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Administration, Congress Pivot to Transportation Bottlenecks

by Dana Lee Cole, Executive Director, Hardwood Federation

In a November 2021 survey reflecting 15 macro-economic concerns raised in the broader business community, hardwood industry leaders identified transportation holdups, and related driver shortages, as the second most pressing policy challenge. Not long afterwards in December, as negotiations in Congress began to unravel on the Administration's "Build Back Better" plan, the Administration pivoted to transportation issues and unveiled a "trucking action plan."

In a statement released in December, the Administration attributed many of the current transportation logjams to workforce shortages that predate the pandemic, citing high labor turnover, aging workforce issues, and long hours spent away from home as factors that have exacerbated driver shortages. To address the shortages, the Departments of Transportation and Labor (DOT and DOL) are initiating the following actions:

• Expedite Issuance of Commercial Drivers Licenses

The Administration will allocate more than \$30 million to the Federal Motor Carrier Safety Administration (FMCSA) to fund state "toolkits" outlining best practices for timely issuance of CDLs. The FMCSA will also monitor activities at the state level where CDL challenges persist. Administration officials cited a California program that expanded hours of service at testing locations to alleviate licensing bottlenecks as a success story that other states could emulate.

"90-Day Challenge" to Jump Start Apprenticeships

The Administration pointed out that although the trucking industry is itself operationally diverse, including long-haul vehicles and fuel-carrying "tank trucks," all types of carriers concede that Registered Apprenticeship Programs will create pathways to on-the-job learning and credentials that incentivize driving careers. Specifically, the DOL unveiled an Apprenticeship Trucking Challenge website for businesses and unions interested in participating in the 90-day challenge. More information on the program is available at <u>Apprenticeship.gov</u>.

Veteran Outreach

The Administration identified U.S. veterans as a logical labor pool from which to recruit thousands of well-trained drivers. According to one federal

estimate, there are about "70,000 veterans who are likely to have certified trucking experience in the past five years." This outreach will require a partnership between DOL and the Department of Veterans' Affairs (VA) to align existing resources to focus on veterans transitioning into civilian employments.

"Driving Good Jobs" Initiative

DOT and DOL have committed to a new partnership that will include listening sessions focusing on recruits, labor unions, and the business community, among other stakeholders. The initiative also will take a deeper dive into trucker pay and develop ways to recruit women and young drivers into the field.

To establish accountability, the Administration has pledged to achieve concrete goals through March. These include identifying partners from the 90-Day Apprenticeship Challenge; establishing task forces to focus on underrepresented communities and predatory truck leasing contracts that discourage entry into the field; and developing an action plan resulting from the sessions with program stakeholders.

Other Activities of Note

On January 12, while commending the Administration for its timely implementation and commitment to mitigating the trucker shortage, the hardwood industry and other stakeholders submitted comments on the FMCSA proposed implementation of the DRIVE Safe Program, another Administration initiative authorized by the "Infrastructure Investment and Jobs Act," enacted last fall.

Co-signers urged the FMCSA to implement a program that more closely aligns with the legislative mandate outlined in the "Infrastructure Investment and Jobs Act," and cautioned against establishing requirements that would discourage participation in the program—for example, stringent reporting requirements that would require submission of data to FMCSA every 30 days.

In late 2021, alleviating transport bottlenecks drew some bipartisan and government-wide consensus when the House passed HR 4996, the "Ocean Shipping Reform Act of 2021," by a vote of 364–60. This important bill would update the federal "Shipping Act" and institute remedies for unfair shipping practices that exacerbate global supply chain disruptions caused by the pandemic. In the coming months, Senators John Thune (R-SD) and Amy Klobuchar (D-MN) are expected to offer a slimmed down, companion version of the bill.

It's a New Year ...

With the Administration rolling out a comprehensive "trucking action plan," and Congress considering substantive international shipping reforms, there are reasons to be optimistic that transportation issues will improve as we drive into 2022. Stay tuned for progress reports on federal efforts to help assure the timely delivery of hardwood products to their customers!