

TRANSTRENDS

THE TRANSLAW GROUP, INC.

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FMCSA TO IMMEDIATELY SUSPEND RESTRICTIONS IN RESTART PROVISION



The president signed the spending bill on 12/16/2014 and now everyone wants to know when the 34 hour restart provisions contained in the spending bill will become effective.

The Federal Motor Carrier Safety Administration issued a statement, saying the agency would immediately suspend the requirement that each restart contain two 1 a.m. to 5 a.m.

overnights and the prohibition on using the provision more frequently than once every seven days.

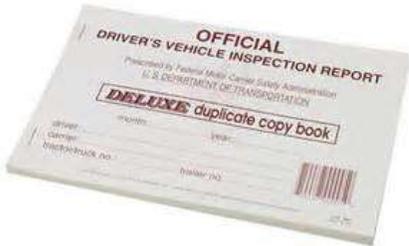
FMCSA is preparing a *Federal Register* notice to advise the public that it is suspending enforcement of the restart restrictions as required by law. The FMCSA is also working to ensure that the 12,000 state and federal motor carrier enforcement personnel are prepared to revert to the previous restart.

While the suspension will be immediate, there could be law enforcement agencies that may not be up to speed and may issue citations in spite of the policy change.

Following the link below for a copy of the notice.

<https://www.federalregister.gov/articles/2014/12/22/2014-30028/hours-of-service-of-drivers>

END OF AN ERA



WASHINGTON – U.S. Transportation Secretary Anthony Foxx announced today that, effective Dec. 18, 2014, professional truck drivers will no longer have to comply with a burdensome daily paperwork requirement, saving the trucking industry an estimated \$1.7 billion annually without compromising safety.

Commercial truck drivers are required to conduct pre- and post-trip inspections of their vehicles to identify any safety defects or maintenance concerns.

The final rule announced today removes the requirement that drivers file a report for approximately 95 percent of inspections when equipment problems or safety concerns are not identified. FMCSA's No-Defect DVIR rule will be effective on the date it is published in the Federal Register, which is scheduled for Dec. 18, 2014. Try the following link in order to pull up the Federal Register notice.

<https://www.federalregister.gov/articles/2014/12/18/2014-29331/inspection-repair-and-maintenance-driver-vehicle-inspection-report-dvir>

MODERN DAY ROBIN HOOD

It seems that there is a group of activists in Keene, NH that feed parking meters just ahead of the parking enforcement people. What a disappointment for the parking patrol. Their jobs are becoming obsolete and the number of tickets issued by this posse has been greatly reduced.



In fact, the matter has wound up in state court. Parking personnel claim that they are being harassed and intimidated by this band of merry men.

So far, Robin Hooders as they are called have succeeded in thwarting the needless issuance of parking citations. The Hooders leave a card on each expired meter asking that the person who benefited from the Hooders pay it forward or donate to the cause.



Up to this point, the Hooders have been successful in court claiming that their activity is protected speech. However, city parking employees feel that they are being harassed and that the Hooders have become more than aggressive.

TRANSLAW can only assume that the Public sentiment falls on the side of Robin and Friar Tuck! It sounds like the city of Keene wants to ticket offenders in order to make the big bucks rather than earn the money the old-fashioned way, one dime at a time.

Perhaps the Keene parking regulations should limit the number of hours you can park in one spot rather than ticketing when the meter runs out. The

Hooders would have a more difficult time assisting the public under the time limit parking, and, you would need fewer parking police.

PIELSTICKER PLEADS NOT GUILTY



Five years to the day after Arrow Trucking Co. closed its doors and stranded hundreds of drivers on the road with no paychecks or fuel cards, former CEO Doug Pielsticker pleaded not guilty to criminal charges of fraud and conspiracy. Pielsticker entered his plea on Monday, Dec. 22, in federal court in Tulsa, Okla. TRANSLAW can only guess that Duggie is not having a Merry Christmas.

Pielsticker was arrested in Dallas on Dec. 4. Federal prosecutors unsealed a 23-charge indictment against him the following day, alleging that Pielsticker conspired and committed acts of bank fraud in excess of \$15 million in the months prior to the collapse of Arrow Trucking Co. on Dec. 22, 2009.

Prosecutors allege that Pielsticker, now 46, filed false tax returns in 2007, 2008 and 2009 by under-reporting his wages and that he used non-payroll accounts to make payments to his ex-wife, finance expensive cars, and buy a vacation property.

Pielsticker faces a trial in U.S. District Court. He remains free after posting a \$50,000 bond. According to a news report, the federal judge in the case asked Pielsticker to turn over his passport but Pielsticker said he could not find it.

Authorities closed in on Pielsticker after another Arrow Trucking Co. executive, Jonathan Leland Moore, struck a plea deal and fingered Pielsticker as a fraud conspirator. You simply cannot trust your co-conspirators!

TRUCKER ENTERS GUILTY PLEA FOR HIS ROLE IN DOUBLE-BROKERING FRAUD



A driver for a Chicago freight hauler has pleaded guilty in federal court to one count of wire fraud in connection with a double-brokering scheme.

In exchange for a plea agreement, federal prosecutors agreed to drop an additional charge of mail fraud against the defendant, Dragan Simovski, who drove for Freedom Transportation Inc. of Chicago.

Simovski admitted that he and other individuals were involved in a plot where they falsely represented that Freedom Transportation would use its own trucks to transport freight, knowing that Freedom had no trucks, according to a news release from the U.S. Department of Transportation's Office of Inspector General.

As part of the scheme, Simovski would enter into contracts with companies on behalf of Freedom, promising to transport freight for those companies. Simovski provided information about the freight loads to a co-conspirator broker who would find other companies to transport and deliver the freight. Simovski and the co-conspirator agreed to bill the customers on behalf of Freedom as if they had kept and performed the jobs, and then keep the payments rather than disbursing them to the companies that actually did the work.

The wire fraud charge carries a maximum 20-year prison sentence and a maximum fine of \$250,000, as well as a term of three years of supervised release.

BUY A TRUCK OR TRAILER IN 2014? YOU MAY QUALIFY FOR A TAX BREAK

A recent bill passed by Congress could benefit trucking companies and owner-operators who purchased new equipment and placed it in service during the 2014 calendar year.

In general terms, the Tax Increase Prevention Act of 2014 applies numerous tax-relief provisions to the 2014 calendar year that would have otherwise expired.



Those purchasing new equipment and placing in service in 2014 qualify for accelerated depreciation for that equipment on their federal tax return.

Section 125 of the act “would extend 50 percent bonus depreciation to property acquired and placed in service during 2014” and “continue to allow taxpayers to elect to accelerate the use of (alternative minimum tax) credits in lieu of bonus depreciation under special rules for property

placed in service during 2014.”

The depreciation provision is identical to one enacted for calendar year 2013.

FORMER KEPHART TRUCKING CEO FACES 401(k) FRAUD

The former CEO of a Pennsylvania trucking company is facing hundreds of criminal charges related to wage theft scheme involving the employees’ 401(k) plans.



Timothy Kephart, 55, of Morrisdale, is already serving a 30-month sentence in federal prison for a conviction in an unrelated check-kiting scheme in Ohio.

The criminal charges center on a scheme that purportedly lasted from June 2010 to late 2013, whereby employee withholdings that should have been used for 401(k) contributions, 401(k) loan repayments and medical insurance coverage were instead deposited in the company checking account and used for other expenses. The amount of funds misappropriated is alleged to be in excess of \$329,000.

This type of activity seems to be rampant in the trucking industry. TRANSTRENDS has reported many similar cases over the past several years. There are too many electronic fingerprints out in cyberspace to be able to get away with these schemes. We are certain there will be many more cases in the coming months.

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