



MOTOR CARRIER SYSTEM PLAN

Business Forum 1

January 21, 2015 | Pensacola, FL



Welcoming Remarks And Overview

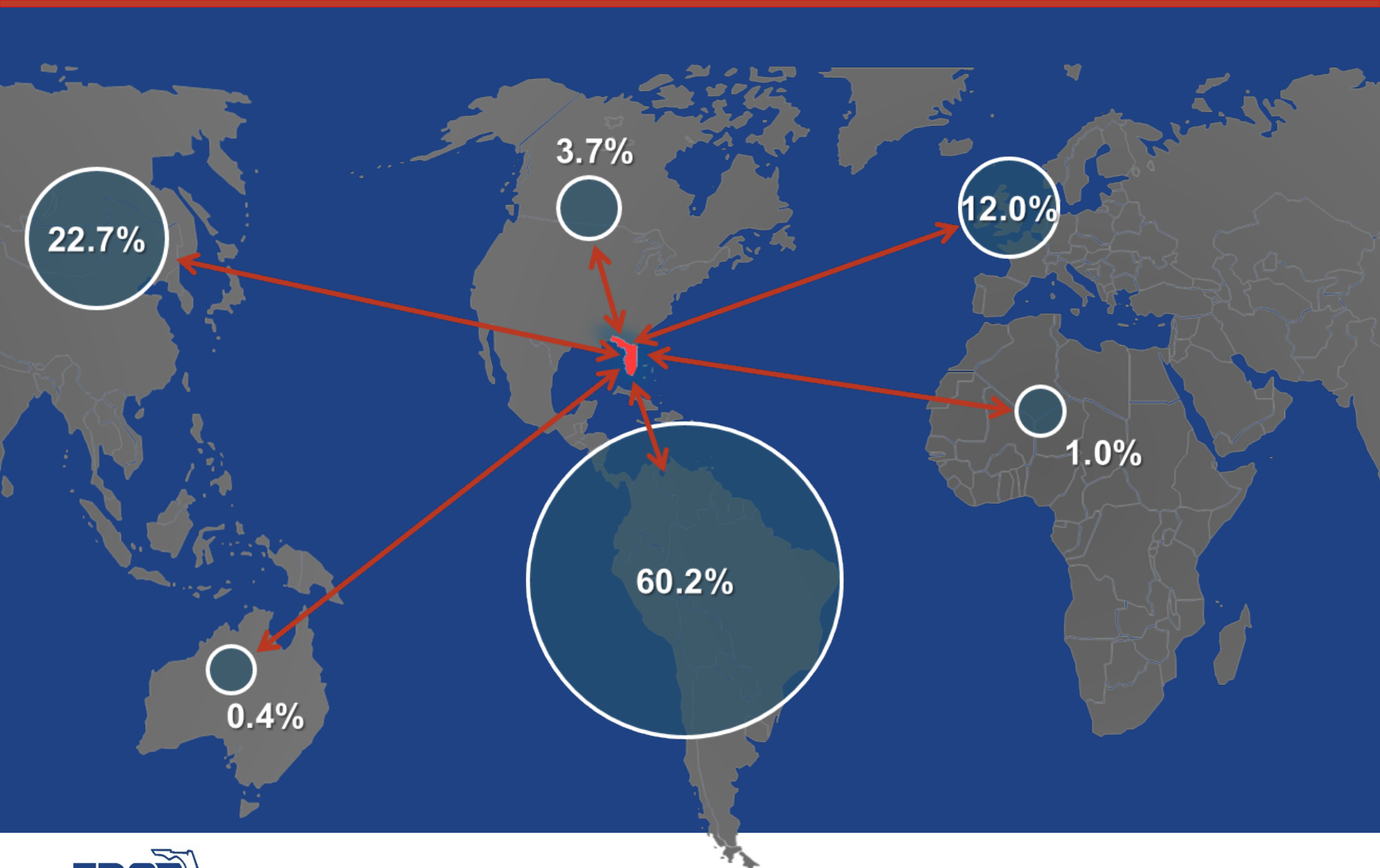


Background

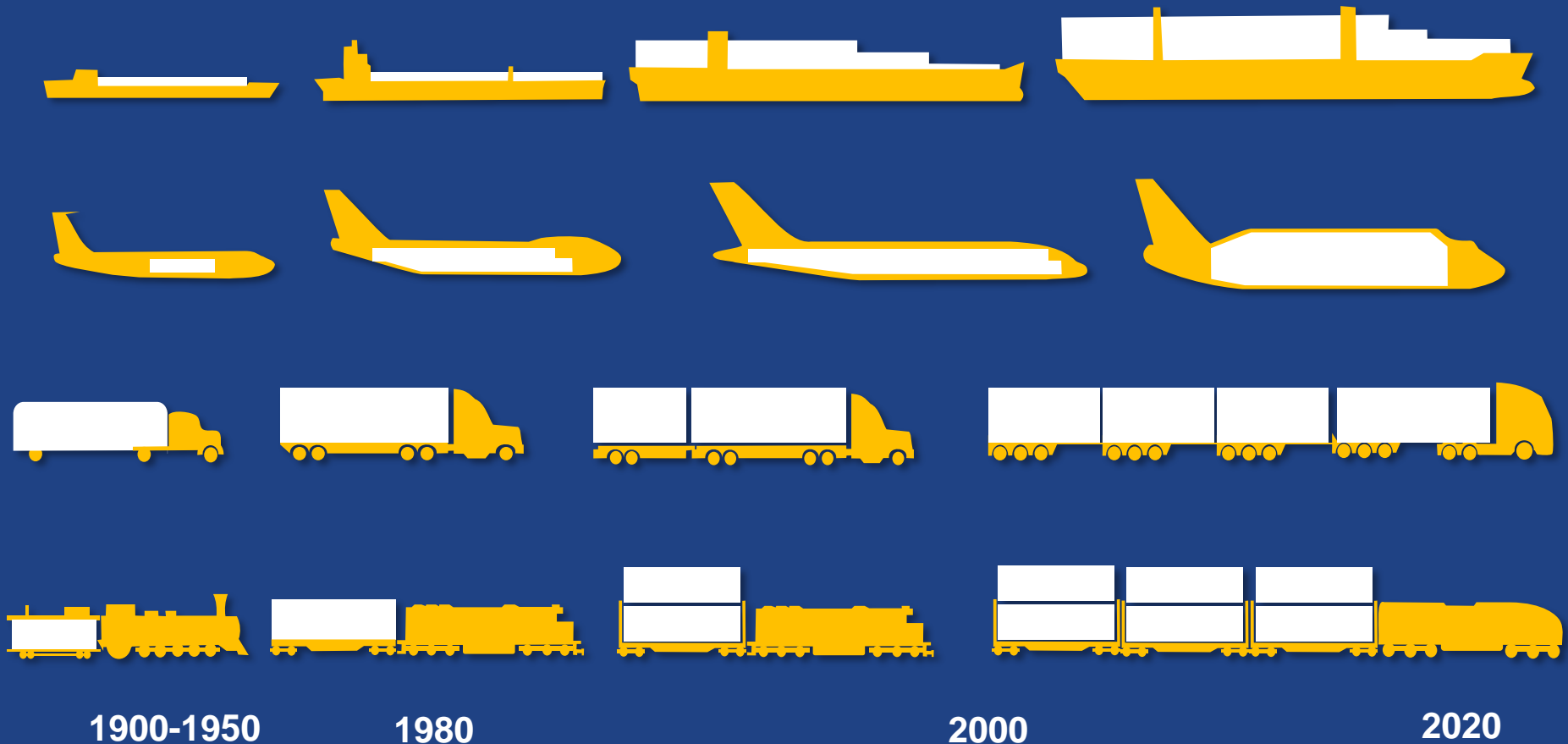
The Evolution of Transportation

From...	To...
Moving vehicles	Moving people and freight
Individual modes and facilities	Complete end-to-end trip
Individual jurisdictions	Economic regions and trade corridors
Physical capacity	Operational performance, flexibility, and reliability
Travel time and vehicle operating costs	Business logistics and economic competitiveness
Reacting to economic growth and community and environmental impacts	Proactive planning for economic, community and environmental goals

Florida is a Crossroads of North/South & East/West Trade



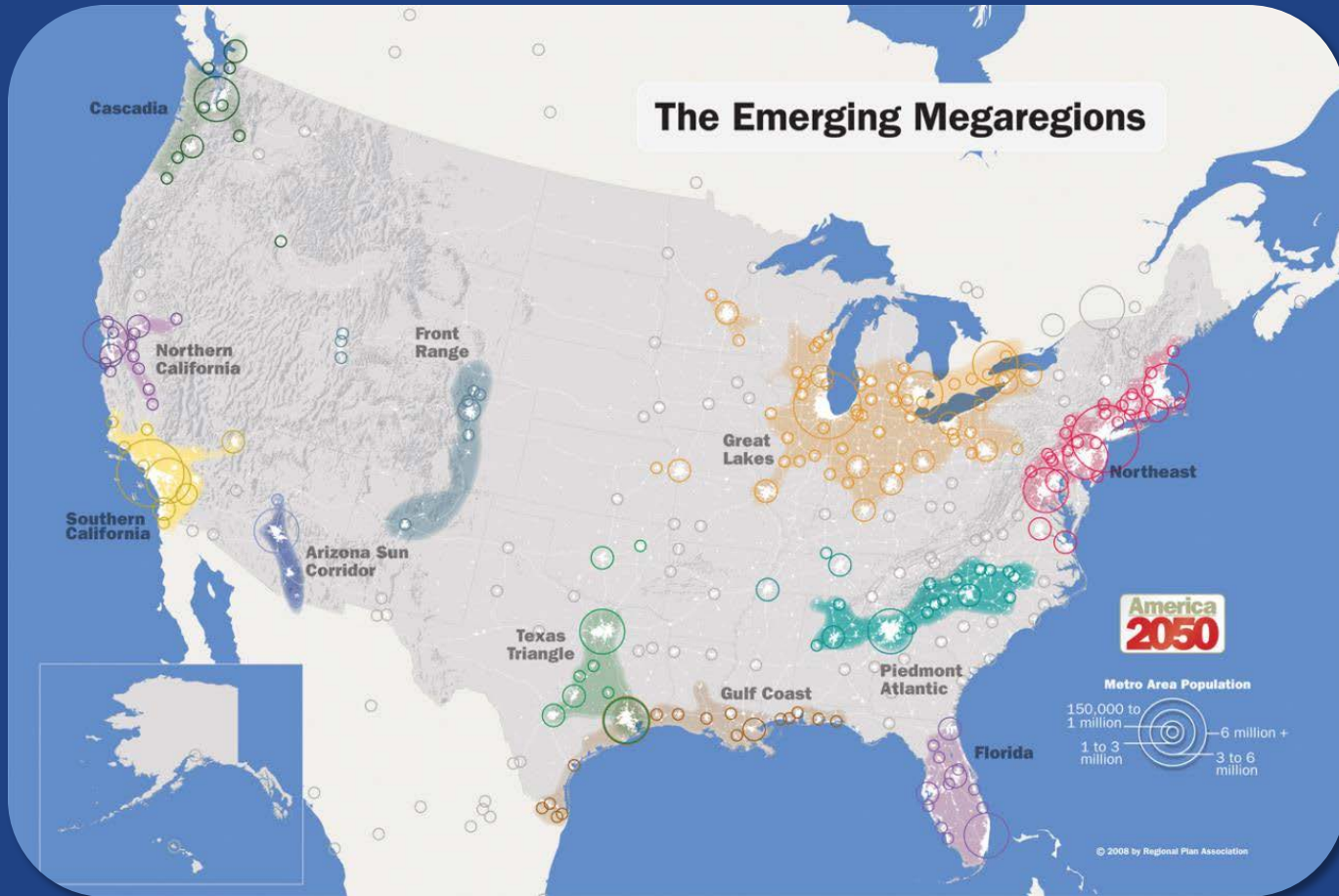
Technology Trends - Freight Vehicles



Florida's Changing Industry Clusters

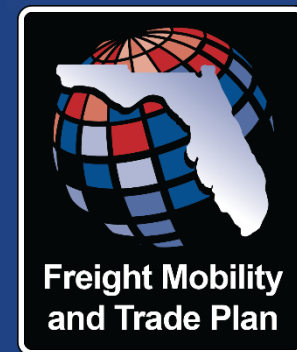
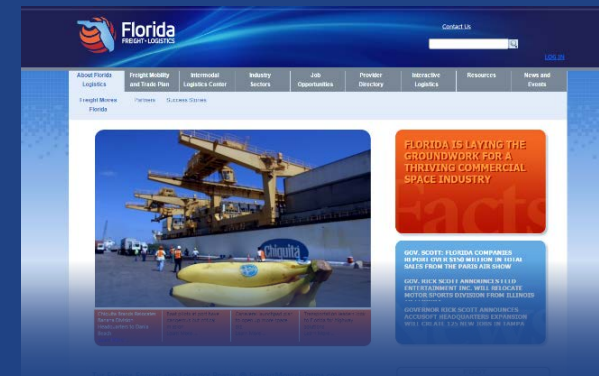


Shift to Megaregions

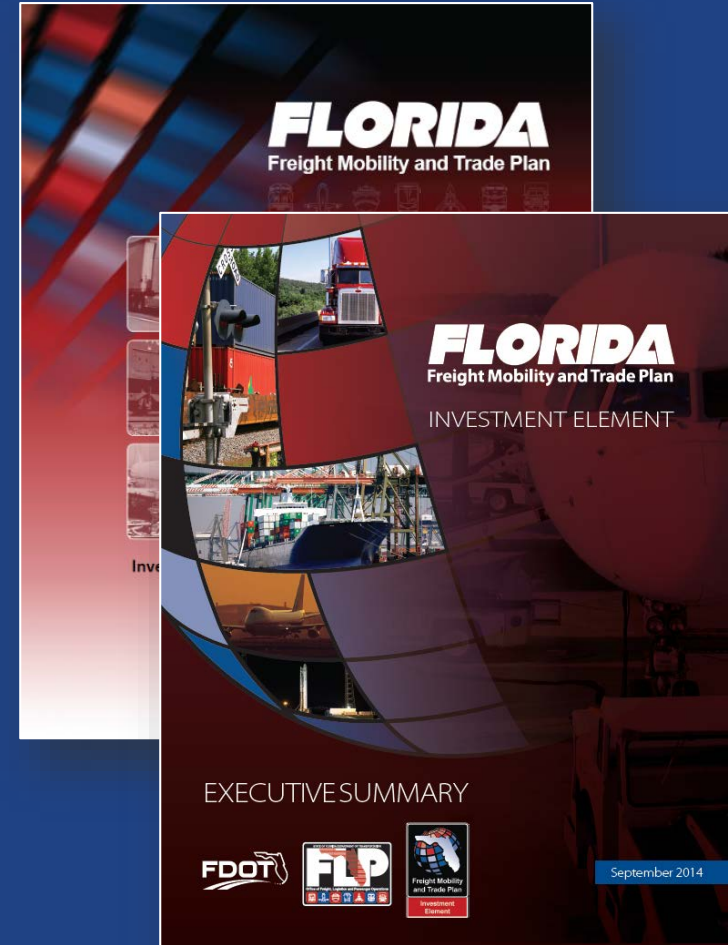
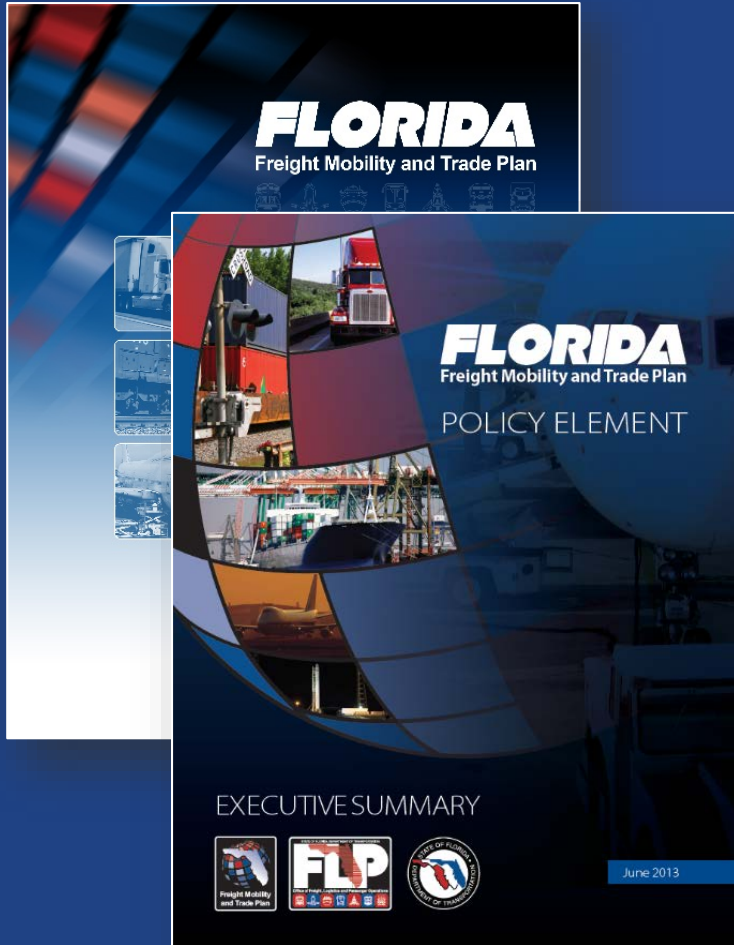


FDOT's Evolution

- New Freight, Logistics and Passenger Operations Office
- New State Freight, Logistics and Passenger Operations Administrator
- New full-time Freight Coordinators in each FDOT District
- Began several joint efforts with partner agencies
- Developed 1st Statewide Freight Plan



Freight Mobility and Trade Plan Components

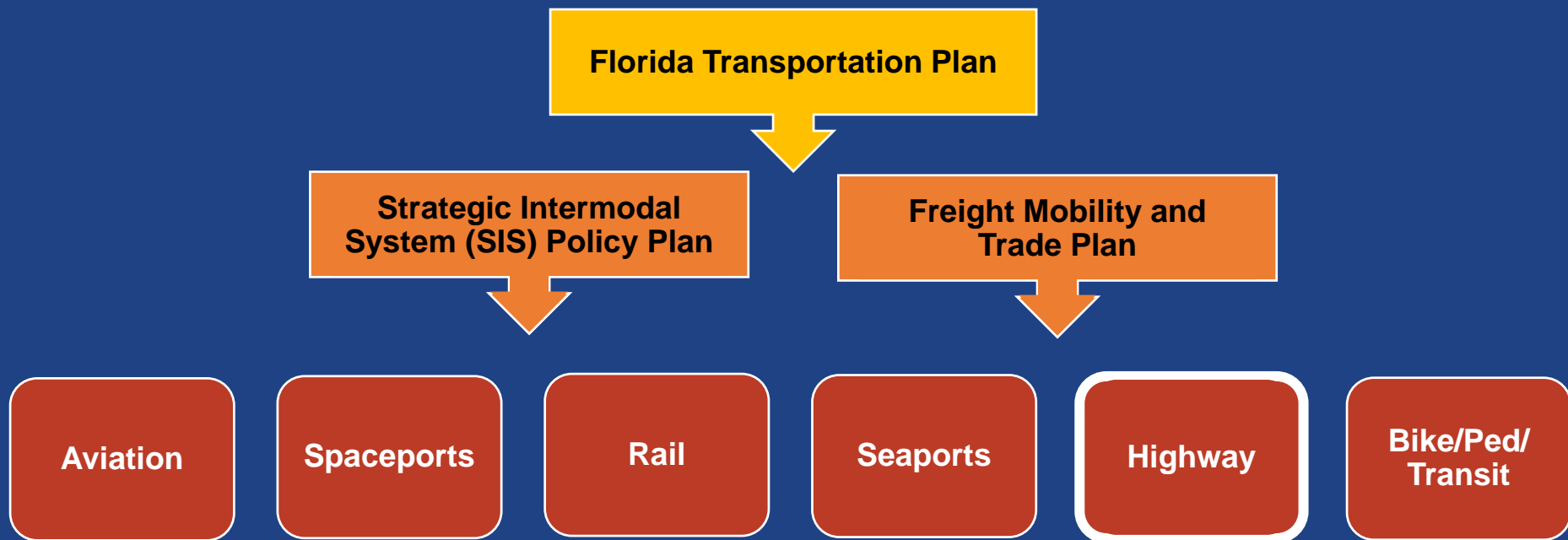


Institutionalizing Freight Planning

- The 1st Statewide Freight Plan is complete – now what?
- Reviewing our performance with the FMTP Implementation Guide
 - Enhancement of FreightMovesFlorida.com
 - Participate in trade missions
 - Develop freight resources
 - Coordinate statewide and local freight planning
 - Provide internal supply chain training
 - Use District Freight Coordinators effectively
 - **Integrate freight goals and objectives**

Planning at FDOT

- Needed to address transportation issues at a very high level, as well as down to specifics of individual programs and modes of transportation



Planning at FDOT

Aviation

Spaceports

Rail

Seaports

Highway

Bike/Ped/
Transit

- Aviation System Plan
- Air Cargo System Plan
- Spaceports System Plan
- Rail System Plan
- Seaports System Plan
- Waterways System Plan
- Motor Carrier System Plan

Why A Motor Carrier System Plan?

- FDOT's historical approach to Motor Carrier has been in terms of asset protection (compliance and size and weight issues) and safety
- Want to take that next step to focus on the facilitation of truck movement and identifying key motor carrier policy issues



Working Group

- Internal Working Group will act as an informal steering committee to advise the project team
 - Provide expertise in motor carrier concerns that impact their office
 - Review draft materials before they are presented to stakeholders
 - Includes staff from various FDOT offices, as well as partner agencies that impact trucking

Business Forums

- External Business Forums will allow industry stakeholders to provide additional expertise and input
 - Provide comments on motor carrier concerns that impact you, your company, your region, etc.
 - Review draft materials before they are incorporated into the final Motor Carrier System Plan

Schedule





MOTOR CARRIER SYSTEM PLAN

Facilitated Discussion



Participant Guidelines

- Be focused and concise—balance participation & minimize repetition. Share the airtime.
- Look to the facilitator(s) to be recognized. Please raise your hand to speak.
- Speak one person at a time. Please don't interrupt each other.
- Focus on issues, not personalities. Avoid stereotyping or personal attacks.
- Offer one idea per person without explanation.
- No comments, criticism, or discussion of other's ideas.
- Listen respectfully to other's ideas and opinions.
- Represent and communicate with member's constituent group(s).

Facilitated Discussion

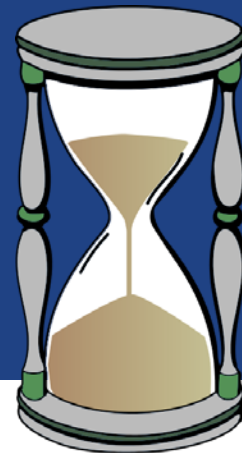
- Clarify Purpose of the Motor Carrier System Plan
 - Now that you know what kinds of issues the plan is intended to address, please help us clarify the purpose of the Motor Carrier System Plan
- Tentative components:
 - Asset Protection (Compliance/Size and Weight)
 - Safety
 - Mobility/Competitive Advantage

Summary Of Identified Motor Carrier Issues

- Hours of Service
- Compliance, Safety, Accountability (CSA)
- Driver Shortage
- Driver Retention
- Truck Parking
- ELD Mandate
- Driver Health/Wellness
- Economy
- Infrastructure/
Congestion/ Funding
- Driver Distraction
- Empty Backhaul
- Alternative Fuels
- Regulatory Consistency/
Harmonization with
Neighboring States
- Truck Size and Weight
- Technology
Implementation
- Last Mile Connectivity
- Data

Hours Of Service

- Ranked as **top industry issue for 3 years in a row**
- Significant negative impacts on the industry from the 34-hour restart provisions first implemented in July 2013 have been documented by numerous sources
- **80% of motor carriers** indicated a loss of productivity directly attributable to the now-suspended rules, and driver pay impacts were estimated to range from \$1.6 billion to \$3.9 billion annually



Compliance, Safety, Accountability (CSA)

- There is general agreement among motor carriers and enforcement personnel that **crash accountability should be a component** of the CSA Crash BASIC, however there is continued debate over the use of police accident reports (PARs) for determining crash responsibility



Driver Shortage

- The current driver shortage is now estimated to be **48,000**, a number that is projected to increase to 175,000 by 2024
- 45% of driver hires are done to **replace retirees**
- Federal rules require individuals to be 21 years old to obtain a Commercial Drivers License (CDL), which can limit options for young individuals aged 18-20 who are interested in becoming truck drivers



Driver Retention

- The industry experiences turnover rates **significantly higher** than many other sectors of the U.S. workforce, creating additional costs for motor carriers in recruitment and training



Truck Parking

- The growing scarcity of available truck parking **creates a dangerous situation** for truck drivers who are often forced to drive beyond allowable HOS rules or park in undesignated and, in many cases, unsafe locations
- FHWA recently released its *Jason's Law Truck Parking Survey Results and Comparative Analysis* which confirmed that truck parking continues to be a major issue in the United States



Electronic Logging Device (ELD) Mandate

- An electronic logging device — or ELD — is used to **electronically record a driver's Record of Duty Status** (RODS), which replaces the paper logbook some drivers currently use to record their compliance with Hours of Service (HOS) requirements
- In March 2014, FMCSA issued a Supplemental Notice of Proposed Rulemaking (SNPR) to address a number of concerns in the initial Electronic Logging Device (ELD) proposed rule



Driver Health/Wellness

- Many in the industry recognize the critical connection between improved driver health and wellness and the industry's ability to **retain qualified drivers**
- Improvement in driver health may also have positive implications for industry safety as research has identified a **positive correlation between driver health and driver safety**



Economy

- A longstanding top industry issue during the years of the Great Recession
- Recent concerns over **softer freight demand** and what that may mean for 2016, as well as concerns over the economies in Europe and Asia and export impacts from a strong U.S. dollar



Transportation/Infrastructure/ Congestion/Funding

- The United States' 4.1 million miles of public roadways must be **properly maintained and improved** to allow the industry to efficiently deliver the nation's goods
- The negative impacts of congestion, failing infrastructure and the need for a long-term transportation funding solution all combined to keep this issue in the top ten in 2015



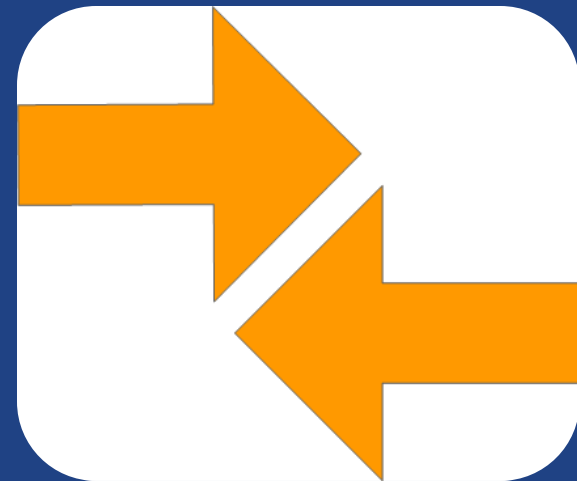
Driver Distraction

- Increased concern about the **rising use of technology in vehicles** by all drivers will likely result in this issue continuing as a top concern in the coming years



Empty Backhaul

- The issue of empty backhaul has been associated mostly with Florida trucking and rail; however, it is a concern that impacts all modes.
- The Florida Chamber Foundation's 2010 Trade and Logistics study identified an **imbalance of trade flows** as one of five challenges facing Florida.



Alternative Fuels

- FDOT wants to support and facilitate the deployment of Compressed Natural Gas (CNG)/Liquid Natural Gas (LNG) use for **hub logistics and long-haul trucking** in collaboration with the Florida Department of Agriculture and Consumer Services (DACCS)



Regulatory Consistency/ Harmonization with Neighboring States

- Need to identify potential barriers to competition due to **inconsistency in regulations**
- Can lead to loopholes and unnecessary delays when regulations don't match across a single truck route



Truck Size and Weight

- The permitting of overweight trucks is a complex highway issue which also **impacts other modes**
- Trucks carrying a “non-divisible” load may be issued an overweight permit by a state for weights above the federally mandated 80,000-pound gross vehicle weight (GVW) limit for travel

OVERSIZE

Technology Implementation

- Increased automation, real-time routing, and data analytics could optimize logistics decisions further
- Container ships, air freighters, trucks, and railcars continue to evolve in size, speed, and fuel efficiency
- Breakthroughs that are still ahead, such as self-guided transport vehicles or automated freight shuttles could disrupt current logistics patterns



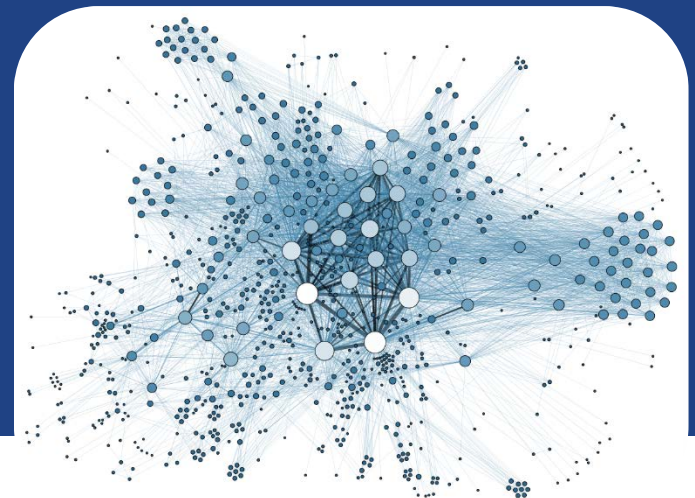
Last Mile Connectivity

- The last leg of a supply chain is often the least efficient, especially when deliveries occur in urban areas, which can contribute to significant congestion and safety problems
- Planning for efficient goods movement requires a supply chain perspective, and often includes a combination of solutions



Data

- The production and availability of appropriate data is fundamental to the ability to address a variety of challenges facing the public and private organizations involved in the movement of freight
- The growth of high-speed networks, proliferation of mobile devices, advances in sensors, video and analytics are all trends are creating a dynamic and growing market for ITS





MOTOR CARRIER SYSTEM PLAN

Facilitated Discussion



Facilitated Discussion

- Validate and Identify Issues
 - Are these appropriate issues to include in the Motor Carrier System Plan?
 - What else are we missing?

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Next Steps

- Issues Category Framework
 - How should we group these issues to begin to craft goals, objectives, and strategies?
- Tentative components:
 - Asset Protection (Compliance/Size and Weight)
 - Safety
 - Mobility/Competitive Advantage

Schedule



Closing Comments

- Questions?



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