



TIA ON THE HILL

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



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House T&I Committee Celebrates Chairman DeFazio

Last week, the House Transportation and Infrastructure Committee held a portrait unveiling ceremony for current Chairman Peter DeFazio (D-4 th /OR) who has served as Chairman since 2019 and was first elected to Congress in 1987. Chairman DeFazio is not running for re-election and will leave a hole at the top of the House T&I Committee on who will lead the Committee on the Democrat side of the aisle. TIA President and CEO Anne Reinke and Vice President of Government Chris Burroughs were in attendance.

The ceremony was led by former Congressman Bill Shuster (R-PA) who served as Chairman of the Committee immediately preceding Congressman DeFazio. Other notable guests at the ceremony included Secretary of Transportation Pete Buttigieg, Speaker of the House Nancy Pelosi (D-CA), the current Ranking Member of the House T&I Committee Sam Graves and House Majority Leader Steny Hoyer (D-MD). All these guests made comments and remarks on the career of Chairman DeFazio and his tireless efforts on transportation and natural resource issues.

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IA has always maintained a positive working relationship with Chairman DeFazio even though, he was the Member of Congress that led the charge of the TRUCC Act, which was one of the first “rate transparency” attempts. Back in 2009, when the Congressman introduced this legislation at the request of OOIDA, Chairman DeFazio reached out to TIA leadership and told them, to find some common ground, or I will continue to push for this. The point is Chairman DeFazio has already been a straight shooter in terms of politics and you always knew where you stood. Funny enough when the rate transparency issue was brought up again in 2020 during the pandemic, Chairman DeFazio was with us 100% and said this was nothing more than a supply and demand issue, and no language would be included in our bill. A big victory for TIA.

TIA appreciates its relationship with Chairman DeFazio over the years and thanks him for his service to the Transportation Committee and the country.

TIA Files Comments on Dispatch Services

On June 10 th the Federal Motor Carrier Safety Administration (FMCSA) published a notice and request for comments in the Federal Register on the Agency clarifying the definition of broker and bond fide agent. This request was included in the bipartisan infrastructure package and was a direct ask from TIA to Congressional leaders. Last week, TIA filed comments before the comment deadline of July 11th.

In the comments, TIA focused on the unlawful brokerage activities that are occurring by “dispatch services,” who are unregulated and operating with no authority. These companies are brokering freight without the same protections and regulatory hurdles our members must adhere to. In short, dispatch services that serve multiple motor carriers are brokers and, since they lack a brokerage license, they are operating in violation of federal law. Such businesses lack insurance coverage that is typically carried by licensed property brokers, not to mention the required \$75,000 bond or trust fund. The broker’s financial responsibility obligation exists to protect motor carriers and the general public. Without them, the overall safety of the transportation supply chain is degraded. In research for these comments, several dispatch services go as far to post job openings on their website or Facebook pages for “brokers.”

As of July 12 th , there were 77 comments filed by a variety of organizations and businesses, some in favor of maintaining the “dispatch service” model like the Owner-Operators Independent Drivers Association (OOIDA) and several companies and organizations opposed to the model and sharing in the same beliefs as TIA, like the Transportation & Logistics Council (TLC).

Getting the FMCSA to provide guidance on this important issue has been a top priority for TIA for a few years, and we stand ready to work with FMCSA to improve safety, and create a level-playing field for all entities that broker freight, and protect national security.

If you have any questions, please contact advocacy@tianet.org.

Concerns Arise on Rail Labor Disruptions

A growing concern in the supply chain is arising surrounding the ongoing contract disputes between freight railroads and twelve rail unions, which could lead to further disruptions in the supply chain. Groups like the U.S. Chamber of Commerce and the National Retail Federation (NRF) are asking President Biden to appoint a Presidential Emergency Board to mediate the situation.

The latest collective bargaining talks between the freight rail industry and unions representing about 115,000 employees kicked off at the onset of the pandemic, which led many railroads to lay off staff. But two years of talks did not yield an agreement. Unions called the contract proposals from carriers insulting and both sides walked away from mediation in June.

Railroad unions said the proposed contracts amounted to a "net pay cut"; for railroad workers. They also rejected binding arbitration because rank-and-file union members would not be able to vote on a contract.

House Transportation and Infrastructure Committee Chairman Peter DeFazio (D-OR) has been very vocal about this issue and has noted that if the Surface Transportation Board (STB) doesn't act quickly on this matter, there will be strong consideration to use legislative action to fix the issue. This is something that lawmakers typically do not want to utilize, as it would put them in the middle of contract disputes.

Stay tuned for more updates.

