



TIA ON THE HILL

The Latest News and Updates from TIA's Government Affairs Department



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Final Push for TIA 3PL Policy Forum

TIA staff is fully engulfed in the [2021 TIA 3PL Policy Forum](#) which at this writing is mere 19 days away on September 27-29. This is one of the biggest events of the year for TIA and the signature event for TIA Government Affairs Department. Last year, TIA had a remarkable virtual turnout. This year, we are offering both an in-person registration option and a virtual registration option, at the same we are keeping members safe by following State and local guidelines.

Members, you still have time to sign up. We have plenty of in-person meetings with Members of Congress already scheduled and actively working on setting up over 200 meetings.

The Policy Forum is your chance to travel to our nation's capital and advocate for your business, TIA and the 3PL industry. Washington, DC is known for many sayings and witty slogans, but the one that most resonates for this event is, either you are at the table, or you are on the menu. Do not expect someone else to represent you on Capitol Hill, this is your chance to have your voice heard!

Please visit TIA's [meetings website](#) today to [register now!](#)

CARB Clarifies Role of the Broker in New Regulation

On Thursday last week, the California Air Resources Board (CARB) held an "informal" workshop on one of their latest regulations, the Advanced Clean Fleets Regulation with the goal of achieving a zero-emission truck and bus fleet by 2045 everywhere feasible and significantly earlier for certain markets such as the last mile delivery and drayage applications.

TIA was made aware of this regulation back in 2020 and began immediately working with CARB officials to see how the regulation would affect brokers. The TIA Environmental and Hazmat Subcommittee, Chairman by Wayne Levinson, CTB met with CARB officials and explained the role of a broker in the supply-chain. Based on the initial feedback and discussion draft from CARB, it had brokers as "fleet-owners" and planned to hold them accountable for motor carriers they arranged transportation that were not compliant.

After several conference calls and the development of draft language which outlined "control" of a motor carrier, TIA was optimistic at best with the direction CARB planned to take. At the workshop last week, it appears that CARB amended the role of the broker and created a carve out for brokers from being "fleet owners" that actually have control over the motor carriers operation, including using the same motor carrier number, displaying the same name or logo, or contractors who represent the same company.

This regulation still has a long way to go, as CARB does not plan to have a Board recommendation completed until fall/summer 2022. With that being said, CARB will not consider brokers fleet owners, but will require them to select complaint motor carriers. CARB indicated that there would be an online database to check compliance. TIA staff will continue to monitor this regulation as it progresses and provide written comments to CARB in opposition to this regulation.

PRO Act Pops-Up Again

TIA has been monitoring the underlying bill, the PRO Act, in addition to all vehicles in which this devastating legislation could be included in, which includes attaching PRO Act language to a larger piece of legislation that has a better chance of passing. Members, this is the situation at hand.

Democrats who control both chambers of Congress have revealed legislative text that they intend to use as their reconciliation bill, included in this are parts of the PRO Act. There is good news (or just less bad news), the authors of this legislation are very limited to what they can do using the reconciliation. Under this method, which has been utilized by both parties, Congress can only increase or decrease money allocated to existing programs, they cannot change statute substantially. Here is what their version of the PRO Act does as part of the larger bill text.

- Major increase in appropriations to the National Labor Relations Board (NLRB), the enforcement arm of labor relations and the Federal Government: \$350 million;
- Prohibits communicating or misrepresenting to an individual their status as either a contractor or an employee;
- Civil penalties for Unfair Labor Practices (ULP): \$50,000 per violation, \$100,000 for reoccurring ULP's or action that results in "serious economic harm to the employee:
 - Further putting the federal government in the workplace by limiting action taken against employees that strike or other action; and
 - Prohibit entering into or attempt to enforce prohibiting class action in employment claims.

continued...

Every single provision will be challenged by the Parliamentarian and asked to be thrown out. The Parliamentarian will rule on each provision independently. The path regardless is in question as two moderate Democrats Senators, Krysten Sinema (D-AZ) and Joe Manchin (D-WV) have raised serious concerns with the price tag of \$3.5 trillion.

TIA will continue to monitor the situation and report back to the Committee with any major updates.

TIA Working on Solution to Overreaching State Taxes

TIA has undertaken a new project to support TIA members who have been targeted by States, frankly, as a source of revenue. Simply put, our members have been receiving tax bills for the business activity they commenced in, even if they do not have a physical presence in the State seeking franchise or margin taxes.

A TIA member might be headquartered in the State of Ohio and this example company contracts with a carrier to deliver freight in Oregon. Without ever taking possession of the freight, stepping foot in Oregon, or employing a single individual in Oregon they receive a tax bill for activity in the state, commonly referred to as a Business Activity Tax (BAT), a margin tax, or a franchise tax.

As these issues become more prevalent, TIA is has begun to meet with Congressional staff regarding BATSA, Business Activity Tax Simplification Act. This legislation has had multiple versions over the years but essentially it limits State and local entities from further business taxation unless you have a true business nexus to a state. You must have a physical business presence in a State before they can tax you. TIA will continue to work with Members of Congress and congressional staff on supporting this key piece of legislation.



DAN MAFFEI
Chairman
Federal Maritime Commission

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**2021 TIA 3PL
POLICY FORUM**

**A MEMBERS-
ONLY EVENT**

SEPTEMBER 28-29 TIA WASHINGTON, D.C.