



# TIA ON THE HILL

*The latest news and updates from TIA's Government Affairs Department*



## IN THIS ISSUE

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**MAYOR PETER BUTTIGIEG'S  
NOMINATION HEARING  
BEFORE THE SENATE  
COMMERCE COMMITTEE**

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**TIA STAFF BEGIN WORK ON  
RESURRECTING C-TPAT ISSUE  
FOR MEMBERS**

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**GROUNDWORK BEGINS TO BE  
LAID ON DISPATCH SERVICE  
LOOPHOLE ON THE HILL**

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**SEARCH FOR LEAD DEMOCRAT  
ON MCSSS CONTINUES**

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## **Mayor Pete Testifies for Secretary of Transportation Post**

January 21, 2021- The 2020 Democrat Presidential hopeful, Mayor Pete Buttigieg testifies before the full Committee on Commerce, Science and Transportation. This after getting the nod from now President Biden to be the Secretary of Transportation.

The Mayor is receiving bi-partisan support, as he was introduced before committee by fellow Hoosier and Senator Todd Young (R-IN). In Buttigieg's opening statement he made clear "I believe that good transportation policy can play no less a role than making possible the American Dream, getting people and goods to where they need to be, directly and indirectly creating good-paying jobs."

The Secretary-designee came off attentive and eager to learn. He did not rule out different methods of getting a project done such as paying for larger infrastructure deals which tend to focus on the "what" not the "how". He spoke on everything from a long term, reliable surface re-authorization to California's meal and rest break preemption issue. The preemption issue refers to a Federal preemption rule that was considered in Congress through several sessions with no action; former Secretary of Transportation Elaine Chao determined that the F4A does in fact preempt California State meal and rest break hours-of-service rules. This issue has been recently litigated in courts, with industry receiving a major victory. It remains to be seen what action Secretary Buttigieg would take on this issue, as major labor unions strongly oppose the ruling. Cont. on page 2.

The Secretary-designee also spoke about speed of rulemaking and keeping up with Congressional intent. TIA has faced a delayed and bogged down DOT with many of its rulemaking not only from the FAST Act but also from MAP-21.

TIA is aware that soon to be Secretary Buttigieg will make green initiatives a top priority for the industry. The 3PL industry is a green one and very environmentally friendly, but we oppose measures that hamper businesses and are burdensome to the industry. We look forward to working with the Administration on finding common-sense solutions to reduce the overall carbon footprint of the 3PL industry.

Lastly, this is the last meeting with Senator Wicker (R-MS) as the Chairman, TIA thanks Senator Wicker for a positive relationship and always having open door policy. TIA looks forward to the same relationship with Senator Cantwell (D-WA).

## C-TPAT Work Begins

Ever since C-TPAT was created under the Safe Ports Act of 2006, TIA has been working to ensure that DOT licensed property brokers could be part of the program. Never-the-less, U.S. Customs and Border Protection have had a biased against DOT licensed non-asset based logistics companies, stating that we play no role in ensuring that the freight is secure, since we do not physically touch the freight. TIA has continuously pushed back that neither do customs brokers, indirect air carriers or NVOCCs, all of which are allowed to be part of the program.

TIA has met with CBP officials and all the C-TPAT regional directors and there appears to be no changing their mind. A number of years ago, we began working with Congress on a bi-partisan solution, but that never came to fruition either mostly due to procedural issues.

In 2019, TIA resurrected this issue and started working with a large coalition of industry stakeholders to address this concern and eliminate this safety gap and competitive disadvantage for our member companies. We were successfully in getting language included in a House bill, but the COVID-19 derailed the C-TPAT Re-authorization process. Now that the 117th Congress is here, this week we have already begun meeting with Congressional staff to garner language that would begin the process of allowing DOT licensed property brokers to be part of the program. Stay tuned for more updates on the progress of these efforts.



## Dispatch Services Loophole

TIA has heard from members of the Association for years about dispatch services and the illegal brokerage activities that they are undertaking and undermining the industry and giving honest brokers a bad name. We attempted to work with the FMCSA about this concern, but honestly could not get a definitive answer from the answer what a legal dispatch service even was.. We personally asked five different FMCSA officials and got five different answers.

The crux of the issue deals with the definition of a bona fide agent under 49 CFR 371.2(b) that allows a dispatch service to provide a service on behalf of a motor carrier under their discretion. After reviewing the definition the question is can a dispatch service provide these services for multiple motor carriers? That is where clarification is needed. TIA as part of our Petition for Rulemaking on 371.3(c) and the rate transparency issue asking for the section to be eliminated, included a section on asking the FMCSA to issue guidance on what constitutes a dispatch service. Additionally, TIA Government Affairs staff began this week meeting with Congressional staff to get language included in the transportation reauthorization bill as well. We will work tirelessly to close this loophole.

# Search Continues for Lead Senate Democrat on Top Priority

TIA continues to meet with several Senate Democrats and their staff to identify a champion for the Motor Carrier Safety Selection Standard (MCSSS). This week we met with several offices to garner support and have several good leads. TIA is looking to build off the great success on the House side during the 116th Congress when we had each support from Republicans and Democrats with five sponsors each. This is a common-sense solution that addresses a huge safety gap in the industry, while removing a lot of confusion and conflicting information.

We need your support in our grassroots efforts, as you all are the businesses owners and leaders in these States. Please reach out to TIA Government Affairs staff at [advocacy@tianet.org](mailto:advocacy@tianet.org) to find out how you can help back home in your State.



**Transportation Intermediaries Association**

## We need Your Support with the PAC

The TIPAC needs your help because OOIDA is beating us in DC. We are being outspent by their PAC, because their members are giving and our members are not. Last year OOIDA raised over \$260k while we were only able to bring in \$140k. If we want to beat back their crazy ideas like **Broker Rate Transparency** we need donations from you. I am looking for a commitment of \$1,000 from every member to help us hit our goal of \$200k this year.

Do not let OOIDA beat us. Send your PAC donations now by emailing Chris Burroughs ([burroughs@tianet.org](mailto:burroughs@tianet.org)) with the TIA and let him know how much you want to give and he will walk you through the process and the options. Thank you for support.

-Kenny Clark, President & CEO of Kenneth Clark Company and Vice Chairman of the TIAPAC Board of Directors

**TIAPAC** 2021 GUN RAFFLE  
 Transportation Intermediaries Association

**BENELLI SUPER BLACK EAGLE 3 SEMI-AUTO SHOTGUN**

**\$250** PER TICKET      100 TICKETS AVAILABLE      LIMIT 1 TICKET PER PERSON      **ENDS** APRIL 30

Winner to Be Announced May 17