

TRANSTRENDS

THE TRANSLAW GROUP, INC.

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CONNECTICUT MOTOR CARRIERS MAY SEE SALES TAX COMEBACK



An effort underway at the Connecticut statehouse would eliminate a sales tax break for truck operators.

The Finance, Revenue and Bonding Committee could soon take up for consideration an effort to repeal an existing sales tax exemption for commercial trucks and trailers purchased in the state.

Truck operators are already subject to a number of taxes; the Heavy Vehicle Use Tax, International Fuel Tax Agreement, Unified Carrier Registration, International Registration Plan, the 12 percent federal excise tax on the purchase of new tractors and trailers, and a federal excise tax on the purchase of new tires, just to name a few.

These kinds of taxes do not apply to personal vehicles.

The Connecticut sales tax exemption on the purchase of a new tractor and/or trailer is perhaps the largest – and only – economic incentive for truck operators to purchase new equipment, and repealing the exemption is bad for truckers, truck and parts manufacturers, truck retailers, and many other trucking-related businesses.

ANNUAL ROADCHECK INSPECTION BLITZ ANNOUNCED FOR JUNE 2-4



Commercial vehicle inspectors across North America will conduct their annual truck and bus inspection blitz known as International Roadcheck from Tuesday, June 2, through Thursday, June 4. Inspectors will be paying particularly close attention to cargo securement this year, according to a press release from the Commercial Vehicle Safety Alliance, or CVSA.

“While checking for compliance with safe loading regulations is always part of roadside inspections, CVSA is highlighting cargo safety as a reminder to drivers and carriers,” CVSA announced. “The proper loading and securing of cargo on vehicles is a matter of public safety. For many types of loads, particularly those that are not sealed or otherwise inaccessible to the driver, regulations require the driver to stop within the first several miles of a trip and recheck the tie downs and other load-securing equipment.”

Approximately 10,000 CVSA-certified local, state, provincial and federal commercial vehicle inspectors from the U.S., Canada and Mexico will combine to inspect approximately 17 trucks or buses every minute during the 72-hour event.

Most inspections will be North American Standard Level I, the most thorough of roadside inspections, examining both vehicle and driver. Drivers will be asked for licenses, endorsements, medical cards and hours-of-service documentation, CVSA says, and will be checked for alcohol and/or drugs and seat belt usage.

Vehicles will undergo checks for braking system, coupling devices, exhaust system, frame, fuel system, lights, safe loading, steering mechanism, drive line, suspension, tires, van and open-top trailer bodies, wheels and rims, windshield wipers, and emergency exits on buses.

CVSA partners with the U.S. Federal Motor Carrier Safety Administration, Canadian Council of Motor Transport Administrators, Transport Canada, and the Secretariat of Communications and Transportation (Mexico) to conduct International Roadcheck.

NEW JERSEY TRUCKER DIES AFTER BEING RUN OVER BY HIS OWN TRUCK

A trucker was killed after being ejected from and then run over by his own truck following a crash on a New Jersey highway recently, according to the New Jersey State Police.

The victim, Joseph Molinari, 59, of West Windsor, N.J., was westbound on Route 80 near Parsippany, near the exit for Route 202 when he reportedly lost control of his 1995 Peterbilt day cab while slowing down for traffic. Molinari's vehicle, which was traveling in the left-center lane, struck a 2013 Volkswagen Jetta in the left lane, before striking a center-lane barrier, according to State Police Sgt. Jeffrey Flynn.

Flynn said that Molinari was not wearing a seat belt and that the force of the collision ejected him out of one of the cab doors, although it was unclear from the report which door. Molinari was then struck by his own vehicle. He was transported to a local hospital, but Flynn said the family notified the State Police that Molinari died at the hospital.

Flynn said the investigation is still trying to determine what caused the doors to open, and whether or not Molinari was under the influence or may have been distracted in the moments leading up to the crash. No citations have been issued and there were no other injuries.

This type of accident is not uncommon at all.

PROPOSED HIGHWAY BILL INCLUDES DRIVER COMPENSATION



The Obama administration's proposed highway bill, called Grow America, has a provision that would mandate driver pay for on-duty not-driving time.

Most people look at highway bills and think road funding. And while that certainly is true, the highway bills typically include regulatory to-do lists of sorts for various agencies. That holds true with the recently unveiled administration's proposed highway bill.

Drivers will be particularly interested in the fact that the administration takes aim at one of the biggest problems that drivers face when it comes to making a decent living: uncompensated on-duty time.

The proposed bill seeks to require employers to trace the on-duty not-driving time of an employee whose base compensation is calculated in a manner other than an hourly wage and who is required to keep a record of duty status under the hours-of-service regulation.

The proposal requires that the driver be separately compensated for any on-duty, not-driving time at an hourly rate that is at least compliant with the federal minimum wage.

The provision would not include employee drivers whose compensation is governed by collective bargaining agreements or negotiated by National Labor Relations Board bona fide employee representatives.

Broadening enforcement

The administration has also identified another subset of the industry that the Federal Motor Carrier Safety Administration does not have jurisdiction over – contractors who exercise control over motor carrier operations. The proposed highway bill would expand FMCSA's authority over those contractors.

The proposed bill is targeting contractors who exercise direct operation control – such as setting routes, schedules, dispatching, etc. – over commercial motor vehicles. Contractors who provide drivers and who are responsible for ensuring the drivers meet the federal qualifications to operate a truck are included as well. Finally, contractors who provide equipment, other than leased or lease-purchased equipment, to a motor carrier are also subject to the proposal.

The proposed language would require the contractors to register with FMCSA. The administration is looking to have the contractors operate like the motor carriers they are supplementing through record keeping and being subject to safety audits. The contractors could be penalized and enforced on – just as motor carriers and individual drivers can be by FMCSA right now – including penalties and out-of-service orders.

Repeal of self-insurance

Mega motor carriers who currently self-insure rather than purchase insurance policies from an insurance company would no longer be allowed to do so if Grow America is signed into law in its proposed form.

The administration's proposal on self-insurance is short and sweet. It seeks to repeal the ability of motor carriers to self-insure, including the ones who were granted authority to self-insure before 1996.

Violations in personal vehicles

The bill proposes to loop in violations committed by both CDL and non-CDL holders in their personal vehicles.

Those violations can be used to prohibit a non-CDL holder from obtaining a CDL.

For CDL holders and non-CDL holders it widens the consequences of committing the violation of driving on a revoked, suspended or canceled driver's license. It doesn't matter if it's your personal vehicle or a truck; the first offense is a one-year suspension from driving a commercial motor vehicle and the second offense is a lifetime ban.

New entrant audit requirement loosened

Currently FMCSA is required to conduct audits on all new entrant motor carriers. The proposed bill seeks to make some tweaks to that requirement, loosening the requirement on the agency to actually conduct the audit.

A simple word change from the agency “shall” to the agency “may” appears to build in discretion for the agency on conducting new entrant safety audits.

Other high points

The proposed highway bill also contains language to toughen up on chameleon motor carriers who close up shop to avoid enforcement action from FMCSA and motor carriers that pose an “imminent hazard” on the roads.

GEORGIA TRUCKER DEEMED UNSAFE, ORDERED TO CEASE OPERATIONS AFTER CRASH



A Georgia-licensed trucker has been found to be an imminent hazard to public safety by the Federal Motor Carrier Safety Administration, according to an agency news release. The 63-year-old man, who tested positive for drugs, struck a Georgia Port Authority officer’s vehicle with his truck.

Back on March 2, Georgia trucker Robert Lee Turner was driving his truck in the Port of Savannah. Turner’s tractor-trailer crashed into a Georgia Port Authority vehicle while the officer was standing outside the vehicle. The officer was seriously injured.

On March 25, Turner received a federal order to cease operations of any commercial motor vehicle in interstate commerce. Turner was arrested and tested for drugs. According to the press release, Georgia State Patrol found cocaine in Turner’s system. The trucker was charged with driving under the influence of a controlled substance.

BROKERS REQUEST FOR FREE PASS ON \$75,000 BOND DENIED

A group of property brokers were told they would not be exempt from the requirement to carry a \$75,000 bond by the Federal Motor Carrier Safety Administration in a notice posted to the *Federal Register* Tuesday, March 31.

The Association of Independent Property Brokers and Agents submitted a petition for exemption to FMCSA in August 2014. The FMCSA published the request in December 2014 and accepted comments from the public on the request. The FMCSA increased the broker bond from \$10,000 to \$75,000 in October 2013. The bonds are intended to assist motor carriers in securing payment when a broker fails to pay or goes out of business.



In its exemption application, the broker group argued that the required \$75,000 bond reduced competition in the broker market and would drive up freight rates.

A number of comments – largely from brokers – supported the request. There were, however, several comments opposing the request. The opposition pointed out that the previous \$10,000 required bond had been inadequate for quite some time – as it had not been increased since 1979. The \$10,000 bond proved to be insufficient for many trucking companies to collect from brokers who had gone out of business.

Additionally, the opposition argued that having the \$75,000 bond requirement meant trucking companies, especially small-business owner-operators, were better protected.

In its denial of the exemption request, the agency did not find that the bond was burdensome in any way, had not reduced competition, and instead of increased freight rates found that rates have actually dropped.

FREIGHT HELD HOSTAGE BY TOWING COMPANY



When a company has a truck rollover, certain steps need to be taken following the unfortunate situation. More often than not, the state police will call in a towing and recovery company to come in and properly dispose of the totaled trailer and contents. The wrecker service, however, can impound the truck (and its cargo) and demand a hefty and what seems to be an outrageous payment in order to release the truck and its contents.

Wrecker services have been known to ask for as much as \$40,000 for the type of work that can typically be performed for much less. How can a company retrieve their equipment and cargo that is being held hostage without being sucked into these astronomically high charges?

By law, the wrecker service does have a lien after the tow is performed. However the lien is on the equipment towed (the truck), **NOT** the freight (the cargo). The company has the right to retrieve their cargo from the towing company. If the towing company should refuse the transaction, they can be held liable and charged with conversion if they so choose to hold your freight hostage.

As far as the lien on the equipment goes, it would be strongly suggested that you search within the city's laws and ordinances that govern the charges of towing companies; that is, the city that has jurisdiction over the strip of highway where the accident occurred. Many cities have certain maximum rates that a towing company can charge.

However these types of cases usually end with the company paying the towing service's high charge, then taking legal action to seek remedies. Regardless of outcome, one should always demand a detailed statement of the charges, including specific information such as number trucks, drivers, man-hours, etc. if paying the demands is the only way out, then pay the towing service but with a payment that is "under protest."

HAVE I TOLD YOU ABOUT MY GRANDCHILDREN – LATELY!



TOD C. BURNS II

The young man to the left spent his first years by his dad in the office. He is now in 5th grade at Center School in Longmeadow, MA and heading for Middle School. Time flies by and Tod C. Burns II appears to meeting the challenge.

He is not perfect by any standard and the condition of his bedroom plainly gives that away!

Does anyone know how painful it is to step on a Lego in the dark?

Tod is into robotic Legos and the dad can only hope it will lead to a career path and a job!

The younger brother, Gage, to the right, has a smart mouth and the Grandfather cannot seem to figure out where that came from. Gage can spend all day on his IPAD playing games.

Gage participated in the Technology In Education Showcase, (TIES) program at his school by presenting a Google presentation about the Wampanoag Indians during the pre-gambling period!

He was one of a few individuals selected from each grade in the entire school system.

Gage is a 3rd grader at Center School as well, and just hates to see his brother move to another school in the fall!



GAGE MICHAEL BURNS

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