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Q2 2020 **TBS Newsletter**
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The Road Ahead...



Keep on truckin' We know you can do it

Remember when autonomous trucking was the biggest bogey on everyone's radar heading into 2020? That seems almost quaint after three months of quarantine, a bazillion-dollar federal bailout with no provision for truckers, a historic three-week Mayday protest in Washington D.C., and nationwide riots with truckers being dragged from their cabs and having their cargo stolen — but hey, Hours of Service reform, right? Yeesh!

For a profession so important to our economy, truck drivers don't get the respect they deserve. That doesn't sit well with me. As president and CEO of TBS Factoring Service, I've made it my personal mission to make life easier for truckers — not only those of you we have the privilege to serve as clients, but also the broader trucking community, through our sponsorship of major industry events, advocacy, and online news and entertainment via the Truck Boss Show.

When the pandemic closed restaurants across the country, we rallied people across the country to feed truckers through a grassroots campaign we called Sandwiches4Semis. And when unscrupulous lenders tried to take advantage with hidden fees, gotcha rates, and UCC liens, I blew the whistle, exposing their lies to anyone who would listen.

At TBS, we treat truckers like family, because you are our family. We actually care how your day is going and we work hard to address the concerns that keep you awake at night. Things may seem dark now, but better days are coming. They're just around the bend . . . on the road ahead.

- Jennifer Fogg
President

Industry Metrics

Diesel at the Pump (avg)

As of Jun 1, 2020 \$2.386 per gallon
Down 75 cents from a year earlier

Source: US Energy Information Administration
<https://www.eia.gov/petroleum/gasdiesel/>

Truck Tonnage

April 2020 down 12.2% after rising an adjusted 0.4% in March.

April 2020 ATA Index: 104.9 (2015=100)

Total tonnage increased 11.3% year over year.

Source: [American Trucking Association](#)

Truck Orders

April 2020: 4,000, down 73% Y-O-Y

Source: [Trucks.com](#)

[Read More Content on TBS Trucker's Lab](#)

News to Note



Truckers Weigh-in on Autonomous Tech Maker's HOS Exemption Request

Software company Pronto.ai has asked the Federal Motor Carrier Safety Administration for extra daily service hours for drivers using the company's Copilot driver assist system. In an application filed April 20, Pronto makes it clear that it hopes to use the extra hours as an incentive to get carriers to invest the several thousand dollars per vehicle required to purchase the Level 2 autonomous vehicle technology. Small business truckers, who say they can't afford the technology and wouldn't trust it if they could, are strongly opposed to the request. They say putting a computer in the driver seat puts the driver in a more passive, less-engaged "observer" role, and puts way too much responsibility in the hands of an unproven technology. Extending the workday by two hours, they say, runs counter to the stated purpose of Hours of Service regulations, suggesting that driver-observers would be more, not less, susceptible to boredom and fatigue, and more prone to falling asleep at the wheel. And the extra two hours of drive time will give carriers that can afford the technology a competitive advantage of smaller operators, a group that includes some of the most experienced drivers on the road.

"There cannot be a set of rules for humans and a different set of rules for computers," wrote Charles Claburn, a driver/activist from Biloxi, Miss.

More than 300 comments, pro and con, were received during the 30-day public comment period, which ended May 20. No word yet on FMCSA's decision.

Source: [TBS reporting](#)



DOJ Investigates Freight Brokers

The U.S. Department of Justice has launched an investigation into alleged collusion and price gouging by freight brokers. Responding to allegations by truckers from all over the country who gathered outside the White House for 21 days in May, the FBI is investigating whether brokers conspired to take advantage of small owner-operators and hide exorbitant commissions in violation of a federal law requiring full disclosure of all broker commissions. The investigation has reportedly been assigned to the U.S. Attorney's office for the District of New Jersey. Brokers say there is no truth to the charges and that the evidence will show that low freight rates offered during the COVID-19 pandemic have been driven by market conditions.

Source: [TBS staff reporting](#)

Save the date: 10-4 on DC

With Mayday 2020 in the rearview, truckers are making plans to return to the nation's capital in October (if not sooner). After hundreds of truckers turned out for the impromptu Mayday protest, 10-4 organizers are hoping to surpass last year's total of 44 bobtail tractors parked on the National Mall. The annual rally, which runs October 2-4, is billed as a chance for camaraderie as well as an opportunity to raise awareness of the issues affecting small owner-operators. Truckers are encouraged to start planning now by contacted their elected officials and making plans to speak with them in person in October. For more information visit [tenfourdc.com](#).

Reg Rundown



PPP Flexibility Bill Goes to President

The Senate has passed a bill aimed at providing more flexibility for businesses using Paycheck Protection Program loans. Senators passed the measure with unanimous consent on Wednesday, June 3, sending it to President Donald Trump to be signed into law.

Flexibility would be provided by lowering the amount of the PPP loan that must be used on payroll from 75% to 60%, by increasing the period businesses have to use the loan from eight weeks to 24, by expanding the two-year loan maturity to five years for new loans, and by allowing for businesses receiving a loan to take advantage of the employer payroll tax deferral.

The payroll percentage change is intended to allow businesses to use more of their loan to cover rent and utilities while still qualifying for loan forgiveness. Existing loans will not be affected by the increase of loan maturity to five years, but lenders and borrowers can renegotiate. (For more on the PPP program see article under RUN SMART below)

Source: [Land Line](#)



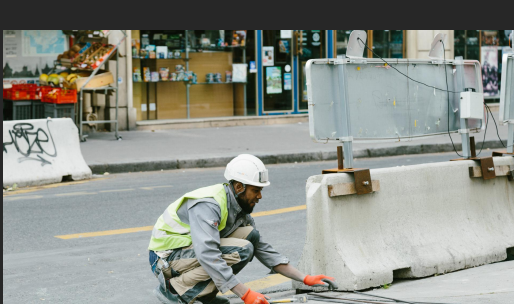
HOS Effective Date

Updated rules for hours of service are scheduled to go into effect on Sept. 29. FMCSA's final rule for changes to its hours-of-service regulations published in the Federal Register on Monday, June 1. Any petitions for reconsideration must be submitted by July 1.

The agency's plan for reform was originally released on May 14. It includes four major changes.

- The on-duty limits for short-haul operations will increase from 12 to 14 hours and from 100 air-miles to 150.
- The adverse driving provision will extend the driving window two hours if the driver encounters adverse driving conditions.
- In addition to splits of 10/0 and 8/2, drivers will be allowed a split-sleeper option of 7/3. Also, the qualifying period doesn't count against the 14-hour window.
- The 30-minute break provision will be modified to require the break after eight hours of driving time (instead of on-duty time) and allows an on-duty/not driving period to qualify as the required break.

Source: [Federal Register](#)



Highway Safety Bill: So Far, So Good

On June 3, the House Committee on Transportation and Infrastructure (T&I) published the text of a highway bill that would provide more than \$300 billion over five years to improve crumbling roads and bridges and another \$200 billion for other transportation improvements. The Investing in a New Vision for the Environment and Surface Transportation in America (INVEST in America) Act includes almost \$250 million for truck parking projects; new restrictions on tolling; provisions to limit excessive detention time and predatory lease-to-own schemes.

Significantly the initial bill does not include mandates for speed limiters or side underride guards, an increase in minimum insurance requirements, or the DRIVE-Safe Act, which would allow 18-year-olds to operate a commercial motor vehicle in interstate commerce.

The T&I Committee will consider the INVEST in America Act at a markup meeting scheduled for June 17. The current surface transportation authorization expires Sept. 30.

Source: [Federal Register](#)



RUN SMART TIP:

How to Apply for Forgivable Paycheck Protection Program Loan

The Payroll Protection Program is a forgivable payroll loan authorized by the federal government in March to help small businesses survive the COVID 19 pandemic downturn. Initial funding for the program was quickly depleted, but new funds were authorized in April and eligibility rules were relaxed to accommodate a broader range of business types, including truckers.

Most banks and online lenders are accepting applications through the end of June. To apply contact your bank.

Sole proprietors, independent contractors, gig economy workers, and self-employed individuals are all eligible for the second round of PPP funding, which covers up to 250 percent of their average monthly payroll expenses. This amount is intended to cover 8 weeks of payroll expenses. This 8-week period may be applied to any time frame between February 15, 2020 and June 30, 2020.

The amount of principal that may be forgiven is equal to the sum of expenses for payroll, and interest payments on business mortgages, rent payments, leases, and utility service agreements.

You can use PPP proceeds for other business expenses. That money will have to be repaid, but the interest rate on the loan is capped at 4 percent. Repayment terms on the portion of loan proceeds not forgiven vary by lender, but there are no fees or personal guarantees required and no loan payments for at least six months.

Click here for more information on the PPP and other SBA emergency assistance.



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