

As business owners and managers, and particularly as transportation intermediaries, we have several legislative “fires” that we are closely monitoring and trying to influence for the better, but none are more visible or discussed than the Snowe-Klobuchar bill (S. 3483). This bill tightens the noose and provides specific penalties on those individuals and companies who are harming our industry by committing fraud and abusing shippers, brokers and carriers in the market. As you know, this bill also increases the broker and forwarder bond requirement to \$100,000.

Some small TIA members are rightfully concerned about the cost and/or whether or not they would qualify for a \$100,000 bond if this legislation becomes law. We understand that concern, and as always, we are offering the full resources of our staff and membership, in order to offer information, advice and guidance, so that no TIA member in good standing need be left behind.

Beginning with our next issue of TIA Weekly, the email newsletter, we will feature a series of articles on ways TIA members can improve their ability to secure a \$100,000 bond. In addition, we’ll feature highlights of the proposed bill that can help us reel in fraud and unauthorized re-brokerage. If we can stamp out unauthorized brokering and re-brokering, each TIA members’ business will experience less risk, and presumably more opportunity to book new revenue. In addition, these weekly segments will also offer advice and ideas to help you grow and sustain your family business.

We know that this bill isn’t what our members would have written. It doesn’t solve all the problems our members tell us they wish to solve, but it is a start. It is also, most definitely, without question, a compromise bill, encompassing some of what TIA members wanted and some of what OOIDA wanted.

Last year’s TRUCC Act was not a compromise bill. OOIDA single-handedly wrote that bill, and nearly got it passed, before you and your member TIA companies rose up to fight and defeat that bill. Had TRUCC passed, you would have been required to disclose your margin to the carrier and shipper on every invoice, plus there were other extraordinarily overreaching provisions, that threatened our entire industry as we know it.

Congressional leadership requested TIA and OOIDA to negotiate together in good faith this time. The starting point of these negotiations for some was, in fact, the TRUCC Act. But, by negotiating with OOIDA, we were able to focus on common interests and fight the fraud that affects everyone. In doing so, we diffused the major threats to our businesses contained in the TRUCC Act. In exchange, we had to accept a provision to raise the broker bond to \$100,000. Please keep in mind that it was only a few years ago, that OOIDA and other trucking organizations were seeking to raise the bond to \$300,000 or even \$500,000, plus require escrow and public disclosure of broker margins.

There are parts of the legislation that do not comport with TIA's agreement with OOIDA, and TIA is seeking to make those changes. In addition, TIA will continue to monitor any provisions that may be in or added to the legislation that put our members at a disadvantage.

If you think TIA has forgotten the small broker, we couldn't disagree more. Even our largest members have roots as one-person and two-person businesses. Our industry is one of the last, great American Dream opportunity industries, and we're proud of that. The board, TIA, and its staff wish to keep it that way, and will defend your business with all our focus, attention, and resources.

We have many small companies on our TIA board of directors and they are available to take your questions. Some of those board members include Barcy Vidt, CTB (barcy@handwtrucking.com), Tom Fiorini, CTB (tom.fiorini@westgate-global-logistics.com), Dave Taylor, CTB (dwtaylor@midwesterntransit.com), Tim Bray, CTB (tbray@brecklogistics.com), Jimmy DeMatteis, CTB (jimmy@dmtb.com) and Wayne Carucci (wayne@gatewaydistribution.net).

Look for tips for the small broker in our next issue of TIA Weekly. No matter the size of your business, TIA is your advocate in Washington.

Chip Smith
TIA Chairman