



# USDA's Agricultural Outlook Forum

Jon Samson  
Executive Director

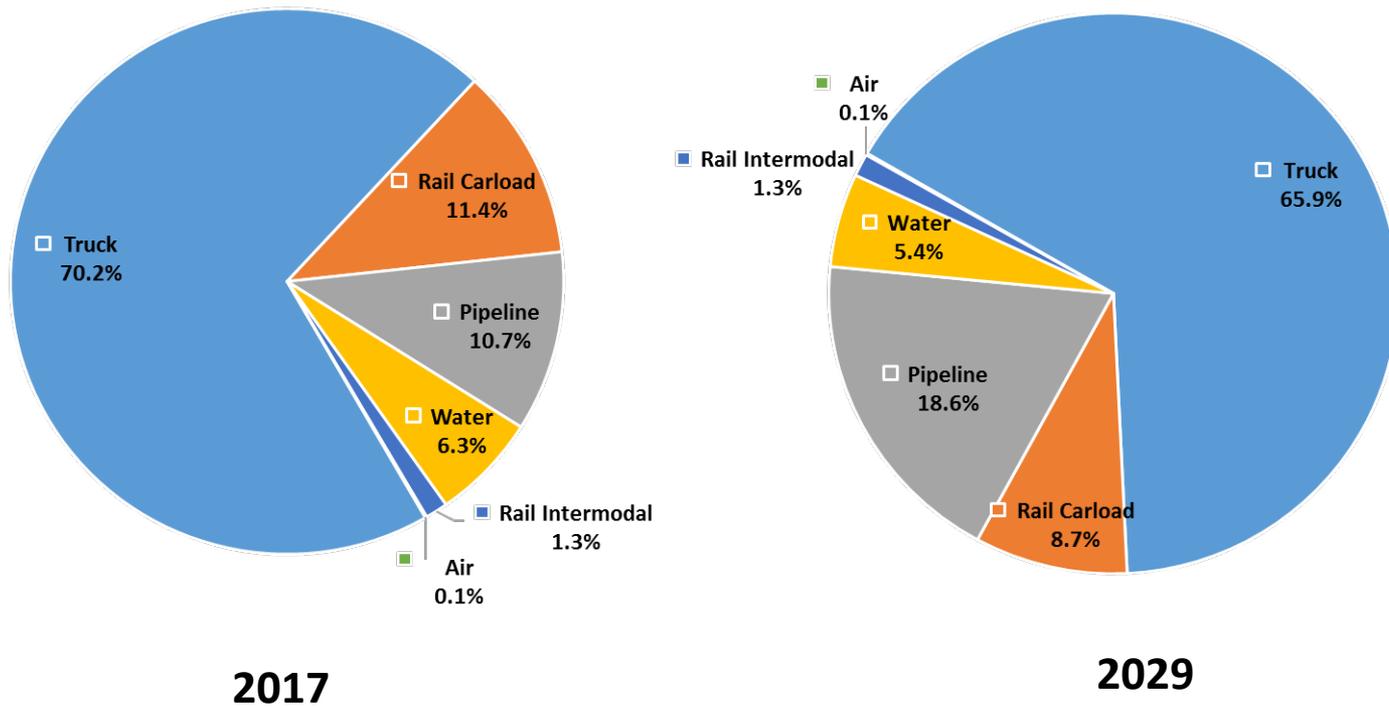
Agricultural and Food Transporters Conference  
of the American Trucking Associations (ATA)

# Overview

2

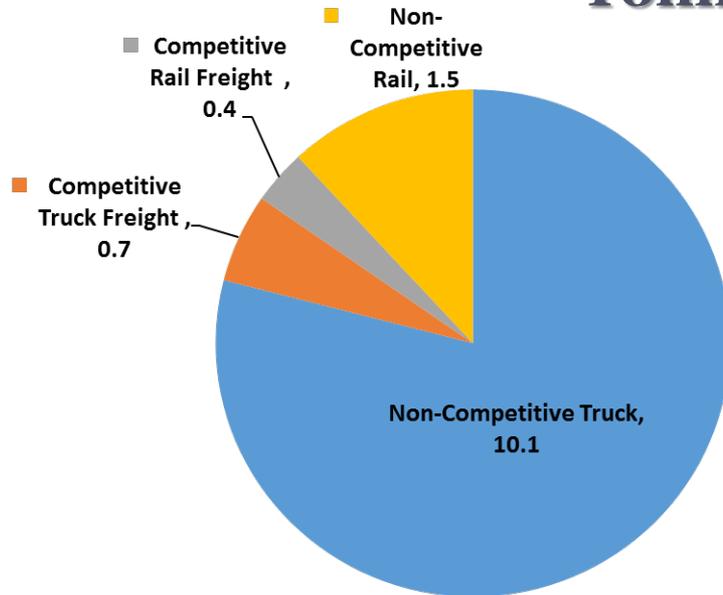
- Setting the stage - Distribution of tonnage, Increase in supply & Driver shortage
- Biggest issue – Capacity
- What's being done?
  - Working to minimize drive shortage
  - Strengthen Carrier/Shipper relationship
  - Support additional flexibility in the HOS
- Highway bill – What to expect
  - Biggest hurdle - FUNDING

## Distribution of Tonnage by Mode: 2017 vs 2029



Sources: ATA & U.S. Freight Transportation Forecast to 2029

# 2017 Competitive Freight Among Truck and Rail Tonnage



**Billions of Tons**

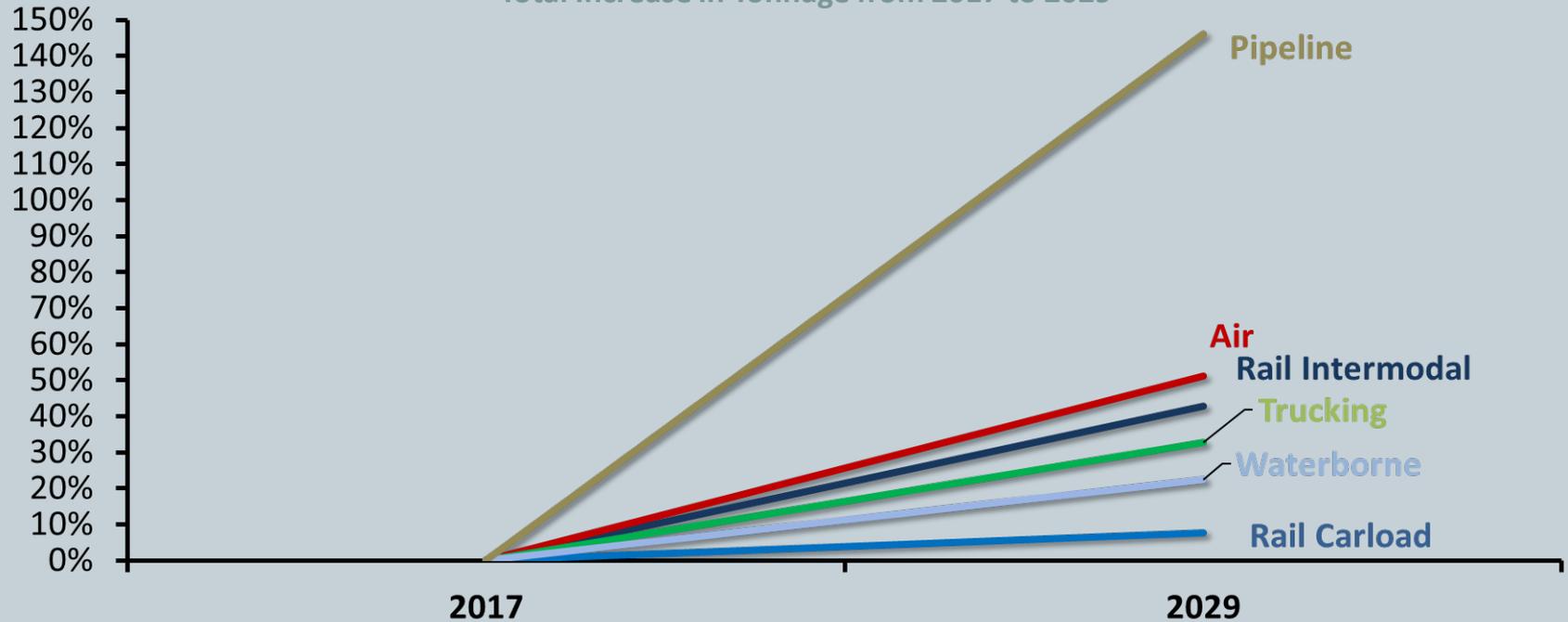
**Note:** Maximum competitive freight is 1.1 billion tons in a total market (truck and rail only) of 12.7 billion tons, or less than 10%. Competitive freight includes all freight traveling at least 500 miles, but excludes coal tonnage. **There is a significant amount of time definite freight in this category that really isn't competitive, but it is included.** So in reality, the competitive market is even smaller than suggested here.

Source: ATA Analysis based on Commodity Flow Survey (US Census Bureau) data and U.S. Freight Transportation Forecast to 2029



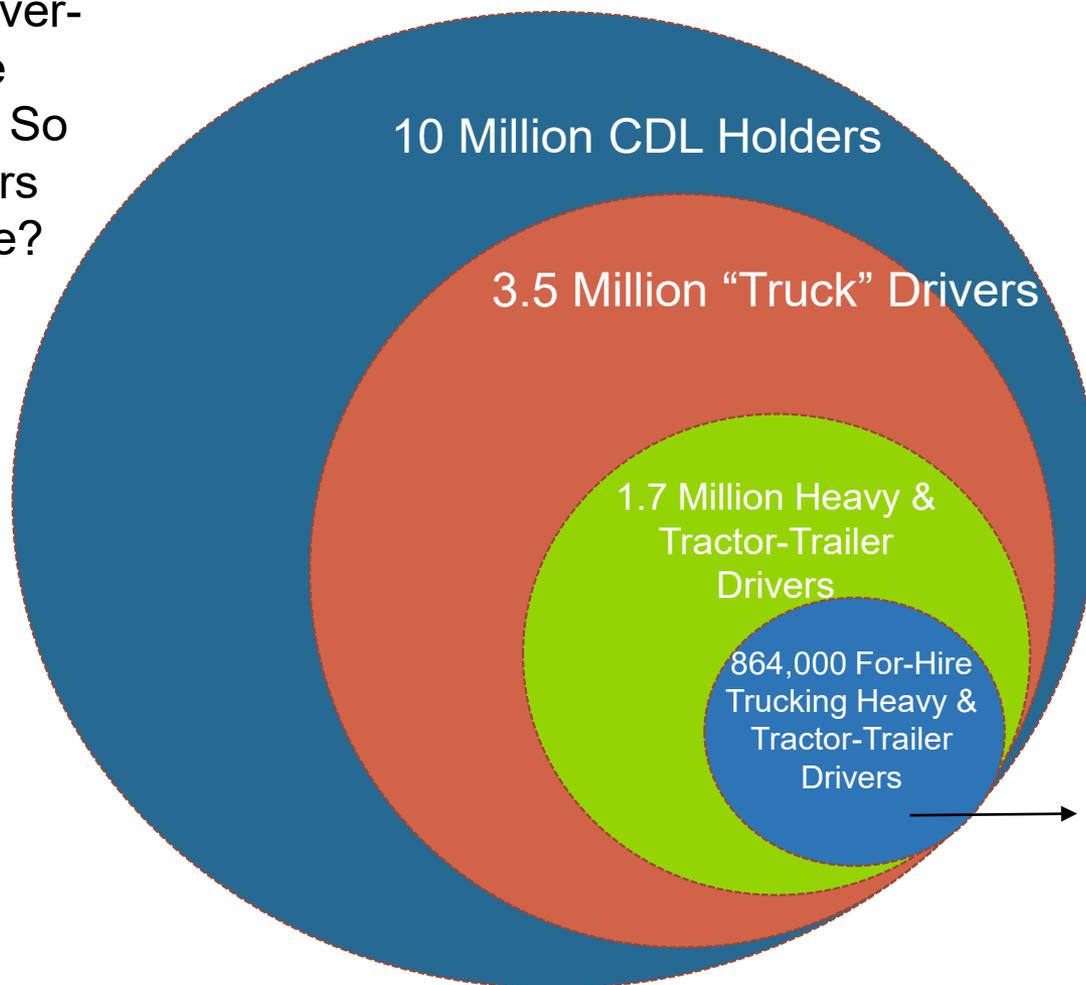
# All Modes of Freight Transportation Will Grow

Total Increase in Tonnage from 2017 to 2029



Sources: ATA & U.S. Freight Transportation Forecast to 2029

The driver shortage is primarily an over-the-road for-hire truckload issue. So how many drivers are in that space?

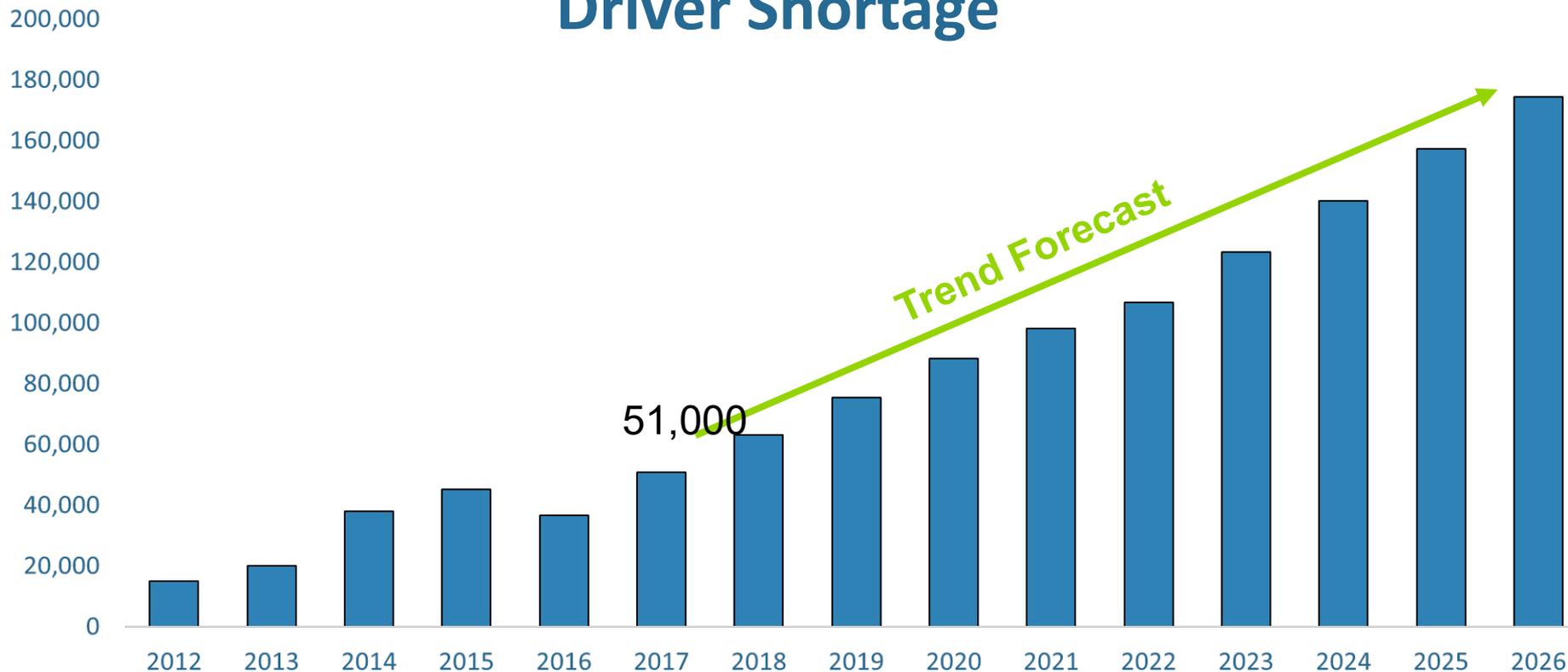


Based on government data, ATA estimates that there are roughly 500,000 OTR for-hire TL drivers.

Source: U.S. Department of Labor



# Driver Shortage



Source: ATA's *Truck Driver Shortage Analysis 2017*

# Driver Shortage

8

- **Regulatory**
  - FMCSA pilot project (18-20yr military drivers)
  - Not a large pool, but discussion has begun
  - Minimize roadblocks for former military
- **Legislative**
  - DRIVE SAFE Act
- **Industry**
  - Increase in \$\$
  - More flexible schedules
- **Roadblocks**
  - Insurance
  - “Teens on the road”

# Carrier/Shipper Relationship

9

- Maximize efficiency
  - Minimize turn and wait times
- Provide facilities/infrastructure
  - Allows carriers to be “off-duty” conserving their “on-duty” hrs
- “Preferred Shipper” movement
  - Carriers now have an option to choose (180 deg turn)
  - Specifically with perishable goods

# HOS Changes

10

- HOS ag exemption interpretation
  - Clarifications:
  - Travel, loading and first 150 miles exempt from hourly limits
    - ✦ Big change for longer hauls
  - Unladen vehicles
    - ✦ To and from source (empty/full) covered
  - Changes:
  - Source definition expanded
    - ✦ Elevator to elevator, livestock sale barn, dairy terminal
  - Multi source definition – multiple pick ups (not adopted)
- HOS ANPRM (2018) – Split sleeper changes

# ELD Mandate

11

- ELD mandate
  - December 18, 2017
    - ✦ Soft enforcement through April 1, 2018
  - Agriculture
    - ✦ Issue with compliance of ag exemption (new software Sept18)
    - ✦ Livestock through Sept19 via 2019 trans approps rider
      - Previously all ag commodities through Sept18

\*Focus has shifted to HOS flexibility

# Highway Bill

12

- 2019? Highway bill
  - Funding, funding, funding
    - ✦ Gas tax, VMT, registration? What's politically feasible?
  - Lowering minimum driver age
    - ✦ Just for ag?
    - ✦ Insurance hurdles

# Contact Info

13

Jon Samson  
American Trucking Associations  
Agricultural and Food Transporters Conference  
950 N. Glebe Road  
Suite 210  
Arlington, VA 22203  
(703) 838 - 7955  
[jsamson@trucking.org](mailto:jsamson@trucking.org)