



New Member

KARS Transport LLC
6938 King Hill Avenue
St Joseph, MO 64504
Mr. Richard Shuster
(816) 596-0466

*Welcome
New Member!*

77th

Missouri Trucking Association Annual Convention

September 16 -18, 2014

Hotel reservations for the convention can be made now by going to www.moctrucking.org and click on events. Print the form, complete and send to hotel - room block expires August 26.

Registration forms, sponsorship details and the agenda will be available soon - watch for email.



MissouriMemo July 2014

Sponsored by:



'An Employee Owned Company'

*Products & Service
You Can Rely On*

See ad on page 7 . . .

President's Message

On Tuesday, August 5, 2014 Missourians will have an opportunity to support Amendment 7 to fund our infrastructure and transportation needs for the future.

If you are involved in trucking, you've probably noticed we are under attack by the opponents to Amendment 7. Part of their attack is to say the trucking industry is getting by without paying anything for our transportation needs if Amendment 7 passes.

As trucking company owners and employees, you understand the fallacy of those attacks. Amendment 7 does NOT repeal the current fuel tax, and trucks will continue to pay their current level (see FACTS below) of fuel taxes if Amendment 7 is approved.

In addition, like every other business and individual in Missouri, you will be paying an additional ¾% sales tax on your taxable purchases if Amendment 7 is adopted. The item you will be buying will have USED Missouri's transportation infrastructure in some form to get to your possession. That is the basis for using the sales tax as a mechanism for supporting our infrastructure funding in the future.

One of the attempts by opponents of Amendment 7 is to say it should not all be on the sales tax, we should have a fuel tax increase, or a mix of a fuel tax and smaller sales tax increase.

If this were being enacted in a vacuum, perhaps those ideas would be plausible. In fact, MoTA and most MoTA members would likely support one or both of those ideas to various levels.

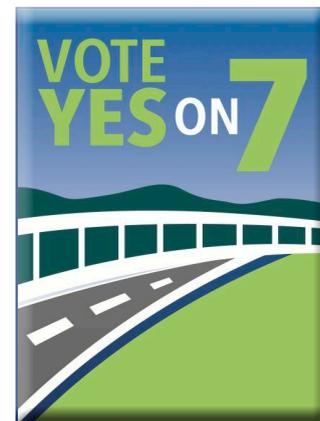
But we don't live in a vacuum, and in Missouri, our problems demand solutions that can withstand approval by a public that is generally pragmatic and fiscally conservative. To that end, recall in 2002 that Missouri voters did have the opportunity to vote on Proposition B – a package for infrastructure funding that included a 4 cent motor fuel tax increase, and a ½% sales tax increase. The voters overwhelmingly rejected Prop B with a 72.5% NO vote.

In surveys and polling done by the campaign after the election, most of the responses were along the lines that Prop B was too complicated (just do one tax source, not a mix) and that MoDOT's trust and transparency was not to a level that most Missourians were comfortable entrusting them with more funding.

Shortly after that vote, the legislature and Missouri Highway and Transportation commission made significant changes to how MoDOT operates. Pete Rahn was hired and completely revamped the culture and transparency of MoDOT. Today, MoDOT is near the top of most national rankings for state DOTs. MoDOT consistently gets customer service rankings in the mid to upper 80's percentile, with many rankings in the 90's. These rankings are unheard of for a state agency, and rival companies like Apple & Mercedes Benz.

As for efficiency, when we send \$1 to MoDOT for highway funding, 93.4 cents ends up on the road. Only 2.1% is used for administrative costs. Compare that to most other state DOTs that brag about 80% going to roads, and you can see why MoDOT is a national leader.

This is how the system should work – the people spoke and government listens, responds, and changes as needed. MoDOT has done that better than any other agency that I am aware of in responding to the public's needs. When MoDOT saw the funding crisis facing them, they tightened their belt and let 1,000's of employees go. As senior staff retired, they would look at job descriptions and combine and reorganize if needed, or eliminate as the workload and focus of the tasks before them dictate. You do this regularly in your business. This is a government agency, working hard to cut through their own bureaucratic challenges, to deliver a world class product with business like efficiency. (Click here for *Forbes* 2012 article on MoDOT's success at saving money.) I'm proud and amazed at MoDOT's abilities today as compared to other times during my lifetime.



Continued on page 2 . . .

President's Message *(Continued from page 1)*

Amendment 7 is not perfect – we can all probably come up with a better solution if we were in charge. But you and I don't have to go through a legislative body to institute change in our operations, and we don't have to have a public vote to adopt those changes! I challenge you to find anything coming through the legislative process as "perfect." That is not the goal of the system our founders designed and we have modified over the years. The goal is to come up with workable solutions that benefit society for the greater good.

Amendment 7 is just that solution. It is a compromise from many different sources in an effort to come up with a solution that will benefit the most Missourians.

Thank you in advance for your efforts and turning out the vote in your company and community in support of Amendment 7.

I received several positive responses from the factual information about Amendment 7 that we included in the last *Missouri Memo*. We are including that information again:

In an era where sound bites and "half truths" rule the day and pass for newsworthy stories, here are the FACTS as they relate to Amendment 7:

- Amendment 7, if approved, will add a ¾% to the state sales and use tax rates. Our current state rate is 4.225%. If adopted, the state rate would be 4.975%.
- If Amendment 7 is approved, trucks will continue to pay the current level of fuel taxes.
 - As a refresher to the trucking community – trucking pays 39% of all roadway taxes and fees owed by Missouri motorists, despite only traveling 14% of the vehicle miles traveled in Missouri.
- The ¾% sales tax increase *will NOT* be applied to purchases of medicine, groceries, gasoline or fuel.
- The money *cannot be diverted* to non-transportation projects by politicians.
- The money must be spent on *locally developed* project lists with local citizen and community input.
- Any citizen can sue MoDOT for failure to build/finish a project on the list.
- Amendment 7 *freezes the gas and fuel tax* over the 10 year time period.
- Amendment 7 *prohibits* the state, counties and cities from owning or operating *tolls* on all current and future roads and bridges over the 10 year time period.
- The ¾% sales tax will sunset in 10 years unless renewed by a vote of the people.

And by all means, if you support passage of Amendment 7, **MAKE SURE TO GET OUT AND VOTE ON AUGUST 5th!!**

THE **truckerStore** *for DOT Compliance*

Reasonable Suspicion Testing:

What Supervisors Need to Know - *Online Training*



Helps fulfill supervisors' required drug and alcohol training.

This training is for one person.

Item #38763 - \$40.00 per each individual

Note: The trainee will receive login information for Interactive Online Training by email.

After completing this course, learners will be able to:

- Describe the regulations that apply to reasonable suspicion testing, including the alcohol and drug prohibitions;
- Identify the five steps in the reasonable suspicion process and explain how to successfully execute each step; and
- Recognize the signs and symptoms of alcohol abuse and drug use and describe what to look for when determining reasonable suspicion.

FMCSA's Ferro Stepping Down

Anne Ferro, chairwoman of the Federal Motor Carrier Safety Administration, will step down next month from her post, Transportation Secretary Anthony Foxx announced on July 25. Ferro said she is leaving the agency to become president and CEO of the American Association of Motor Vehicle Administrators in August. Appointed in 2009 by President Obama, she had been the agency's longest-serving administrator. ▲

NTTC Bulk Hazmat Compliance Guide Now Available

The National Tank Truck Carriers announced the availability of its new and enhanced 2014 NTTC Bulk Hazmat Compliance Guide. This tank-truck specific book now delivers greater content, accessibility, and utility to its readership thereby increasing the overall value for tank truck operators.

An order form for the guide can be found at <https://ecommerce.tanktruck.org/iMISpublic/Core/Orders/product.aspx?catid=1&prodid=36>. ▲



Federal Motor Carrier Safety Administration Finalizes CSA Website Enhancements

On July 24, 2014, the Federal Motor Carrier Safety Administration finalized enhancements to the CSA public display website. The changes, originally proposed and previewed last fall, are designed to provide: 1) an easier, more intuitive navigation platform; 2) display all relevant safety data in one convenient location; and 3) integrate new performance monitoring tools. Most prominently, the new Safety Measurement System (SMS) display will remove percentile scores from the landing page and replace it with a listing of all SMS BASICs and a conspicuous indication of which are in "Alert" status. Percentile scores in every BASIC will be accessible by "drilling down" into any BASIC. The new display will be available to all users beginning August 2, 2014. ▲

FMCSA Announces Changes to Reporting of Adjudicated Citations

The Federal Motor Carrier Safety Administration (FMCSA) announced that beginning August 23, 2014, motor carriers and drivers will be able to request the removal of roadside inspection violations from agency data systems to more accurately reflect outcomes of judicial proceedings. The updated policy will enable carriers and drivers to request, through the DataQs system the removal of violations that were previously uploaded into FMCSA's Motor Carrier Management Information System by state enforcement agencies when a driver is found not guilty or if a violation is dismissed in court. FMCSA systems will continue to retain and display violations that result in a conviction or payment of fine. Persons who plead to or are convicted of a lesser charge will also have that information reflected. The changes are part of the agency's continued effort to improve the quality and uniformity of violation data that is accessible across FMCSA systems to sharpen the focus on unsafe carriers and drivers. FMCSA considered more than 100 public comments before finalizing the updated policy, which has wide support within the commercial motor vehicle industry. For more information, visit www.fmcsa.dot.gov. ▲

FMCSA Sued Over Information in Driver Inspection Reports

The Federal Motor Carrier Safety Administration has "intentionally or willfully" improperly disseminated truck-driver inspection reports that contain references to violations not classified as "serious driver-related safety violations," according to a lawsuit filed by six independent owner-operator truck drivers.

In a class action lawsuit filed July 18 in U.S. District Court in Boston, the drivers alleged that by statute FMCSA can only provide access to Pre-Employment Screening Program driver records that contain vehicle accident reports, no driver-related safety violations and serious driver-related safety violation reports.

The drivers said that their PSP records include such violations as speeding, failure to use a seat belt, incorrect record of duty status, unlawful parking and excessive weight.

"FMCSA's action was designed to compromise or impair the drivers' ability to secure gainful employment with good wages and benefits within the trucking industry," the lawsuit alleged.

FMCSA declined to comment. ▲

~ Transport Topics ~

FMCSA Issues National Hazardous Materials Route Registry

On July 14, 2014, the Federal Motor Carrier Safety Administration published a new National Hazardous Materials Route Registry detailing all routes where states have restricted all or some classes of hazardous materials, highway-route controlled quantities of radioactive materials, or Class 7 radioactive materials. FMCSA's Route Registry is current through January 31, 2014. FMCSA will be accepting comments on the updated Route Registry through September 12, 2014. ATA supports FMCSA's new route ordering approach, the streamlined route tables, and the consolidation of route information. But, ATA's comments will also raise our concerns that FMCSA must update its route designation/change process to be consistent with current federal law before any changes to the current Route Registry can be implemented. The National Hazardous Materials Route Registry can be found at <http://www.gpo.gov/fdsys/pkg/FR-2014-07-14/pdf/2014-15861.pdf>. ▲

FMCSA, OSHA to Work Together on Coercion Claims

The Federal Motor Carrier Safety Administration and the U.S. Department of Labor's Occupational Safety and Health Administration have signed a memorandum of understanding aimed at strengthening coordination between the agencies in investigating truck driver safety, coercion and retaliation complaints against motor carriers.

"This strengthened partnership with OSHA extends our interagency collaboration specifically to include the sharing of reports of alleged coercion - companies forcing or intimidating truck or bus drivers to violate federal safety regulations," FMCSA Administrator Anne Ferro said in a July 24 statement. "Pressuring drivers to stay behind the wheel beyond their hours-of-service limits, or to disregard other federal safety rules, seriously jeopardizes the safety of every traveler on our highways and roads."

The memo was signed only four months after a Government Accountability Office report criticized the agencies for moving slowly in formalizing each's responsibilities in investigating and acting on the more than 300 whistleblower complaints each year from drivers and other motor carrier employees.

While GAO concluded that OSHA's investigative process has generally improved in recent years, the March 2014 report said the cooperation between OSHA and FMCSA "can be strengthened," and OSHA conceded that there was "room for improvement." ▲

~ Transport Topics ~

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





National Conference on Weights and Measures Strikes Down Effort to Create Diesel Gallon Equivalent Standard for Natural Gas

The National Conference on Weights and Measures voted down a proposal on July 16 that would have paved the way for truck fueling outlets to sell both compressed natural gas and liquefied natural gas in diesel-gallon equivalent units at truck fueling locations. The NCWM, a nonprofit association of state and local weights and measures officials, federal agencies, manufacturers, retailers and consumers, works closely with the Department of Commerce's National Institute of Standards and Technology. In 1994, the NCWM developed a standard for CNG to be sold in gasoline gallon equivalents. That standard has benefited consumers and industry alike because it provides a common unit for comparing the cost of CNG and gasoline. In comments filed on July 14, American Trucking Associations (ATA) stated that a DGE standard is needed because current rules do not address LNG and that both CNG and LNG are increasingly being used in trucking applications displacing diesel fuel. Adopting a DGE standard would allow for the ready comparison of CNG and LNG with diesel fuel and provide a common-sense unit of sale for fuel retailers and users. In addition, the DGE standard would provide a benchmark for states in their taxation, accounting, and recordkeeping requirements. While the DGE proposal passed the NCWM "House" by a margin of 29-9 with 8 abstentions, it failed to pass the "Assembly" in a show-of-hands vote. The proposal will likely be reintroduced next year for reconsideration before the NCWM. ▲

White House Promotes Private Sector in New Infrastructure Initiative, Urges Congress To Act

President Obama on July 17 signed an initiative aimed at helping state agencies connect with private-sector investors to upgrade the country's aging transportation infrastructure.

After a speech at the Port of Wilmington in Delaware, the president gave approval to the creation of an office within the Transportation Department that would be dedicated to facilitating access to private capital for large-scale government projects. The office also would seek to improve credit programs for transportation agencies and offer technical assistance for managing public-private partnerships, or P3s.

The White House initiative also would feature an infrastructure investment summit hosted by the Treasury Department scheduled for Sept. 9.

The trip to the First State comes as Congress is expected to send the White House this month, legislation that would keep highway projects funded for 10 months. The federal Highway Trust Fund is poised to run out of money in August.

Obama said that while he supports the short-term bill, he would rather see Congress take up multiyear transportation legislation that guarantees federal dollars and promotes private-sector investments for infrastructure projects.

"If that's all Congress does, then we're going to have the same kind of funding crisis nine months from now. And that's not normally how you fund infrastructure, because you got to plan it. You got to think about how are we helping folks and how are we helping states and cities and municipalities," Obama said.

In Delaware, the president was joined by Transportation Secretary Anthony Foxx, Treasury Secretary Jack Lew, Sen. Chris Coons (D-Del.), and state and local officials.

The president also announced an initiative aimed at providing states with guidance so they may enhance their climate resilience. In recent years, storms and hurricanes, such as Superstorm Sandy, have caused significant flooding across densely populated coastal regions. ▲

~ Transport Topics ~

US Tax Court Rules on Deductions

The United States Tax Court has allowed some federal tax deductions for operating expenses claimed by an owner-operator, even though he had scant records to support them. For the year in question, the taxpayer deducted \$64,000 in expenses for his one truck, including fuel, maintenance, and other costs. The court believed the taxpayer's testimony to the extent that he did in fact operate his truck during the year, and incurred expenses, but noted that he had no records at all to back them up. The court then cited *Cohan v. Comm'r*, 39 F.2d 540 (CA 2 1930) for the proposition that in such a case – that is, where the fact of business expenses has been established – the court may estimate, if there is some basis on which to do it. However, it also cautioned that any estimates must bear heavily against a taxpayer, lest there be "unguided largess." The upshot was that the court allowed somewhat less than half the taxpayer's deductions, and upheld the penalties applied by the Internal Revenue Service. *Baker v. Comm'r*, T.C. Memo 2014-122, decided June 18, 2014. ▲

~ State Laws Newsletter ~

IRS Holds DPF Regen Fuel Exempt

A memorandum issued by the Office of the Chief Counsel of the federal Internal Revenue Service announces that diesel fuel used for the regeneration of a diesel particulate filter installed on a highway vehicle is not subject to the federal fuel tax on diesel. The IRS memo is in the form of advice issued to a taxpayer who had inquired about the tax treatment of such fuel, and IRS says that the memo may not be used as precedent. However, we understand that other motor carriers have recently received the same ruling from IRS on fuel used in regen, and have been issued fuel tax refunds. IRS made its decision on the ground that such fuel is not used in the propulsion of the vehicle, and is therefore exempt under the tax law. *IRS Chief Counsel Advice 201421017*, dated October 31, 2013 [but apparently not released publicly until May 2014]. ▲

Sanitary Transportation of Food Survey

The Food and Drug Administration has proposed the Sanitary Transportation of Food (STF) rule as a way to codify best industry practices of transporting food. However, their proposal requires several modifications which ATA will be able to provide input on. Within the rule, FDA provides a "cost/benefit" analysis that provides a grossly understated "cost" estimate. The survey below will enable ATA to show the FDA the "real cost" to the industry and use those new estimates in making changes to the final rule.

ATA has commissioned Hanover Research, a market research firm based in Washington, DC, to conduct a study regarding carriers' perception of the STF Proposed Rule Compliance.

This survey should take about 10 minutes to complete and all responses will remain confidential and will only be reported in aggregate.

The survey may be taken at <http://s-cddc84-i.sgizmo.com/s3/i-0000000-651757/>. ▲



DC Drops Proposed Diesel Ban

Late last year the District of Columbia proposed that after the first of 2018, the city would stop registering new vehicles powered by diesel fuel. Under the terms of International Registration Plan, this could have prevented *any* diesel vehicle registered under the Plan from operating in the District, even to pass through. ATA and a number of other organizations, including the state trucking associations of Maryland and Virginia, the Truck Renting and Leasing Association, and the American Moving & Storage Association, wrote to the DC government pointing out the difficulties that might arise, and asking that the provision be dropped. After several rounds of amendments to the bill, which eventually became a part of the DC budget package, the DC government finally dropped the idea altogether. ▲

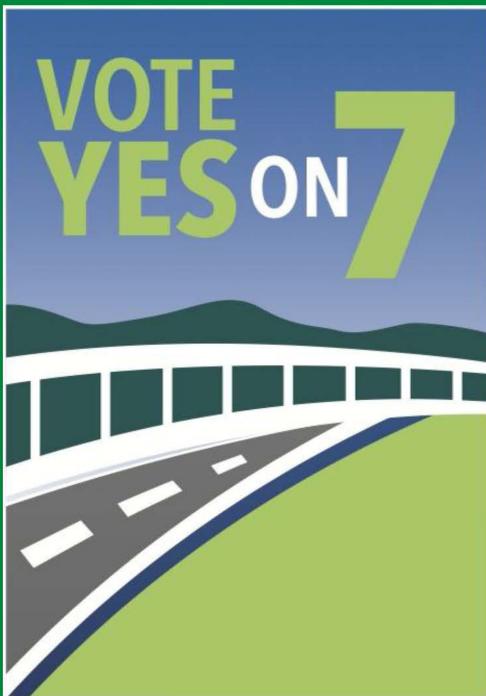
Pennsylvania Announces 70 mph Speed Limit Test in Two Areas

The Pennsylvania Department of Transportation this week announced that the maximum speed limit will be increased from 65 mph to 70 mph on two areas of interstate highway.

The higher limit will take effect around Aug. 11 on Interstate 80 from Du Bois in Clearfield County (Exit 101) to Clinton County (mile 189) and a 21-mile section of I-380 in Monroe and Lackawanna counties.

On Tuesday, the Pennsylvania Turnpike debuted a 70- mph limit from Blue Mountain (Exit 201) to Morgantown (Exit 298), also as a test for increasing the limit elsewhere on the 550 miles of toll roads it oversees.

Pennsylvania is the 38th state to have a speed limit of at least 70 mph. Ohio raised the limit to 70 on sections of six interstate highways last year and on its turnpike in 2011. West Virginia adopted a 70-mph limit in 1997. ▲



Fix Our Roads & Bridges Now!

www.fixmoroads.com

Paid for by Missourians for Safe Transportation and New Jobs, Bill McKenna, Treasurer.

MoTA Photo Album



*Check back . . .
you could be in
our next album!*





100%

Hands-On

100%

Local

100% Ready to Deliver Reliable Reman

We train our own technicians. Remanufacture in-house. And provide all the additional parts and services needed to get the job done right. So you can get your questions answered and custom repairs completed on-site. We're right at home with reman. And right in your neighborhood.

Columbia (800) 922-2308
Kansas City (800) 892-5806

Springfield (800) 884-8061
St. Charles (800) 416-3965
Truck repair not at this location.



inlandtruck.com

