



New Members

Big River Oil Company

1920 Orchard Avenue
Hannibal, MO 63401
Mr. Stewart McIntyre
(573) 221-0226

FleetNet America

300 Commerce Drive
Cherryville, NC 28021
Mr. Joseph Shaw
(800) 438-8961

Perfect Timing Transportation Inc

1839 N Barnes, Ste B
Springfield, MO 65803
Ms. Linda Rouse
(417) 864-7903

Purkeys Fleet Electric Inc.

221 North 14th Street
Rogers, AR 72756
Mr. Larry Rambeaux
(479) 621-8282

Sandberg, Phoenix and Von Gontard

600 Washington Ave., 15th Floor
St. Louis, MO 63101
Ms. Natalie J. Kussart
(314) 446-4376

Tech Atlantis, Inc.

609 Redbud Drive
Bentonville, AR 72712
Mr. Kevin Krest
(770) 364-4641

President's Message

Part of my research for each month's column in the Mo Memo is to review past articles to make sure I do not repeat an article. Many times, the theme of the article will be similar to themes of past articles. During the January to May articles, I usually encourage members to get involved in some manner in the legislative process. This month is going to be another of those messages.

The reason for continuing to encourage your involvement in the legislative process is simple. IT WORKS!

In the January 2012 Mo Memo, my column was dedicated to encouraging you to help us defeat the effort to toll I-70. Many of you answered the call to spend 24 Hours in Jefferson City in the 2012 legislative session working on the highway funding issue. As a result of your efforts, I-70 will NOT be tolled.

This year SJR 16, sponsored by Sen. Mike Kehoe (R-Jefferson City) and Sen. Ryan McKenna (D-Crystal City), would increase the state sales tax by 1 cent, for 10 years, to fund highway and infrastructure improvements. As a constitutional amendment, Missouri voters must approve this increase before it will go into effect. The resolution calls for a November 2014 vote, but the Governor may schedule an earlier date.

Missouri Trucking Association supports this proposal and will be working in 2013 to help push the proposal through the legislative process. This year I am calling for your support once again to come to Jefferson City and assist us in this effort.

Your effort is critically important this year. Even if you have been to Jefferson City in previous years, this year is different. 2013 is the start of a new General Assembly. Due to term limits and redistricting, your legislative representation may have changed. You need to meet your new legislators.

Even if your legislators are the same, we need you in Jefferson City to help support this effort at improving highway funding in Missouri. You came through last year for us in opposition; will you join us this year in support?

We make it easy – give us a call, tell us what dates you can make it. We recommend a Tuesday – Wednesday before the end of April if possible. Give us a call and we will make all the arrangements for you. It really is as simple as that. If you are uncomfortable or uneasy because you have never done this before, let us know and we will arrange to have a member go with you, and rest assured, Ross and I will be with you every step of the way as well. You are the expert that legislators want to hear from. Help us get your story to them by delivering it directly.

See you in Jefferson City!

In This Issue



- 2 2012 Drivers & Maintenance Technicians of the Month
- 3 Governmental and Regulatory News
- 5 News from the Industry
- 6 News from States & Provinces



**2012
Maintenance Technicians
of the Month**
(Program initiated in October 2012)

October
Stacy Bradley
Springfield Freightliner
Springfield, Missouri

November
Rick Busse
Associated Wholesale Grocers
Springfield, Missouri

December
Donald Smith
Springfield Freightliner
Springfield, Missouri

**To nominate a technician for this new award,
go to www.motrucking.org and fill out an application.**

Member Cancellations January 2013

| Name of Company | Class | Dues |
|------------------------------------|----------|---------|
| B S C Truck Inc. | For Hire | \$300 |
| Fontaine Fifth Wheel | Allied | \$300 |
| Galva-Foam Marine Industries | Private | \$300 |
| J R C Trucking Inc. | For Hire | \$323 |
| Jones Vend & OCS Distributing Inc. | Private | \$414 |
| Sutton Trucking, Inc. | For Hire | \$1,155 |
| Tico, Inc. | For Hire | \$357 |

MISSOURIMemo

The newsletter for the Missouri Trucking Association is published monthly. All rights reserved. Reproduction in any manner, without the Missouri Trucking Association permission, is prohibited.

Tom Crawford, President and CEO
PO Box 1247
102 E High Street
Jefferson City, MO 65102
573-634-3388
mota@motrucking.org



**2012 MoTA
Drivers of the Month**

January **Steven Fields**
YRC, Inc.
Kansas City, Missouri

February **Danny Womack**
D & D Sexton, Inc.
Carthage, Missouri

March **Jerry Pate**
Walmart Transportation
St. James, Missouri

April **Ronald Hoover**
Prime, Inc.
Springfield, Missouri

May **Henry Grider**
TCSI-Transland
Springfield, Missouri

June **Remy Braun**
D & D Sexton, Inc.
Carthage, Missouri

July **Daniel Willett**
Walmart Transportation
Harrisonville, Missouri

August **Glen Horack**
Prime, Inc.
Springfield, Missouri

September **Thomas E. Miller**
Prime, Inc.
Springfield, Missouri

October **Darvin Campbell**
Elmer Buchheit Logistics, Inc.
Friedheim, Missouri

November **Michael Dye**
TCSI-Transland, Inc.
Springfield, Missouri

December **Todd Bogatzke**
TCSI-Transland, Inc.
Springfield, Missouri

*Congratulations to all the 2012 Drivers of the Month!
If you'd like to nominate one of your drivers,
complete an application today and send it in.*



Bill Proposes Hair Screenings to Test Truckers for Drug Use

A bill that would create a pilot program on testing truck drivers' hair strands for evidence of illegal drug use was introduced in the U.S. House of Representatives.

In Rep. Reid Ribble's (R-Wis.) bill, the U.S. Department of Transportation would be required to establish the pilot program to evaluate the use of hair testing for drug use.

Urine testing, currently required for drivers and prospective hires, does not match the effectiveness of hair testing, Don Osterberg said, who oversees safety, security and driver training at Schneider National Inc., which has been doing hair testing on prospective drivers since 2008. ▲

~ *Transport Topics* ~

Appeals Court to Hear HOS Arguments from ATA, Public Citizen on March 15

American Trucking Associations will argue its case against the new hours-of-service rule for truck drivers on March 15 in Washington, the U.S. Court of Appeals for the District of Columbia Circuit announced.

The Federal Motor Carrier Safety Administration's rule, issued December 2011 and scheduled to take place in July 2013, mandates that truckers only can use the 34-hour restart once every seven days, and the restart time must include two periods between 1 a.m. and 5 a.m. It also requires that drivers take a half-hour rest break before driving more than eight hours in a day.

Public Citizen and other interest groups also sued, though they sought a rule that further restricts driver hours. That lawsuit was combined with ATA's, so they will also present oral arguments on March 15. ▲

~ *Transport Topics* ~

Use of ORM-D Good Through 2020

The Pipeline and Hazardous Materials Safety Administration has extended the use of the ORM-D designation for moving hazardous materials by highway, rail and vessel until December 31, 2020. After that date, packages must be shipped as limited quantities and use the limited quantity markings. The limited quantity markings are also acceptable now, and **must** be used for ORM air shipments. Details are in the January 7, 2013, *Federal Register*. ▲

IRS Sets Mileage Allowances for 2013

On Nov. 26, 2012, the Internal Revenue Service issued a notice setting the allowable deduction for business mileage for 2013 at 56.5 cents per mile, a cent higher than the rate for 2012. For more information, see <http://www.irs.gov/>. ▲

FMCSA Asks for Guidance on Driver Training Rules

The Federal Motor Carrier Safety Administration asked its advisory committee recently for help crafting minimum training requirements – including classroom and on-the-road instruction – for entry-level commercial drivers.

The agency proposed some requirements in December 2007, but comments it received from industry interest groups took issue with some aspects of the curriculum, how FMCSA would accredit training programs, the effect the regulation would have on the availability of new drivers and the benefits of training compared with the costs, said Rich Clemente, an FMCSA transportation specialist.

"Is a trained driver a safer driver? We would certainly like to think so, and that's why we've been working on this," Clemente said at a Dec. 3 presentation to the Motor Carrier Safety Advisory Committee (MCSAC). "But right now, there is currently no federal standard."

A major roadblock for the regulation – one identified by many comments on the 2007 proposal – is that no research has shown a positive cost-benefit analysis for requiring training. It would be a "fairly high rule cost, but the benefits are only intuitive," Clemente said.

FMCSA is overseeing two research projects the agency hopes will demonstrate benefits that exceed the costs of training, said Martin Walker, chief of the agency's research division.

FMCSA has asked MCSAC to submit its recommendations before a meeting in April. ▲

~ *Transport Topics* ~

DOT Office of Inspector General Begins CSA Audit

On January 14, the Department of Transportation's Office of the Inspector General announced it had launched an audit of the Compliance, Safety, Accountability (CSA) program administered by the Federal Motor Carrier Safety Administration (FMCSA). The audit comes at the request of the House Highways and Transit Subcommittee.

Noted the memo: "Specifically, our audit will assess whether FMCSA has (1) established adequate controls to ensure the quality of the data used to evaluate carrier performance and risk, and (2) effectively implemented CSA enforcement interventions. The Government Accountability Office (GAO) is currently reviewing CSA's identification of the highest risk carriers, and we will coordinate with GAO during our audit to avoid duplication of work."

The audit will supplement an ongoing review of CSA by the Government Accountability Office, which also was requested by the House subcommittee. ▲



CVSA to Start Enforcement of UCR Compliance February 1

The Commercial Vehicle Safety Alliance announced plans to begin enforcement Feb. 1 against carriers that have not complied with the Unified Carrier Registration program.

The organization that governs state inspection practices said in a bulletin circulated earlier this month that the UCR board of directors recommended enforcement start on that date.

CVSA is composed of local, state and federal motor carrier and shipper representatives who direct the program that was created to allow truckers to pay registration fees to one state.

"All motor carriers (for-hire, private and exempt), as well as brokers, freight-forwarder and leasing companies operating in interstate and international commerce are subject to UCR agreement," the notice states.

Because no credential shows UCR compliance, CVSA advised inspectors to verify interstate operations by checking log entries, toll receipts, shipping papers or bills of lading.

CVSA noted in the bulletin that the Federal Motor Carrier Safety Administration has created a violation code for failure to pay the UCR fee. That summons or citation is governed by state or enforcement department regulations.

Intrastate motor carriers aren't subject to the fees, which are based on the number of units a carrier operates and range from \$76 to \$73,346. ▲

FMCSA Approves First Medical Examiner Testing Organization

On Dec. 3, 2012, the Federal Motor Carrier Safety Administration approved its first testing organization for administering the Certified Medical Examiners test. Beginning May 21, 2014, only medical examiners that have passed a Certified Medical Examiners test will be able to perform driver medical certifications. Any medical doctor, doctor of osteopathy, doctor of chiropractic, advanced practice nurse, physician's assistant, or other medical professional authorized by State laws to perform a physical examination may take the test. FMCSA maintains a copy of the required curriculum online. Medical professionals that wish to take the test can register to take the test and for inclusion on National Registry at FMCSA's National Registry of Certified Medical Examiners webpage. The Medical examiners' certifications will last for ten years. ▲

PHMSA Releases Free Emergency Response Guide Smartphone App & Training Video

The Pipeline and Hazardous Materials Safety Administration (PHMSA) has released smartphone applications to access information from the Emergency Response Guide (ERG). The ERG contains information for safely securing the scene of a hazmat release and beginning the cleanup process.

The agency has released applications on both the Apple iPhone and Google Android platforms. The applications are free to the public and available for download now.

The smartphone applications reference the 2012 version of the ERG, which includes new evacuation tables for large toxic gas spills and standard response procedures for gas and liquid pipeline incidents.

PHMSA has also released a twenty minute training video for using the ERG which may be seen at <http://www.youtube.com/watch?v=wIZTc7z7yjl&feature=youtu.be>. ▲

DOT Issues Notice Regarding Marijuana

Recently, some states passed initiatives to permit use of marijuana for so-called "recreational" purposes.

The Department of Transportation (DOT) had several inquiries about whether these state initiatives will have an impact upon the DOT's long standing regulation about the use of marijuana by safety-sensitive transportation employees – pilots, school bus drivers, truck drivers, train engineers, subway operators, aircraft maintenance personnel transit fire-armed security personnel, ship captains, and pipeline emergency response personnel, among others.

The DOT wants to make it perfectly clear that the state initiatives will have no bearing on the DOT's regulated drug testing program. The DOT's Drug and Alcohol Testing Regulation – **49 CFR Part 40 – does not authorize the use of Schedule I drugs, including marijuana, for any reasons.**

Therefore, Medical Review Officers (MROs) will not verify a drug test as negative based upon learning that the employee used "recreational marijuana" when states have passed "recreational marijuana" initiatives.

The DOT also firmly reiterates that an MRO will not verify a drug test negative based upon information that a physician recommended that the employee use "medical marijuana" when states have passed "medical marijuana" initiatives.

It is important to note that marijuana remains a drug listed in Schedule I of the Controlled Substance Act. It remains unacceptable for any safety-sensitive employee subject to drug testing under the Department of Transportation's drug testing regulations to use marijuana. ▲



Time to Update the MCS-150

Motor carriers are required to be up-to-date on their Motor Carrier Registration form, known as the MCS-150, including recent Vehicle Miles Travelled (VMT) and Power Unit (PU) data so their level of exposure in the Unsafe Driving and Crash Indicator Behavior Analysis and Safety Improvement Categories (BASICS) in FMCSA's Safety Measurement System can be determined.

Any VMT data in FMCSA's database from 2010 or earlier, will not be used in the calculations when the January SMS snapshot is posted at the beginning of February. Instead, the level of exposure will default to average PUs over the previous 18 months which can impact a carrier's percentiles in the Unsafe Driving and Crash Indicator BASICS.

The MCS-150 should be updated now with 2011 VMT/PU information or shortly after January 1, 2013 with 2012 data to ensure that FMCSA is using the most accurate data available to calculate carrier percentiles.

MCS-150 information may be updated at https://li-public.fmcsa.dot.gov/LIVIEW/PKG_REGISTRATION.prc_option. It is the first option under the "Existing Registration Updates" section. ▲

Study Indicates Split Sleep Schedule Works Better than Daytime Sleep

A new study prepared for the Federal Motor Carrier Safety Administration (FMCSA) by Washington State University found a split sleep schedule to be a better alternative than consolidated sleep during the day. In the laboratory study, 53 volunteers simulated a 5-day workweek, sleeping then driving in a simulator, among other tests.

Sleep scientist Gregory Belenky compared two 5-hour sleep periods, from 3 a.m. to 8 a.m. and from 3 p.m. to 8 p.m., to consolidated sleep periods at night and during the day. The study showed that, of the three, the 10-hour nighttime sleep was best, but the split schedule worked better than the 10-hour daytime schedule. Belenky concluded that the different sleep schedules led to no difference in performance of the required tasks, although sleepiness and blood chemical levels increased for the daytime sleepers.

The study may have implications for FMCSA's current sleeper berth rule, according to a report posted on January 22 in *Truckinginfo.com*. The rule allows a split schedule but requires one period of at least 8 hours in the berth, and another of at least 2 hours, which many in the trucking industry considers overly restrictive. ▲

IRS Stats Show Effects of Recession

The federal Internal Revenue Service has released a statistical publication containing estimates taken from a sample of returns filed with it by corporations for the 2009 tax year. It shows that corporate assets fell overall by more than 1 percent from 2008, a decrease approaching \$1 trillion. Assets in the construction industry alone, however, fell by almost 11 percent. This publication does not include pass-through entities such as limited partnerships or subchapter S corporations, and so does not represent total business changes over that year. The statistics are arranged by broad industry sector; trucking is included in the Transportation & Warehousing group. IRS, *2009 Corporation Complete Report*, issued December 3, 2012. The report, just one of many comprehensive statistical reports issued by IRS, is here: <http://www.irs.gov/pub/irs-soi/09coccr.pdf>. ▲

~ State Laws Newsletter ~

IRS Revises Reclassification Program

By a notice published December 17, 2012, the federal Internal Revenue Service has made changes to its continuing Voluntary Classification Settlement Program (VCSP), under which businesses may prospectively reclassify their workers as employees rather than independent contractors for purposes of federal employment taxes, and face only reduced penalties. In summary, the changes broaden the categories of businesses eligible for the program, and eliminate a burdensome term of the closing agreement with IRS required of a business that goes through the VCSP. As before, we do not necessarily recommend that any motor carrier or other business take advantage of the VCSP; federal law recognizes properly structured independent contractor arrangements as valid. For more, see here: <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Voluntary-Classification-Settlement-Program>. ▲

~ State Laws Newsletter ~

Report Details States' Troubles

A report issued by a joint project of Harvard, the University of Pennsylvania, and the American Education Foundation has been receiving some attention in the press lately – as it should. This is the first report of The States Project. It provides detailed analyses of the fiscal condition of Massachusetts, New York, New Jersey, and Pennsylvania, and a summary of what it believes to be the important trends in state finances across the country. In brief, these are: the states' slow recovery from the recession; the growth of Medicaid, which is tending to preempt much other state spending; the states' load of debt and unfunded obligations; the loss of federal grant money; and the obscurity with which the states report their finances to their citizens. Two among the many facts reported struck this writer as symptoms of deep trouble: (1) state and local debt and unfunded pension and other retirement obligations total just under half as much as the national debt, and (2) Medicaid spending currently amounts to more than 30 percent of all state spending in three states, and more than a quarter of it in many more. The report concentrates on state government; local governments are if anything worse off still. Unfortunately, the recommendations of the study do not seem radical enough, even if there were some prospect of their adoption. It may only be imagined what condition state and local finances may be in if there is another recession or a recovery in which these governments do not share. The States Project, *The State of the States 2012*, issued November 2012. The executive summary is here: http://www.thestatesproject.org/pdf/Executive_Summary.pdf. ▲

~ State Laws Newsletter ~



Big Fine for CARB Reefer Violations

A California reefer and cold storage company got a court order to pay \$300,000 for violating the state's transport refrigeration rules. The company failed to comply with the January 2010 deadline to upgrade its fleet. A negotiated settlement is costing the company \$200,000 plus the amount it is taking to bring the fleet into compliance. ▲

Reminder: Diesel Filters Required in California

Beginning January 1, 2013 new California Air Resources Board (CARB) rules take effect that impact all heavy-duty trucks and buses traveling in the state. The new rules require heavy-duty trucks and buses with 2000-2004 model year engines to install diesel soot filters. Except for certain low-mileage or emergency vehicles, non-compliant vehicles may not legally operate in California.

Penalties start at \$1,000 per violation per month and increase significantly over time. In addition, non-compliance may result in the truck or bus being impounded until it is compliant.

For more information, visit <http://www.arb.ca.gov/msprog/truckstop/truckstop.htm>, or call 1-866-6-DIESEL. ▲

MO Rules on Tax on Truck Washing

The Missouri Department of Revenue has issued a letter ruling concerning the taxability under the state sales tax of a truck-washing service. The business requesting the ruling operated what were called full-service truck washes. The washes were done by employees of the business; the facilities were not self-service. The department ruled first that the washing itself was exempt, since it was not among the services the statute listed as taxable. The optional additional charge made for applying a protective coating to a vehicle was not taxable either, since this was also a service. On the other hand, the business's purchases of several classes of property for use in rendering its services were taxable: soaps, the protective products for optional application, replacement parts for its machinery, and supplies. Shipping charges the business paid to have these items delivered to its Missouri locations were also taxable, said the department, because, considering the facts of the case, title to the items did not pass until they were delivered. Finally, utilities purchased by the business – electricity, water, and natural gas – were taxable under the statute. Missouri Department of Revenue, *LR 7164*, available here: <http://dor.mo.gov/rulings/show.php?num=7164>. ▲

~ State Laws Newsletter ~

MO Rules Packaging Exempt

The Missouri Department of Revenue has issued a ruling to the effect that a trucking company's purchase of packaging materials and supplies was not subject to the state sales tax. The taxpayer here was primarily a trucking company, but also provided its customers with warehousing and what were described only as packaging services. Its customers were "distributors and retailers." The materials were described only as cardboard boxes and lids and liners for the boxes. It was specified that when these materials were transferred to the taxpayer's customers, it retained no title or ownership in them. The department concluded that in these circumstances the taxpayer's purchases were exempt purchases for resale. Ruling *LR 7163*, issued November 7, 2012, and available here: <http://dor.mo.gov/rulings/show.php?num=7163>. ▲

~ State Laws Newsletter ~

New York Clarifies Decal Placement

The New York State Department of Taxation & Finance has issued a notice specifying more exactly just where on a vehicle the state wants motor carriers subject to the state highway use (weight-distance) tax to put the decals that show a carrier has registered the vehicle for the tax. After several years without the stickers, they are once again being required in New York as of Jan. 1, 2013. The instructions on the decal indicate they are not to be put on the bumper of a vehicle. The state now says, however, that they are to be placed "securely and conspicuously" on the front of the vehicle, as close as possible to the vehicle's license plate, and may be put on the bumper. And don't forget – the New York stickers are vehicle-specific: a given sticker needs to go on the specific vehicle for which it was issued. NYS Dept. of Tax'n and Fin., Notice N-12-18, November 2012. ▲



Reminder:
Watch for newly updated CSA training materials to become available.

For reduced pricing, purchase your DOT Compliance needs through MoTA. Order conveniently by mail, phone, fax or email.

Missouri Trucking Association
P O Box 1247
Jefferson City, MO 65102-1247

Phone: (573) 634-3388
Fax: (573) 634-4197
Email: darla@motrucking.org

Please be patient as the final rebuild of the Truckers Store is in progress. Photos are being added, log-in no longer required. Call with any questions or problems.