

April 18, 2019

The Honorable Wilbur Ross
United States Department of Commerce
1410 Constitution Avenue, NW
Washington, DC 20230

Dear Secretary Ross:

The continuing truck driver shortage has had and continues to have a profound impact on the Nation's supply chains and the competitiveness of US commerce. Nearly every commodity, business, and citizen rely on goods moving by truck. Given the substantial and critical role of truck drivers, we recommend that **the US Department of Commerce take a leadership role in convening federal agencies to address the immediate shortage.**

This letter outlines four specific recommendations: 1) Identify and gather the data to address the issue; 2) Expand the pool of potential drivers; 3) Enhance working conditions; and 4) Facilitate the processes for acquiring and maintaining a Commercial Driver's License (CDL).

The Workforce Subcommittee convened meetings over the past year with speakers representing several federal agencies including the US Department of Transportation (Office of the Secretary, Federal Motor Carrier Safety Administration, Office of Innovative Delivery's Center for Workforce Development); the US Department of Defense; and the US Department of Labor. The Subcommittee also heard from the American Trucking Association, Women in Trucking, Walgreens, and UPS. Our recommendations reflect their insights, as well as the insights and input of the members of the full Advisory Committee.

Background: A Shortage Profoundly Affecting the Nation

In October 2018, the American Transportation Research Institute (ATRI) announced that the driver shortage was the top industry concern and has been a top-three issue for the industry in 12 of the last 14 years.¹ The Chairman of the American Trucking Association (ATA), Dave Manning, noted in this announcement, "I've spent the past year traveling the country as ATA Chairman and everywhere I go, people talk about how we've got to resolve our workforce challenges if we're going to keep this nation's economy moving forward." The *New York Times* noted, "The lack of available drivers is rippling through the supply chain, causing a bottleneck of goods that is delaying deliveries and prompting some companies to increase prices."² The *2018 State of Logistics Report*, produced by the Council of Supply Chain Management Professionals noted, "Delivery labor, the primary driver of last-mile cost, increased 9 percent last year amid low unemployment, higher minimum wages, and intense competition for drivers among traditional carriers, last mile specialists, crowdsourcing platforms, and shippers building their own delivery capabilities."³

ATA reported in 2017 that the driver shortfall was expected and actually did rise by the end of the year to the highest level on record. The organization estimated that over the next decade, the trucking

¹ <https://truckingresearch.org/2018/10/29/driver-shortage-once-again-ranked-as-trucking-industrys-top-concern/#.XHLz9ohKiUk>

² The New York Times, 'What Does a Trucker Look Like?' It's Changing, Amid a Big Shortage. (2018). <https://www.nytimes.com/2018/07/28/us/politics/trump-truck-driver-shortage.html>

³ Council of Supply Chain Management Professionals. The Annual State of Logistics Report. (2018). https://cscmp.org/CSCMP/Footer/Press_Release/CSCMP_Unveils_the_29th_Annual_State_of_Logistics_Report.aspx

industry will need to hire roughly 898,000 new drivers, or an average of 90,000 per year.⁴ The analysis also identified the following demographics related to the current driver workforce:

- The average age of drivers in the over-the-road truckload industry is 49 years old, and 52 years old for private fleet truck drivers (compared to an average of 42 years old for the US workforce).
- Female drivers constitute 6 percent of the overall truck driver population (compared with nearly 47 percent of the US workforce).
- Nearly 39 percent of the truck drivers are minorities.

Recommendations to Address the Driver Shortage

Recommendation One: Assemble existing information and obtain new data as needed to provide a sound analytical basis for addressing the issue.

In collaboration with the US Department of Transportation and Labor, it is recommended that a working group be established to identify:

- What metrics are most needed to articulate driver policy considerations consistently and usefully.
- How we categorize the diversity of truck movement types and operations to best identify where the shortages and issues occur.
- How we best use the collected information to articulate the truck driver story and situation.

Information on crash statistics, demographics and other factors may be needed to answer these questions and provide an on-going basis for establishing and monitoring the state of the truck driver situation. A similar approach was used to establish parameters for monitoring US port performance.

Such information will help target efforts, as well as provide the foundation for fact-based discussions with the insurance industry and others that have a role in establishing the requirements to be certified as an interstate truck driver.

Recommendation Two: Advance efforts to increase the pool of potential drivers by selectively enabling under-21 CDL drivers to handle interstate commerce and encouraging under-represented demographics to consider the driving profession.

Potential drivers may consider the career while in high school and/or serving in the Nation's military. However, drivers must be 21 or older to handle interstate commerce. Such commerce is crucial to all facets of US logistics. For example, all international containers must be moved by a driver with an interstate CDL even if that container is originating and terminating within the same state as where the port is located. Efforts such as the FMCSA pilot program and pending bills help expand the pool from an age demographic.

At the same time, efforts to encourage women and underrepresented demographics to consider driving as a profession can be explored, highlighted and expanded to address the current and future shortage of drivers. Examples of practices are attached to this letter.

Recommendation Three: Identify technologies and practices that can enhance the safe operation of trucks and the safety of drivers.

During the Workforce Development Subcommittee's discussions, Women in Trucking noted member concerns about the safety of drivers at parking facilities and customer locations. The shortage of truck parking facilities nationwide has already led to drivers needing to pull to the side of the road for

⁴ American Trucking Association, *Truck Driver Shortage Analysis 2017*.

mandatory rest, also leading to potentially unsafe situations for truck drivers and other motorists. Similarly, workplace safety measures at facilities where cargo is picked up and delivered can be explored.

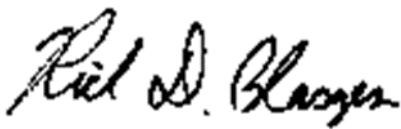
The proposed DRIVE Safe Act, described in the attachment, incorporates the use of safety technologies into truck equipment. Such technologies, also being introduced into passenger vehicles, can be encouraged by federal agencies.

Recommendation Four: Encourage reciprocity among States as related to obtaining truck driver credentialing.

FMCSA and other organizations have acknowledged that an increasing number of driver candidates are receiving their training at locations outside of the state where they are domiciled. While a 2011 FMCSA rule requires an individual's state of domicile to accept the results of a CDL Skills Test that was administered out of state, it does not require States to accept a Knowledge Test administered out of state or other requirements of obtaining a CDL in their state of domicile. Working with the US Department of Transportation and FMCSA, a new rule could be promulgated that addresses these reciprocity issues and expedites the delivery of necessary credentials. Examples of programs and proposed legislation are provided in the attachment to this letter.

Thank you for your consideration of our recommendations. The Advisory Committee stands ready to assist you and the Department to move forward with these recommendations. While multiple agencies, organizations, businesses and academic institutions are working on elements to address the shortage, a consolidated coordinated effort led by the US Department of Commerce with the support of other federal agencies would accelerate addressing today's critical driver shortage.

Respectfully submitted,



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Council of Supply Chain Management Professionals
Chair, Advisory Committee on Supply Chain
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Anne Strauss-Wieder
Director, Freight Planning
North Jersey Transportation Planning Authority
Chair, Workforce Development Subcommittee

Attachment

Attachment: Examples of Federal and Private Sector Initiatives

Several federal agencies and organizations, as well as legislative efforts, have begun to address the driver shortage, including:

- *Federal Motor Carrier Safety Administration (FMCSA) Under 21 Military Driver Pilot Program:* In July 2018, FMCSA announced that the agency will conduct three-year pilot program to study the feasibility, benefits, and safety impacts of allowing 18-20-year-old drivers to operate commercial motor vehicles (CMVs) in interstate commerce. These younger drivers will have received heavy-vehicle driver training and experience while in military service and be sponsored as an employee of a participating motor carrier.⁵
- *US Department of Labor Apprenticeship Programs:* The Department has designated eight organizations to help ports, marine manufacturers, supply chain and transportation, distribution and logistics employers and sponsors develop apprenticeship programs.⁶
- *UPS Registered Apprenticeship program for US military veterans* is another example of the US Department of Labor's apprenticeship program and offers "full-time positions that combine job-related technical instruction with on-the-job experience."⁷
- *The Developing Responsible Individuals for a Vibrant Economy (DRIVE) Safe Act* was introduced in 2018 as Senate Bill 3352 and House of Representatives Bill 5358. Both bills direct the US Department of Transportation to develop the regulations needed to implement an apprenticeship program for interstate CDL drivers under the age of 21. The bills outline a graduated training program combined with requiring such drivers to use tractors equipped with several safety technologies.
- *Women in Trucking (WIT) Awareness Programs:* The Women in Trucking Association (WIT) is an example of a non-profit focused on the transportation and logistics industry. The organization's mission is "to encourage the employment of women in the trucking industry, promote their accomplishments, and minimize obstacles faced by women working in the trucking industry."⁸ The organization has worked with Girl Scouts to create a transportation badge and program, as well as Claire, a female truck driver doll whose mission is to introduce driving as a viable career option at an early age.
- *Trucking Moves America Forward:* The mission of this organization is to create a positive image of the trucking industry.⁹ The organization's awareness campaign includes illustrating the wide range of demographics in the industry.

⁵ <https://www.fmcsa.dot.gov/under21pilot/under-21-pilot-program>

⁶ <https://www.dol.gov/apprenticeship/industry/transportation.htm>

⁷ <https://military.jobs-ups.com/culture-benefits/article/ra-faq.html>

⁸ <https://www.womenintrucking.org/about-us>

⁹ <https://truckingmovesamerica.com/aboutus/>