

---

[14] *Jason's Law Truck Parking Survey Results and Comparative Analysis*. Federal Highway Administration, U.S. Department of Transportation, August 2015.

[15] *Jason's Law Commercial Motor Vehicle Parking Survey and Comparative Assessment Presentation*. Federal Highway Administration, U.S. Department of Transportation, December 2020.

[16] *Missouri State Freight & Rail Plan: Truck Parking Profile.* Missouri Department of Transportation, 2022.

[17] 2022 Washington State Freight Plan Update: Appendix H: Washington Truck Parking Assessment. Washington State Department of Transportation, 2022.

[18] *Managing Critical Truck Parking Case Study: Real World Insights from Truck Parking Diaries.* American Transportation Research Institute, December 2016.

tax. While the fuel tax will likely have to be replaced or supplemented at some point, it will be a viable revenue source for at least the next decade. In the meantime, the Administration should work with Congress, the states, and the private sector to find a viable replacement for the fuel tax that can provide stable highway funding for the foreseeable future.

The IIJA included funding for state, national, and local pilot programs to explore new revenue sources. ATA looks forward to working with the DOT and grant recipients to implement a robust and comprehensive research and testing program. The IIJA also required DOT to stand up an advisory panel to inform Congress of the potential for alternative means for sustainably funding the HTF. Unfortunately, while directed to establish the advisory group within 90 days of enactment, the Biden Administration failed to implement this provision.

ATA recommends a user-pay solution to the HTF shortfall that adheres to the following principles:

- **Reasonably Uniform Application:** Apply uniformly across various classes of highway users to ensure fairness.
- **Verifiable Metrics:** Base the system primarily on measurable and easily verifiable factors, such as highway and vehicle use.
- **Evasion Prevention:** Minimize opportunities for tax or fee evasion to maintain revenue integrity.
- **Administrative Simplicity:** Ensure the system is cost-effective and straightforward for the government to administer, collect, and enforce, without imposing excessive administrative or record-keeping burdens on highway users.
- **Commerce-Friendly:** Avoid creating barriers or inefficiencies that hinder interstate commerce.

Identifying a long-term, sustainable solution for Highway Trust Fund revenues can also provide flexibility to ultimately relieve the trucking industry of the burden of the century-old, 12% federal excise tax on heavy duty trucks and trailers. Initially implemented as a 3% tax to offset the cost of American participation in World War I, this tax has grown to be one of the highest excise taxes on any good in the United States. As it adds over $20,000 to the cost of a new $180,000 truck and $6,000 to the cost of a new $50,000 trailer, this onerous charge creates a disincentive to putting new equipment that is cleaner and safer than ever before on our nation's highways.

Meanwhile, at the state level, the absence of sufficient funding from user fees has led states to increasingly turn to tolls to fund infrastructure projects. Unfortunately, there appears to be a growing trend that places this burden disproportionately and unfairly on the trucking industry through the misuse of tolls. A recent court decision in Rhode Island legalized truck-only tolls, allowing the state to reinstate tolls solely on tractor-trailers, which represent just three percent of vehicles on the tolled facilities. In Manhattan, trucks must pay a toll every time they cross 60th Street, while cars pay only once per day. As these anti-truck tolling arrangements spread, the price will be borne by consumers due to higher supply chain costs. We urge Congress to reform federal Interstate tolling authority to prevent these types of abuses.

<u>Opportunities to Increase Safety:</u>

As stated before, safety is paramount for the trucking industry. Trucking companies make major investments every day in proven safety technologies for their fleets; ATA's 2022 Safety Spend Survey showed that the industry invested $14 billion annually in safety, an increase of over 40% above the preceding 2015 survey.[19] Motor carriers want to ensure that those trucks are driven by safe individuals who are qualified, sober, alert, and attentive. We want to work with Congress to ensure that, as we expand our workforce and add new equipment to meet supply chain needs, we are also improving the safety of our fleets.

Testing for Drug Use

Ensuring that our roads are free from drivers under the influence of controlled substances is a top priority. Since the Federal Motor Carrier Safety Administration (FMCSA) Drug and Alcohol Clearinghouse launched in 2020, more than 250,000 positive drug tests among commercial motor vehicle drivers have been recorded, highlighting a persistent and alarming trend in substance use that threatens the safety of our nation's highways. Of these, marijuana remains the leading drug violation among drivers, accounting for roughly 60% of positive tests annually—a troubling statistic that underscores its widespread impact on highway safety.

Last year, Attorney General Merrick Garland moved to reschedule marijuana from a Schedule I to a Schedule III substance, raising serious concerns for highway safety. Such a move would weaken zero-tolerance policies, compromise a robust federal drug testing program currently in place for safety-sensitive professions, significantly complicate enforcement, and potentially increase marijuana use among all drivers. Given the absence of a validated standard for measuring marijuana impairment and the fact that it already accounts for most drug violations in the FMCSA Clearinghouse, rescheduling marijuana would jeopardize the safety of millions of road users. This Subcommittee must ensure that effective and robust drug testing protocols remain intact, and that transportation safety is prioritized regardless of the legal status of marijuana at the federal level.

Additionally, employers need to be equipped with the most effective, reliable tools for ensuring a drug-free driving workforce. The 2015 FAST Act mandated the Department of Health and Human Services (HHS) to issue guidelines for hair testing – a proven alternative drug testing method that yields more comprehensive results, allowing for a longer detection window than traditional urinalysis. Now, a decade later, HHS has yet to finalize the guidance in accordance with Congress' original intent, leaving DOT without the means to accept and recognize hair testing results in its Drug and Alcohol Clearinghouse. This lack of guidance means that nothing prevents a driver who tests positive on a hair test from legally operating a truck on our nation's highways today. Another critical tool, oral fluids testing, remains in regulatory limbo awaiting federal finalization of laboratory certifications before it can be used by employers in post-accident and roadside contexts. Federal acceptance of both oral fluids and hair testing as independent, alternative testing methods would allow employers to identify a greater number of safety-sensitive employees who violate federal drug laws and keep these unsafe drivers off the road.

Clear Requirements for Proven Safety Technologies

Congress and the trucking industry also need to ensure that the safety technologies on commercial vehicles enhance drivers' attention and alertness while on the road. Automatic Emergency Braking (AEB), and the suite of tools that support it, are prime examples of how we can improve driver safety by preventing a crash. In 2021, Congress directed DOT to mandate AEB, technology that has been available for more than 10 years with clearly demonstrated benefits, on *heavy-duty* trucks. It is worth noting that this technology was developed over many years to ensure its effectiveness and proper integration into vehicles. Last year, DOT proposed an AEB mandate for industry segments where the technology is still under development, exceeding Congressional intent. The mandate also proposed

[19] https://www.trucking.org/news-insights/new-study-underlines-trucking-industrys-commitment-safety

overly aggressive braking standards that effectively treat AEB as a replacement for the driver, a standard that current technology cannot meet. Industry has spent immense time and effort building driver trust in this technology and wants to ensure technology is rolled out appropriately and over a realistic timeframe – *when it is truly ready* – to maintain that trust. ATA urges this subcommittee to provide oversight of DOT on this matter to ensure that regulation focuses on *heavy-duty* AEB, applies only to technology that is mature and ready, and that DOT works with industry to overcome barriers to implementation.

Rigorous Driver Training Standards

We also urge the Subcommittee to support efforts to ensure a qualified and well-trained workforce and reject ongoing efforts to exempt training requirements for new drivers. ATA has long supported the Entry Level Driver Training (ELDT) rule, which was implemented three years ago. Ensuring that entry-level drivers receive appropriate instruction from a consistent, industry-wide curriculum is vital to improving safety on our nation's highways. While ELDT has received nearly universal support from the industry, ATA is aware that the spread of misinformation led to efforts to undermine the program and exempt certain individuals from this standardized training curriculum. We urge this Subcommittee to uphold its commitment to rigorous training standards for both new and veteran drivers, ensuring the highest level of safety on our nation's roads.

Restoring Common Sense to Reducing Emissions:

While overcoming challenges caused by congestion and poorly maintained highways, and making vital investments in important safety technologies, the trucking industry has also made significant strides in reducing emissions. Over the past 40 years, advancements in engine technology and emissions control systems mean that new trucks entering fleets today emit 99% less particulate matter and nitrogen oxide (NOx) emissions than their predecessors. Sixty new trucks today emit the same pollution as a single truck manufactured in 1988. These improvements have occurred even as the share of our nation's freight carried by trucks has grown to almost 73%.

The trucking industry supports national, harmonized emissions standards that are ambitious yet achievable, and which enable fleets of all sizes to adopt technologies suited to their operations - minimizing environmental impacts while maintaining supply chain efficiency. However, current policies, such as those enacted by California and mimicked in federal regulations like the 2024 Greenhouse Gas (GHG) Phase 3 standards, impose unworkable mandates on the industry. With a battery electric or advanced hydrogen vehicle costing at least two to three times as much as a new diesel truck, these regulations demand rapid deployment of zero-emission vehicles (ZEVs) that the economic realities of trucking cannot yet support. Further, they will require massive investments in public utility infrastructure and technology advancements that have not yet been made to fit the operational needs of more trucking companies.

Reestablishing Realistic Federal Emissions Goals

The trucking industry urges policymakers to reopen both the GHG Phase 3 and Phase 2 rulemakings. The GHG Phase 2 standards, as originally agreed upon, offered practical timelines and achievable emissions goals. However, the GHG Phase 3 rule overrode these standards and introduced unworkable targets and timelines that fail to reflect the realities of technology development, infrastructure readiness, and economic feasibility. By realigning these standards with the principles established in the original GHG Phase 2 rule, the Environmental Protection Agency (EPA) can ensure that emissions reductions are achieved without jeopardizing the operational viability of fleets. Between 2014 and 2027, the initial Phase 1 and 2 standards were projected to cut CO_2 emissions by 1.37 billion metric tons, save vehicle owners $220 billion in fuel costs, and reduce oil consumption by up to 2.5 billion barrels.[20] It is imperative that we find a realistic path to build on those concrete achievements moving forward.

The most acute issue for trucking is that the aggressive ZEV sales targets set by GHG Phase 3—beginning in 2027—must be revised to account for the current pace of technology development, the lack of adequate charging infrastructure, and the limitations of the existing power grid. A recalibration based on recent technical and market data will provide realistic compliance timelines and allow the industry to adopt proven solutions without compromising supply chain efficiency. Similarly, restoring the achievable goals of the initial GHG Phase 2 rule will prevent further disruption caused by overly ambitious regulatory shifts.

Furthermore, the EPA must reconsider its approach to California's Clean Air Act waivers, which enable a patchwork of state-specific emissions regulations such as the Advanced Clean Trucks (ACT) and Low-NOx Omnibus regulations. These mandates push immature and, in some cases, unworkable technologies onto fleets while creating significant operational challenges, issues which ultimately increase costs for both fleets and consumers. Revoking these waivers and denying future requests will help establish a unified federal standard, preventing the inefficiencies and costs associated with a fragmented regulatory landscape. The EPA can and should take these actions in order to provide regulatory certainty so that fleets can make sustainable investments.

Embracing Sustainable Fuels

While electrification holds promise, it is not the sole solution for decarbonizing the freight sector. Sustainable fuels like renewable diesel and renewable natural gas offer immediate emissions reductions without requiring extensive infrastructure overhauls. These fuels are compatible with existing internal combustion engine technologies and provide a pragmatic pathway to achieving near-term environmental goals. Reinstating recently expired tax credits for biodiesel, renewable diesel, renewable natural gas, and other alternative fuels and establishing parity among all renewable fuel incentives would provide consumers of those fuels with cost-competitive access to these alternatives and offer certainty to fleets that rely on those fuels to reduce emissions. These incentives are particularly critical for operators who cannot afford investments in unproven, expensive engine technologies that are operationally unworkable for many business models. Congress should prioritize these measures to ensure renewable fuels remain viable options for cleaner operations.

Recognizing Infrastructure and Grid Challenges

The transition to ZEVs requires massive investments in charging infrastructure and grid capacity. ATRI estimates that fully electrifying the U.S. vehicle fleet would consume an astounding 40% of the country's current electricity generation and necessitate a 14% increase in total energy production—demanding unprecedented upgrades to the power grid.[21] Full electrification of the U.S. commercial truck fleet is estimated to require nearly $1 trillion in infrastructure investment.[22] Additionally, the current timeline for deploying heavy-duty charging stations is inadequate, with fleets often facing multi-year

[20] U.S. EPA, "Final Rule for Phase 2 Greenhouse Gas Emissions Standards and Fuel Efficiency Standards for Medium- and Heavy-Duty Engines and Vehicles," October 2016.
[21] *Charging Infrastructure Challenges for the U.S. Electric Vehicle Fleet*, American Transportation Research Institute, December 2022. Available online at: https://truckingresearch.org/2022/12/06/charging-infrastructure-challenges-for-the-u-s-electric-vehicle-fleet/
[22] Roland Berger, *Forecasting a Realistic Electricity Infrastructure Buildout for Medium- & Heavy-Duty Battery Electric Vehicles*, Clean Freight Coalition, March 19, 2024.

delays for utility upgrades. Addressing these challenges through targeted federal funding and streamlined permitting processes is critical to supporting the industry's transition.

The trucking industry stands ready to collaborate with policymakers to set and achieve ambitious energy and emissions goals. However, for these goals to be achievable, they must be grounded in technological and economic realities. By reopening the GHG Phase 3 and restoring the original GHG Phase 2 rule, revoking California's unworkable waivers, and supporting sustainable fuels and infrastructure development, Congress and regulatory agencies can create a framework that ensures environmental progress without jeopardizing the efficiency and affordability of America's supply chains.

<u>In Pursuit of a Qualified Workforce:</u>

The trucking industry, which serves as the backbone of our nation's economy and supply chain, continues to face significant driver shortages. In 2022, the shortage of qualified drivers reached a near-record high of 78,000.[23] Due to the recent freight recession, it is likely that the driver shortage has been alleviated, but it has not been eliminated. It is also important to note that even though the driver shortage may now be less severe than it was in 2022, the long-term causes of the driver shortage have not changed, and the industry fully expects the shortage to worsen when the freight market recovers. Over the next decade, the industry will need to hire roughly 1.2 million new drivers to keep pace with growing demand and an aging workforce.[24]

Similarly, there is a diesel technician shortage in our industry. According to data from the TechForce Foundation, an estimated 41,000 additional diesel technicians were needed in 2022, including new positions for additional work, unfilled prior openings, and replacement of those leaving the position.[25] This shortage does not include collision repair techs, tire techs, etc. who are also in demand for the industry. Long term, without additional skilled technicians to perform both regular and acute maintenance of trucks, our vehicles will be less safe and fuel efficient—and so will your automobile.

We need Congress, alongside the incoming Administration, to help us expand our workforce. The trucking industry offers fulfilling careers with family-sustaining salaries—all without the debt that often accompanies a college degree. The vast majority of diesel technicians make $50,000-$80,000 per year in base salary plus bonuses.[26] Truck drivers make good salaries too, with truckload drivers earning a median salary of $76,420 per year according to a 2023 ATA industry survey.[27] This is a nearly 10 percent increase over the two preceding years.[28] That same study found linehaul less-than-truckload (LTL) drivers earning a median salary of $94,525 in 2023,[29] and local LTL drivers earning a median of salary of $80,680.[30]

We want to welcome more individuals into the trucking industry, but we need Congress' help to expand and preserve career pathways into the trucking industry.

---

[23] *ATA Driver Shortage Update 2022*. American Trucking Associations, October 25, 2022. Available online at: https://ata.msgfocus.com/files/amf_highroad_solution/project_2358/ATA_Driver_Shortage_Report_2022_Executive_Summary.October22.pdf (accessed January 919, 2025).
[24] *Ibid*.
[25] ATA works with TechForce to track the technicians needs of the industry. TechForce's report on national technician needs is available upon request. The Committee can contact them through their website: https://techforce.org/.
[26] *The State of Diesel Mechanics*, Randall Reilly/Shell Lubricant Solutions, 2022, at 12 (copy available upon request from https://www.randallreilly.com/).
[27] Driver Compensation Study: Operations Data 2023, American Trucking Associations, p. 14.
[28] *Id*.
[29] Driver Compensation Study, p. 66.
[30] Driver Compensation Study, p. 67.

Safe Driver Apprenticeship Pilot Program

The IIJA directed the DOT to establish the Safe Driver Apprenticeship Pilot Program (SDAP) to provide a pathway for 18-, 19-, and 20-year-old drivers to gain the knowledge, skills, and expertise to drive safely in interstate commerce. The SDAP was modeled after the apprenticeship program originally outlined in the DRIVE Safe Act and requires apprentices to complete 400 hours of on-duty time with an experienced driver, meet 13 performance benchmarks, and operate vehicles with five industry-leading safety technologies, including an active braking collision mitigation system, a forward-facing video event capture system, and a governed speed of 65 miles per hour. The pilot program was designed to provide a level of safety far beyond what is currently required for similarly aged individuals to obtain their CDLs and drive intrastate to demonstrate that, with the appropriate education, training, and safety technology, 18-, 19-, and 20-year-old drivers can operate safely in interstate commerce.

While ATA was enthusiastic about the prospects for this highly anticipated and widely supported pilot program, DOT's problematic implementation of the SDAP irreparably stunted participation and deterred younger drivers from considering this career pathway. DOT added two additional requirements not found in law as a condition of participation. These included a requirement that participating motor carriers be part of a Department of Labor (DOL)-approved Registered Apprenticeship Program to be eligible, and a requirement that participating motor carriers utilize driver-facing inward cameras, another safety technology beyond the five safety technologies already required. Importantly, the latter requirement was added almost eight months after the enactment of the IIJA and just before the pilot program was launched. The last-minute changes caused many motor carriers to decline participation in the program altogether. This egregious overstep necessitated Congressional action, which was signed by the President, to prohibit DOT from imposing its unnecessary, additional conditions on participation.

Unfortunately, by the time DOT was forced to restore the SDAP back to its original intent, the pilot program was nearly at the halfway point to the three-year sunset, and the damage had already been done. The short duration of the pilot program and the associated lack of permanence has deterred motor carriers from undergoing the onerous and costly process to adjust internal operations and become eligible for SDAP participation. Motor carriers have also cited challenges with securing insurance for potential apprentices. At this point, with less than 10 months remaining before the sunset of the SDAP, DOT's latest data, reported in April of 2024, show that only 29 apprentices are actively operating and 21 apprentices have "graduated" from the program. In total, apprentices have driven over 1,250,000 miles safely in interstate commerce.

While participation fell short of the 3,000-participant cap, the data generated from this pilot program demonstrates what the trucking industry knows to be true: that with rigorous safety and training guardrails, 18-, 19-, and 20-year-old drivers can operate safely in interstate commerce. As of the latest data reported by DOT, no apprentices in the pilot have been involved in reportable crashes. Ahead of the sunset of the SDAP on November 6, 2025, ATA urges Congress to make this career pathway for 18-, 19-, and 20-year-old drivers permanent. A permanent pathway to lucrative and fulfilling careers will help the trucking industry recruit the next generation of talent and will help address the pervasive driver shortage.

Protecting Independent Contractors

In addition to creating pathways for the next generation of drivers, ATA is also committed to protecting individuals who choose to become independent contractors (ICs) in the trucking industry. Unfortunately, the IC business model is under sustained attack from some in Congress and government regulators at both the federal and state levels. California's AB-5 has wreaked havoc on independent truckers in that state, and many motor carriers have been forced to either engage in the wholesale reorganization of their business structures or leave the state altogether. At no fault of their own, ICs are stuck in the middle of this expensive, bureaucratic struggle, and their options are limited, expensive, and filled with unnecessary red tape. Litigation on this harmful law continues and, while we hope for a good outcome, significant damage has already been done.

At the federal level, a whole host of agencies—including the National Labor Relations Board (NLRB), the Federal Trade Commission (FTC), the Consumer Financial Protection Bureau (CFPB), and DOL—have attempted to undermine the IC business model. The DOL Wage and Hour Division promulgated a final rule on IC classification under the Fair Labor Standards Act that creates significant issues for both our truckers and the motoring public.[31] The final rule created a morass of factors to be considered when determining whether an individual is an employee or an IC. In particular, the control provision—control either exercised or unexercised, directly or indirectly, over things like workplace health and safety—will disincentivize efforts to improve health and safety, increase environmental protections, and ensure compliance with other legal obligations in all industries. The control provision will have an especially harmful effect on trucking. Indeed, virtually every motor carrier in our industry has contractual provisions with their ICs requiring adherence to the law (if not going beyond what the law requires), in the areas including health and safety, environmental, and taxation standards.

If ICs are prohibited from operating as ICs because the motor carriers with which they contract require ICs to follow the law and doing so transmutes those ICs into employees, then many hard-working entrepreneurs will suffer. The final rule thus contains a perverse incentive to reduce or eliminate requirements that benefit everyone.

The trucking industry has been utilizing ICs since the inception of interstate trucking, and court decisions over the last 90 years have continually reaffirmed the legitimate role that ICs play in the economy. Employers in our industry are also doing the right thing by adhering to applicable workplace safety requirements and including compliance monitoring—in many instances pursuant to a mandate from DOT—in their contractual relationships. Some even go beyond what is required by law to make workplaces safer by providing training or equipment as part of their subcontracting arrangements with smaller motor carriers or ICs. Motor carriers often take this approach for environmental stewardship or to comply with other legal mandates. This is good corporate citizenship, something to reward rather than turn into a liability by using it as evidence of control for classification purposes.

ATA led a national coalition to convey these and other points to DOL during the comment period on the final rule. Our affiliated state organizations provided numerous examples of real-life situations that would be negatively affected by the rule. We hope Congress will echo those concerns with the DOL. While this matter is primarily under the jurisdiction of the Committee on Education and the Workforce, your attention to it is warranted as well due to the negative impacts on the trucking industry and the supply chain it supports.

Furthermore, the DOL final rule would revoke the freedoms of working Americans to choose occupations and economic frameworks suited to their needs and ambitions. Americans choose to work as ICs because of the economic opportunity it provides and the empowerment to select the conditions (e.g., hours and routes) that align with their lifestyles. Many of ATA's larger member companies today began as one IC with a truck and the ambition to grow. Accordingly, the Americans who choose to

[31] *Employee or Independent Contractor Classification Under the Fair Labor Standards Act*, Wage and Hour Division, U.S. Department of Labor, 89 FR 1638 (January 10, 2024).

become ICs in trucking deserve respect and to be wholly supported in their efforts, rather than being driven out of business because the federal government believes that employee status is better for them. ATA, along with coalition partners, is party to a lawsuit in U.S. district court in Texas that seeks to overturn the DOL's ill-advised rule. The lawsuit is fully briefed, and all parties are awaiting a decision from the court.

The IC model in trucking has also been a source of empowerment for women, minorities, and immigrants seeking to become entrepreneurs. One of ATA's Road Team Captains[32] put several kids through college while working as an IC for one of our motor carrier members. At the driver level, the trucking industry is more diverse than most industries in terms of ethnic representation. In many parts of the country, there are substantial concentrations of ICs performing vital supply chain services—Sikh drivers in northern California, Somali drivers in Minnesota, etc. They are as much a part of the trucking industry and supply chain as every employee truck driver, and their choices should be respected.

Reforming Emergency Weight Limit Permitting:

Natural disasters – hurricanes, tornados, floods, wildfires or pandemics, to name a few – can cause serious disruption to communities for days, weeks, or even months. In late September of last year, my home state of North Carolina experienced tragedy and catastrophic damage from Hurricane Helene. In the aftermath of disasters, the trucking industry gets to work providing life-saving supplies and helping affected communities recover. During our response to Hurricane Helene, Cargo Transporters warehoused and transported palletized water and donated supplies to help families in need, and our employees donated hours of work, money, and goods to the relief efforts in support of North Carolina families.

Relief and recovery supplies can include water for drinking or fighting fires, food, generators, equipment for rebuilding a decimated power grid, trailers to provide shelter for those who are suddenly made homeless, or building supplies to repair or replace damaged homes, buildings, roads, or bridges. In addition, trucks are called upon to help remove thousands of tons of debris to allow the recovery process to begin.

In these scenarios, time is of the essence. Lives are at risk when potable water is in short supply, hospital or nursing home patients too sick to evacuate do not have the electricity needed to power life-saving medical equipment, or water needed to fight wildfires is in short supply. The hurricane last September also occurred during the peak harvest season, which meant that the transportation of perishable crops, livestock, and poultry also required additional flexibility. In disaster recovery scenarios, maximizing the trucking industry's ability to safely move as much cargo as possible as quickly as possible is critical. A key to expediting these loads is to maximize a truck's cargo space by allowing the trucking company to exceed state and federal weight limits on a temporary basis.

Federal law limits a truck's gross (total) and axle weights when they are operating on the Interstate Highway System. States determine weight limits on non-interstate roads. In 2012, federal law authorized states to issue special overweight permits for vehicles and loads that are delivering relief supplies during a Presidentially declared emergency or major disaster. Both the routes that permitted trucks may operate on and the weight limits on those routes are to be determined by each state. A Presidential declaration expires after 120 days. Trucks operating under special permit may only deliver to a destination in the

[32] America's Road Team is a national public outreach program led by a small group of professional truck drivers who share superior driving skills, remarkable safety records and a strong desire to spread the word about safety on the highway.

locations covered by the declaration, or haul debris from those locations. An overweight vehicle must have a permit from each state in which it operates if that vehicle exceeds the state's legal weight limits.

In practice the current system has significant flaws. Emergencies that qualify under the Stafford Act are limited to traditional natural disasters such as floods and hurricanes. Certain emergencies, such as the supply chain crisis caused by the COVID-19 pandemic and the energy shortage caused by the cybersecurity attack on the Colonial Pipeline, do not qualify. In addition, relying on a Presidential declaration to enable the issuance of permits is problematic. First, some situations do not rise to the level of a national emergency. Some are more limited in scope but still require a significant response from the trucking industry. Waiting for a Presidential declaration can also slow the process or make it less effective. Finally, Stafford Act declarations expire after 120 days. In some cases—the COVID-19 pandemic being a good example—emergency response may need to be extended.

ATA supports the MOVE Act, bipartisan legislation introduced in the last Congress that would address many of these problems. The legislation would expand the circumstances under which the federal government would allow a state to waive federal weight limits; allow Governors to issue declarations; and allow declarations to remain in effect for 270 days, with an option to extend the expiration date.

In Conclusion:

I am grateful for the opportunity to testify before you today on behalf of the American Trucking Associations and the 8.5 million people in trucking-related jobs who power our nation's supply chains and keep the wheels of the economy turning. It is imperative that we as a nation continue to be mindful of the importance of safe and efficient freight transportation and its impact on the wellbeing of our nation. Investing in freight infrastructure, enacting thoughtful federal safety and environmental regulations, growing the supply chain workforce, and protecting entrepreneurship are all areas where our supply chains can benefit from Congressional action.

The 119th Congress has an opportunity to enact transformational legislation that will speed our economic growth, empower entrepreneurs, and ensure that American infrastructure is the envy of the world. The trucking industry welcomes every opportunity to work hand in hand with Congress and the new Administration on those efforts. Thank you again for your leadership on these vital issues.