

Minutes of the Motor Carrier Advisory Board Meeting

January 15, 2015

Members Present

Don Lahring

Carl Brune

James Burg

Joe Ballor

Randy Whitaker

Al DeMeester

Don Beerens

William Kotynski

Michael Rushing

Sarah Stewart

Joshua Rhodes

Glen Merkel

Members Absent

Aarne Frombom

Glen Merkel

Paul Behmlander

Brian Hitchcock

Jim Smullen

MPSC Staff Present

Nicholas Nwabueze

Herb Fields

Kirk Forbes

Simone Wilson

Others in Attendance

Diana Guigue

Karen Putnam

G Chuck Simmons

G Scott Horton

Omer Guzman

ExOfficio Members Present

Dawn Wilson

Seth Martin

Insp. Randy Coplin

Alfred Newell, Jr.

John Wallace

Meeting Called to Order

Dr. Nwabueze introduced himself and informed the board that executive secretary Beth Schafer was out sick, and thanked Simone Wilson for covering for her. The meeting was then called to order at 9:30 a.m. After introductions, Dr. Nwabueze expressed his appreciation to the Board members and others in the audience for attending the meeting.

November 20, 2014 Meeting Minutes and Today's Agenda

The agenda for today's meeting was approved. The minutes of the November 20, 2014 meeting were approved as written.

Agency Reports

Transportation

Aarne Frobom was unable to attend. Peggy Johnson reported about the Road-finance Package.

The bill will take effect only if voters approve the sale-tax increase from 6% to 7% in May, 2015. Diesel fuel tax would rise from \$0.15 to \$0.464/ gallon on October 1, 2015. The Sales tax is removed from gasoline and Diesel fuel, and use tax is removed from IFTA tax rate. The net effect: maybe 12 cents additional tax per gallon, depending on the price in October, 2015.

The registration tax increase takes effect over the next three years for trucks over 26,000 lbs.

The plate tax for 80,000 lb. trucks rises by \$200/year from \$1,660 in 2015 to \$2,260 in 2018.

State Police/Commercial Vehicle Enforcement Division

Insp. Coplin reported that the State Police department was being moved from the downtown location to the GOB building in the Secondary Office Complex. They are combining all of the State Police divisions into one building. There is another agency that will be covering while this transfer is taking place.

Insp. Coplin stated that the current recruit school and Motor Carrier school is due to start February 1, 2014. The state is now projecting a \$30,750,000 shortage that may or may not affect the schools

State

Dawn Wilson reported that her group has been helping to put together the application for Prism. This process will take a while and will be putting the USDOT numbers of the vehicles into the computers when they update their accounts. There will be an announcement regarding the need for their USDOT numbers when they sign in to renew. This process will help Secretary of State (SOS) to get the information entered in to their accounts.

This is more of an enforcement issue than a SOS issue. Michigan is one of the four states in the U.S. that does not collect the USDOT numbers at the time of registration. We are strongly being encouraged by the Federal Government to be in compliance.

QA: When will this go into effect? The first stage of the grant, that Dawn Wilson is working on, is just to be able to push IRP information up to the Federal database so that it will be collected with all the other 45 states and the grant period will be announced August 2015 with an 18 month window of programming. But they have made a commitment to Michigan, and/or the states that are not currently Prism states, and they are working very hard to make us successful.

Treasury

Seth Martin was unable to attend. Scott Horton reported that the new system revamp is in place and went live December 8, 2014. They are extremely busy assisting Motor Carrier and obtaining access to the new system renewing license for 2015 (issuing and mailing the decals). They are currently working on the 4th quarter of 2014 tax returns and alternate carriers with-in the electronic system. Mr. Martin's unit is right next to them and noted that Mr. Martins group has

been getting a lot of calls. Over all, the response has been real good in regard to the users of the system, but there are a lot of people still getting used to the new system. As of today, January 15th, there have been 3,906 licensed carriers for 2015 and they've issued 66,800 decals.

They have been conducting training seminars around the state. So far, on January 8, 2015 in Dimondale, there were approximately 50 attendees and on January 13, 2015 in Kalamazoo there were approximately 90 attendees. There are several other training seminars coming up. The next one is January 20, 2015 in Novi, at the Diamond Center at the Suburban Collection Showplace, then January 21, 2015 in Gaylord at the Holiday Inn Express, then January 27, 2015 in Grand Rapids at the Crown Plaza near the airport and on January 28, 2015 at the Dimondale Department of Treasury Operations Center. Please RSVP by e-mailing the IFTA Unit at IFTA@michigan.gov or by calling 517-636-4580 option 1.

Federal Motor Carrier Safety Administration

John Wallace reported that there are some rule changes. Daily driver vehicle inspection (DVI) reports that are required to be filled out each day the truck is used is no longer required as long as there is no minor defect, if there are any defects then they are required to fill out the DVI report for that day. This is part of the paper work reduction. It is up to the driver if they want to continue filling out the DVI report whether or not there are any minor defects noted.

QA: Do the drivers still have to fill out the report? The driver fills out the report if there's a defect. The mechanic wants to see the DVI report.

There has been a change to the 34 hour restart. It's part of the consolidated further continuing appropriations act of 2015 signed by the president on December 16, 2014. You can use it as many times as you want with-in seven days. There are no longer the restrictions, they have been removed. This happens to two consecutive time periods of 1 am – 5 am, that has also been removed. So it makes our job easier perhaps by providing more flexibility. The 34 hours off

duty consecutively, then your 60/70 hour will restart. I understand that the problem could be with the officers and not being fully aware that those two things have been repealed. What we were doing was making a copy of the ruling and giving to the drivers to keep in their cabs, in case they are pulled over by a police officer and the officer is unaware of the changes to the ruling.

QA: I'm assuming it would be sufficient right now, but how are you coming along on training the officer? We have a notification system in house and when things like the DVI change or the hours-of-service change comes out, we do a mass distribution and every law enforcement officer will be getting an e-mail with the header regarding the changes. The suspension in routine has already been communicated to everyone in our department that does enforcement.

QA: Do we have others, local enforcement officers? What we do for them is we do one-on-one in service training trending and that's scheduled to come up here in the next 60 days. So then I'll discuss with the local entities that do commercial vehicle enforcement. If you are cited there are two process options, so drivers aren't placed out of service.

QA: I hear stated that 34 hour reprieve is technically temporary and that those restrictions will roll back in, which I'm not sure if the date is September or October, if there are no more legislative changes. Is that correct? Yes

There's a study being done saying that two things have to happen. The study has to find that the rules before this roll back were registered in place and then on September 30th they would file. If the studies are not complete by then, then the suspension would continue until the study is complete. And I believe the agency / admin also has to present back to congress their findings of the study as well. But if those things don't take place, then the 1 – 5 continues until the studies are done.

The FMCSA published an advance notice of proposed rulemaking on agencies seeking comments about safety and financial impacts, related to revising minimal locals of financial

responsibilities. So if your MCSS Magnus insurance minimum is \$750 to a million, it's perceived as most insurance if adequate. So they're looking at perhaps changing those. There is a comment period and it's open thru February 26, 2015. So if you have an opinion, one way or another with the Federal register you can make a comment or not.

Talking about dramatic increase, from the insurance market that it's dramatically increased \$2 – \$3 Million that there isn't enough insurance capacity to be able to allow it to go up to that amount. So when the insurance company gives us a piece of paper, and says here, they have to hold their reserves for natural claims. So if there's not enough insurance or reinsurance in the market then it could not be possible to get insurance for that truck. Statistically less than a fraction of 1% actually goes above the current \$750 of claims. Is the current rule adequate, how many times does that get breeched at \$750, is there enough insurance available and at what cost if it is significantly increased?

If you would like to make a comment, go out to our web site, at the top click on NEWs and it'll have a list of all the issues I was talking about, it'll have a link to click if you would like to make a comment.

Annualized testing trades for controlled substance for alcohol testing & drugs is currently at 50% for 2015 at testing and rates. We have the option of changing them based on historical data that we review. There is significant information out there that indicates that it should get 50%. I don't know if any of you received a letter from us asking for information on that info. We send out letters thru out the year to different companies asking for drug testing information so we can make this determination. So if you get this letter, please fill it out and send it back to us.

QA: Is there any discussion on Medical marijuana, occasional use and places that allow it?

Right now, because of the schedule and the regulations, it's based on the schedule drug, unless

you change the regulations. There was some talk that Obama was going to be more lenient with administration. Even with a script from the doctor you still can't because of the schedule.

I have some news of Mexicans crossing the border study. That's been completed. The results of that study indicated that we are now accepting applications from Mexican carriers to be able to travel across the US, transporting interstate freight. Also they'll be able to apply for authority to transport long haul trucking services in the US. Like the Canadians cabotage rules, there is no point to point committed. So they won't be able to go from IL to IN, this is international trade only.

Going back to the Mexicans across the border, we've had a pilot project in place for three years. The pilot project is now permanent. The only thing that they've changed, that wasn't in the pilot project, is we had a type of truck we could monitor thru out the US. There were only 15 companies in that first project and they don't anticipate many more companies in the future.

There's not going to be a huge change. There's a laundry list of hoops that they have to go thru in the program. Monitoring and in depth investigation of the company is just one. So they don't anticipate all of a sudden today that there'll be a flood of trucks coming across the border.

That's probably not going to happen for a while.

QA: If the driver fails the Medical Certification is there a waiting period before he can retest? For example his sugar is too high. There is no penalty period. Depending on what the Doctor decides, regarding medications and his condition. Is the driver's condition dangerous or not to his self or others due to their ability or inability to operate the vehicle. Currently there are 1,038 certified medical examiners on the National Registry and there's 10,700 registered to become certified.

Public Service Commission

Mr. Fields reported that currently we are at the end of the 2015 Decal Renewal year and there are just a few carriers we have to finalize their applications. The UCR renewals went real well. We weren't behind, kept up real well and a lot of people are ordering them on line now. We are hoping to get the IT program up and running soon so we can see how many IRP plates the carriers ordered. If they are ordering the IRP plates then their intention is Interstate and so they should have a UCR. We are hopeful that when we get the report, then we will be able to go after the carriers that are forging what they are recording on the UCR.

Our new system is being set up so it's more user friendly. We're designing our forms and applications this way. We've designed a complaint form, and we're making people responsible for their complaints. It's who they are, what they've seen and then we can investigate and / or go thru the State Police if this is an enforcement issue instead of a regulatory issue. Carriers will always have access to us but what this does is put the things online so it's recorded, documented and easier to track. It will show the process all the way thru from the start of the complaint to the conclusion. So if you filed the complaint, you can go back online and see the status of the complaint. Right now we are working on our main application process. The original application for General Commodity's and Household Goods is the biggest chunk. So we will be working on this for the next month or so. It is very comprehensive, and we're making very good headway. Thinking about the old CVIEW and getting the one stop and building these things in as well as getting DOT certified. For example, if you're coming in for an original application we'll show what you used to have, prior to start up and what DOT wants of them. If you are on the page and it wants your DOT number and you don't have one already, you simply click on a link that'll take you to the FMCSA page to apply for a DOT number, you don't have to back out to apply or apply at a later date. You apply for the DOT right there, get your DOT number and then go back to the MPSC screen to complete the application, all on line. That's the kind of things we're

envisioning when we're doing this, to make it very user friendly. It'll take a little getting used to, like Treasury with their new system. We will be available and proactive in providing the training when and where it is needed. If you need us to come to your facility for training, we will. We'll make sure the people aren't left in the dark regarding this system. Hopefully make the transition much easier carriers.

Legislation Update

Aarne Frobom was unable to attend; however, he emailed a current list of Bills in the Michigan Legislature that would affect truck operations and Peggy Johnson reported.

HB-5714 passed the house & senate is now on the Governor's desk, so that two weeks from when it was submitted it should be signed and now we have no reason to believe he won't sign it and the effective date is April 1, 2015. It'll help eliminate a lot of delays that are built into a process for a system that was designed many, many, many years ago and won't be there anymore. Dr. Nwabueze informed the group that just before the meeting he heard from downtown that the Governor had just signed this bill into law and has the new number of PA 493 which will be effective April 1, 2015. That is in line with the request we made to pull everything together, the law on one side and the IT platform on the other.

QA: Is the State law regarding equal ID different than the Federal law? This will not be different for regulated carriers in Michigan, am I reading this right for Name, City and State?

There was an act removing the vehicle ID requirements for vehicles between 5,000 & 26,000 pounds. They have to be registered thru the State and they were never exempt thru the Federal laws.

QA: We can be 26,000 or less without needing the name and USDOT number on the side of the truck? Yes. Act 254 will not dictate ID lettering for main carrier of DOT. There were three sets of laws regarding ID lettering. Act 300 The Motor Vehicle Code, Act 181 the Federal

Motor Carrier Safety Rights, and Act 254 which had some ID Lettering in it. I haven't seen the changes in Act 254, I've just seen what the bill had, but it could possibly have some lettering requirements. You do need your MPSC number. The only thing that got eliminated was Act 300. They just repealed it except for Joe Ballor. Joe either has to put his Name, City and State on his wrecker or follow the Federal Regulations. That's what Act 300 says now. If you're a wrecker you do it this way, if you're a trucking company you no longer have to look at Act 300. ID lettering, involving trucking companies or transportation, the law that applies to you is Act 181 or the Federal Regulation 390.21. You must comply with that. The whole 5,000 to 26,000, the reason that's in there is that's what the Motor Vehicle code says. It's not like the Federal Regulations. The Federal regulations didn't change. What it should have said is "the Motor Vehicle Code is repealed, when it comes to ID lettering." Follow the Federal Regulations and the Motor Carrier Safety Act.

Michigan Center for Truck Safety

Alfred Newell stated I know you saw the simulator when we bought it. We have a very new and improved version. We went to Salt Lake City, Utah and bought two new simulators to put in the trailer. We've done our first training at a company with it. We put drivers thru it and it's outstanding, really nice. We have our website and facebook page up. We had the Federal changes on it right away, because the feds are nice enough to put in an effective date. The state has a thing that makes us figure it out because it's not effective until the last day. 91 days, after the last effective date of the legislation of the current year until we get an update. Because if it doesn't change until April 1st, they'll enforce it up to March 30th so we don't put the change in until we get a rock solid date.

In 2008 the Feds, in working with the State Police, came up with a Border Crossing Guide. A done deal when they put it out. After some searching around and we found one online and

placed the link on our web site. Now when we get calls asking about border crossing we direct them to our web site and they can click on the link that will take them to the guide.

We've had our first class since I've taken over on the Distracted Driver Course for the Professional Truck driver that went well. We also started up the Driver Performance Measurement system. This is where one of the instructors goes out and rides with one of the drivers from different trucking companies, and evaluates them. We're constantly involved with new entrants. Hopefully in the spring, after the snow melts, we are going to try setting them up in small groups in the UP & LP.

QA: Were you able to get the video or the link uploaded for downloading ability of inspections on your site? Not the full inspection video but we do have some of our videos up there currently in the file format. These are being converted and will be offered on u-tube very shortly as well as the inspection videos.

QA: There were MPA & truck interviews you put together in a symposium, are you still doing these? A couple of months ago I went to the MPA and offered to work in conjunction with them. I haven't heard back from them. We are hoping to have a Safety symposium up soon.

We have a facebook page for Michigan Center for Truck Safety. It's facebook/Michigan Center for Truck Safety. It'll take you right there. We are going to be utilizing that to run cross traffic between our web site and the facebook page. We expect to have our twitter and google plus accounts up real soon. With all the modern technology there are some pieces we have to get in place before CVIEW can be installed. CVIEW, which stands for Commercial Vehicle Information Exchange Window is nothing more than a portal or server in which you enter data, everything can be done in one location. So us, as enforcement, we might be able to go into CVIEW and see your IRP record, IFT records, previous inspections records, PSC authority, and MDOT permits for Joe. Our goal would be to access CVIEW in one place and see all the

information connected with you. The problem to get there is there are steps that need to be taken along the way. First is SOS when they get their Prism grant. Hopefully this grant will upload IRP information to a system mail box or a system called Safelink, that's also where your inspections links go, crash records, insurance records and we need to be able to connect to that to draw it back down to CVIEW. So there are pieces that need to be put in place prior to us getting CVIEW. Now the second part to CVIEW is from the State of Michigan. I cannot go out and crop out a server on my own. So I have to do a charter, a business plan and I have to find \$120,000. None of this is beyond my reach, but there are pieces that got to keep going and so CVIEW hopefully will come on board yet this fiscal year of 2015, it probably won't benefit you right now, but down the road it will benefit the industry as we build modules to bring in stuff along with it. Another good thing about CVIEW is that once we get it started there are multiple states out there that already have it in place. We have lots of places to go to get help once we get this running.

QA: How many states have CVIEW right now? 25-30 states. It will not be a total SOM project, what it'll be is a service contract with a provider that is already providing services to 25-30 other states.

QA: A comment was made that there were some major crashes in MI involving trucks. Is the state looking into this? There has been a lot of high profile crashes, there was one on US-131 up in the Muskegon area about two days before the one on I-94 and there was one on US-23 about the same time as the one on I-94. If you haven't seen the video of the one on I-94, there are people who took personal videos and posted them out there. It is horrendous, trucks running into trucks, running into trucks.

QA: Is it preventable? Well its Human error. I don't know if there's much more that you can say other than it was human error. It may take 3 or 4 weeks before they can determine this, but I think visibility was an issue, and road conditions deteriorated very quickly. I think the initial

report is you have a vehicle that interacted with another vehicle that started a big chain reaction and it's very unfortunate that this happened. Remind your drivers that you need to keep more distance and to slow down.

One of the things noted going around and I don't know if this was the cause of this or not. The new LED lights on trailers, they don't burn off the snow and the kind of snow we've been having the last few weeks is the light fluffy stuff and you can't see if the truck has its tail lights on, if the driver is really not being conscious every time he gets in and out of the truck, to go around to the back of the truck and check. We're going to be putting some information on the web site about that. I don't know if it'll help but it won't hurt. With the LED's not being able to burn the snow off, when they hit their brakes it just looks like they turned on their running lights. That's how much it dims. Nobody's getting the effects so we're going to be putting something on our web site reference that the drivers need to keep a clean rear end. Modern technology is nice but it doesn't stop to think about that part of it. I heard that some of the manufactures are thinking about putting a small heater back there to help keep them clear. That's one thing we're going to do is try to make drivers aware of this and this has been told to the different companies we've been training, train the drivers to slow down in those conditions.

Last week, in Grand Rapids, we presented an Adverse Training Condition scenario in the simulator and these were all experienced drivers with 20-30 years behind the wheel and every one of them came away with that renewed sense of focus of maintaining that safe distance and slow speeds in adverse conditions

QA: With the simulator, are you looking at setting up different times and locations for people to use? The simulator is mobile and we can take it anywhere. Just give us a call and ask for it, then we will bring it to you and put your drivers thru it. It's a 2 hour session and it gives them time behind the wheel in bad snow scenarios. It gives them an opportunity to see on screen a very realistic simulation of what it's like when they go too fast.

QA: What is the cost? There is no charge at all.

A concern was noted about the wrecker industry on a larger level. We've been involved in accidents, one of which was in November with a wrecker that's on the road rescuing another vehicle on the road where conditions were so bad that two vehicles spun out. A report we had, was one of our drivers was doing 5 – 10 mph by the record and the wind was so strong it pushed his truck into the wrecker.

QA: Well if the roads are that bad why are we in such a hurry to get the cars out of the ditch? They aren't bothering anyone there? Get the occupants out and to safety, let the salt trucks come by and then rescue the vehicles. This wasn't the first time where the recovery caused another accident. We touched on another record, but another lady came up and slammed into the wrecker. When I looked at the township police officer saying "in my opinion that was a bad judgment call to decide that was a good time to be there" and the police officer was sitting there right with the wrecker assisting. On the turnpike, when there's an accident they sit until there's a safe time to do it. Obviously if the truck is going down the road and the wind is blowing it off, should we be there? Well probably not, but when you left it was decent and then sometimes you get into those spots. I have to preserve my drivers who are pushed sideways then straightened out. The broader issue is to consider things like that.

New Business

On behalf of the Board and Chairman John D. Quackenbush, Dr. Nwabueze make a motion to thank Carl Brune for his many years of service on the board. Motion passed.

Future Meeting Topics

To get the notice regarding driving in bad weather and wreckers being out in bad weather, police calling wreckers out in bad weather, needs to be addressed. Get notices / articles regarding this

out with the trade groups, articles is the first place to start Transport topics in the MTA, ATA, start with the trade groups. After the conclusion of today's meeting, Dr. Nwabueze broached the subject of pursuing this at the next meeting.

Public Comment

None

Next Meeting Date and Adjournment

The next meeting is scheduled for **March 19, 2015 at 9:30 a.m. in a conference room located at 7109 W. Saginaw Highway, Lansing, MI 48917.**

The meeting was adjourned at 11:03 a.m. and Alfred from the Michigan Center for Truck Safety, set up the electronic inspection of a School Bus Inspection process for anyone who was interested in seeing how the electronic inspection is done.

Respectfully submitted,

Nicholas I. Nwabueze Ph.D., Chairman

Motor Carrier Advisory Board