



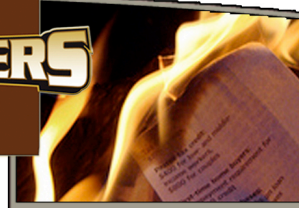
SUPPLIERS



CARRIERS



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HOT TOPICS



EVENTS/CONVENTION

A Weekly Electronic Update

53rd RMRSR ~ July 13-15, Yarrow Hotel & Conference Center - Park City, UT
72nd Annual MCM Convention ~ Aug. 17-19, Holiday Inn Grand, Billings

Nominations for Dedicated Service Award & Volunteer Of the Year Award

Nominations via a letter of nomination spelling out why person is deserving.

Nominations to MCM office by end of business on July 18, 2011. Fax to 406-443-4281 or email katie@mtrucking.org

SAVE THE DATE!!

72nd Annual MCM Convention
August 17-19, 2011
Holiday Inn Grand
Billings, MT

Convention Material is now available on the MCM website, www.mtrucking.org, click on "*Events/Convention*" tab.

UCRA Fees to Stay the Same for 2012

At its meeting on June 15, 2011, the Board of Directors of the Unified Carrier Registration Agreement recommended to the U.S. Secretary of Transportation that UCRA fees remain the same for calendar 2012 as they have been in 2010 and 2011. The board also recommended to the states participating in the UCRA program that they begin collections of the 2012 fees in October this year, and begin enforcement January 1, 2012. There is at least some potential interest among the states in seeking a UCRA fee increase for 2013.

ATA Opposes Revisions To EPA'S SCR Guidance Document

On July 7, ATA filed [comments](#) with the Environmental Protection Agency opposing proposed changes to the Agency's requirements for SCR-equipped engines. SCR technology is used by most heavy duty diesel engine manufacturers to control NOx emissions, but requires the driver to periodically add Diesel Exhaust Fluid (DEF) to the system. The guidance document outlines a series of driver inducements that engine manufacturers could include to remove the economic incentive associated with not purchasing DEF. ATA pointed out that the existing driver inducements had proven to be effective and that increasing the engine torque de-rating (e.g., 40% power reduction) could create an unsafe operating condition. ATA also argued that the final inducement of limiting the truck's speed to 5 mph should not be triggered earlier than 11 hours after the detection of increased NOx emissions to allow the driver to complete the day's work and bring the truck in for service.

IRS Increases Mileage Rate

Once again, a sharp increase in the price of fuel has prompted the federal Internal Revenue Service to raise in the middle of a year the rate allowed for the business use of a vehicle. Beginning July 1 this year, and continuing through December 31, the mileage rate is raised from 51 to 55.5 cents per mile for business travel, and from 19 to 23.5 cents for travel for medical or moving purposes. Details here: <http://www.irs.gov/newsroom/article/0,,id=240903,00.html?portlet=6>.

IFTA Filers: Caution on GA Rate

The second quarter's fuel tax returns for the International Fuel Tax Agreement are due at the end of July. Carriers who operated in Georgia during the quarter should be aware that the state raised its fuel tax rate (from 17.2 to 18.3 cents a gallon for diesel fuel) on May 1 this year, and will be imposing a split rate on the IFTA return. If you're uncertain how to file, better check with your IFTA base state.

Bill Would Mandate Bond of \$100,000 for Brokers

By Eric Miller, Staff Reporter

This story appears in the July 4 print edition of Transport Topics.

An anti-fraud bill introduced in Congress would raise the freight broker surety requirement to \$100,000 and mandate that motor carriers who broker freight loads obtain separate broker authority.

The Fighting Fraud in Transportation Act of 2011, introduced June 24 by Rep. Frank Guinta (R-N.H.) and Rep. Russ Carnahan (D-Mo.), is supported by American Trucking Associations, the Transportation Intermediaries Association and the Owner-Operator Independent Drivers Association — three trade groups that often don't agree on transportation legislation.

Supporters said the legislation would go a long way toward keeping fraudulent brokers out of the business and help insure that truckers get paid for freight they haul.

Opponents claim the higher surety bond would discourage small brokers from entering or staying in the business.

The bill would also increase requirements and disclosures for any person or company seeking to obtain broker or freight forwarder authority, toughen penalties for violations of broker regulations, and establish

strict guidelines for companies that provide brokers with surety bonds and on how they administer those bonds.

A similar bill introduced in the Senate last year, the Motor Carrier Protection Act, failed to muster enough support to clear the Senate Commerce Committee (6-21-10, p. 4).

Robert Voltmann, TIA's president and chief executive officer, said the three trade organizations had common ground in toughening up the broker requirements.

"The motor carriers are stung by companies that take freight, flip it to somebody else, and don't pay," Voltmann told Transport Topics. "We want the truck driver paid. We want the truck company paid."

Voltmann refuted the notion that the bill would put small brokers out of business. "What it will squeeze out are underfunded or undercapitalized brokers," Voltmann said. "A \$100,000 bond to move DOD freight costs \$1,500. If you can't afford \$1,500, what right do you have to collect someone else's money? You shouldn't start a brokerage if you don't have proper capitalization."

But Daniel Larson, chief operating officer of Pacific Financial Association Inc., the nation's largest provider of property broker surety instruments, said the bill would not reduce broker fraud and not be good for the transportation industry.

Larson said Pacific handles more than 10,000 claims a year, and most broker defaults would be "well handled" with a \$20,000 bond.

"Truckers think they're going to get saved by these bonds," Larson said. "History points out that you get saved by doing business with people that you know, you respect, or who you've properly vetted."

"ATA supports the legislation's increase in the broker bond to \$100,000," McNally said. "That increase, along with the stricter regulatory oversight of brokers required by the bill, will go a long way to remedying the problem of motor carriers not getting paid by unscrupulous brokers."

But McNally conceded that other requirements of the bill, notably that motor carriers no longer can broker loads under their motor carrier authority, create concerns for some motor carriers.

"Unfortunately, ATA was not able to secure any modification of that language from the coalition supporting the bill," McNally said.

David Owen, president of the National Association of Small Trucking Companies, called the legislation "a horrible way to go" and said it is designed to help "mega-brokers."

Owen said the higher bond won't stop fraud. Most small carriers that broker deals are honest and use their brokerage to be more efficient and retain contracts, he said.

"It's horrible to have an industry where a few crooks can go out and intentionally rob trucking companies. I think that's a shame," Owen said. "But most carriers, it only happens to once. The next time, they check the guy out a little better."

Please cc MCM your thoughts on this issue.

FMCSA Seeks Input on Five-Year 'Strategic Plan' for Truck, Bus Safety Agency Will Take Comments Through End of July

The Federal Motor Carrier Safety Administration has unveiled a draft 2011-2016 "strategic plan" for improving truck and bus safety, and has invited the public to comment on the plan through the end of July.

"This strategic plan represents a fresh and bold new view on issues critical to bus and truck safety, and I encourage Americans across the country to provide feedback and help shape the final plan," Transportation Secretary Ray LaHood said in a statement.

The plan aims to maintaining high safety standards to remain in the industry and to remove high-risk carriers, drivers and service providers from operation, FMCSA said in a statement. The agency is part of DOT.

It includes sections on commercial motor vehicle life-cycles, comprehensive data and technology utilization and measuring performance.

American Trucking Associations said it has urged FMCSA to simply identify the principle causes of truck crashes and prioritize and implement solutions accordingly.

Comments are due by July 29. [Click here to view FMCSA's strategic plan.](#) (PDF; FMCSA website.)

[Click here to comment on the FMCSA strategic plan](#) (via FMCSA/Ideascale website) — or, also to comment, click on [regulations.gov](#). (Docket No. FMCSA-2011-0098.; U.S. government website.)

Please cc MCM on any comments you may file>

By Transport Topics

Alabama Amends Steel Coil Law

By legislation (S.B. 289) effective immediately, Alabama has changed the statutory requirements for motor carriers hauling steel coils to eliminate the need for drivers with such loads in Alabama to have with them the certification that they have the load-securement training required by the state. Law enforcement will be relying on an on-line list of state-certified drivers in lieu of the repealed requirement for carrying the certificate. Late last year, ATA petitioned the Federal Motor Carrier Safety Administration for a ruling that (1) the Alabama requirement to carry the certificate violated the federal prohibition (in 49 U.S. Code §14506) of most state and local credential requirements for interstate carriers, and (2) the special training requirement was preempted as in conflict with the federal motor carrier safety regulations. The new legislation resolves the first concern but not the second.