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Chairman Rouzer, Ranking Member Holmes Norton, and members of the Subcommittee, thank you for the opportunity to testify today on "America Builds: How Trucking Supports American Communities". The International Brotherhood of Teamsters represents 1.3 million hardworking people in the United States, Canada, and Puerto Rico, in nearly every Congressional district, including more than 600,000 members who start their workday behind the steering wheel. Our members represent most facets of the trucking industry, and the Teamsters are essential to the movement of goods across the nation.

Per the title of today's hearing, one of the most important ways the Teamsters support American communities is by securing strong contracts with fair wages. We are constantly fighting to guarantee workers a fair days pay for a fair days work, and to ensure that Teamster truck drivers earn the wages and benefits needed to support themselves and their families, and to safeguard a dignified retirement. In the sectors in which we represent truck drivers, our members earn wages and benefits that outstrip their non-union competitors, particularly in the Less than Truckload (LTL) sector where we have significant density. At UPS, a typical package car driver working fulltime in last-mile delivery brings in salary plus benefits with a total value of \$152k per year.

In turn, our members are able to support not just their families, but the communities that they live and work in. Companies of all sizes, from entrepreneurs working out of their home who use UPS to send out their products, to mega-corporations rely on the Teamsters to keep their businesses running.

We come before you today at critical moment as the Committee begins its work on surface transportation reauthorization. The task before you is substantial – a surface transportation bill has the ability to improve roadway safety, increase the quality of life for workers in the trucking industry, foster responsible innovation and strengthen American infrastructure and supply chains. Both the full Committee and this Subcommittee have a long history of strong bipartisan reauthorizations, and the Teamsters look forward to engaging in the upcoming process.

I should note that even in the last year, members of this Committee have already found opportunities to work together on trucking issues. We commend members who sponsored or cosponsored good policy that the Teamsters have been proud to endorse and which passed into law, including H.R.2830, the Veteran Improvement Commercial Driver License Act of 2023 (Subcommittee Members Rouzer, Pappas, Nehls, Webster, Johnson, Burlison, Titus, Davids) and H.R.5840, the Transportation Security Screening Modernization Act of 2024 (Subcommittee Members Rouzer Titus, Carbajal, Norton, Garamendi, Stauber, Bost, Johnson, Webster, Pappas, Cohen, Mast, LaMalfa, Collins).

We also commend members of the Subcommittee for their work on trucking legislation which we hope will be enacted going forward, including the Truck Parking Safety Improvement Act led by Representative Bost, the Trucker Bathroom Access Act led by Representative Nehls, and the Guaranteeing Overtime for Truckers Act led by Representative Van Drew.

These bipartisan efforts demonstrate the ability of this Subcommittee and this Congress to pursue policy that creates new opportunities, promotes safety, cuts red tape, and improves the trucking

industry. The Teamsters are ready to work with any Member or stakeholder who shares these goals as we approach surface reauthorization.

Driver Supply

It is our expectation that conversations surrounding the supply of truck drivers will be of significant interest as the legislation is drafted. To that end, we reiterate our position that that we reject the premise that we are suffering from a "driver shortage" in the strongest possible terms. In this room, industry has come before you for twenty years to suggest that there is a mass shortage of truck drivers across the nation – recently citing a shortage of as many as 60,000 or more today, and potentially hundreds of thousands in the future. Industry has used this citation as the predicate for numerous policy proposals, some of which are harmful to the existing workforce. While we have no doubt that individual or localized examples of difficulty in hiring drivers could be cited, the simple fact is that goods and commerce continue to move with more than acceptable efficiency and the nation is not broadly experiencing breakdowns of supply chains or bottlenecks due to a lack of drivers. We urge the Subcommittee to consider the actual circumstances of the industry, as well as the root causes of some of the challenges in driver supply that may be presented to you.

A 2019 Bureau of Labor Statistics report into the question of driver availability and economic behavior largely concluded that the supply of drivers behaves in the manner a basic supply and demand model would anticipate, with expected responses to economic incentives. BLS stated that "the overall picture is consistent with a market in which labor supply responds to increasing labor demand over time, and a deeper look does not find evidence of a secular shortage" and further, "Econometric models of in- and outmigration of drivers support this conclusion. Drivers with higher earnings and [better] hours [when first observed by the study] are less likely to leave driving [12 months later]".

More recently, a Congressionally mandated National Academies of Science study on driver compensation, and the impacts of various methods of driver compensation on both safety and driver retention noted that "The application of traditional economic principles, therefore, does not support assertions of persistent shortages of drivers in the long-distance TL sector" and that "what seems likely, in the committee's view, is that carriers in the long-distance TL sector have come to believe there are chronic shortages of drivers because of the constant need to replace them during both expansions and contractions of the long-distance TL sector". Instead of a true shortage of drivers, we maintain what industry is instead experiencing is a combination of a shortage of good jobs, a lack of desire to contend with tighter labor markets which produce higher wages, and self-inflicted turnover and attrition.

In that regard, that it has long been the case that annualized turnover rates at large truckload carriers are consistently in the 80-90 percent range, as opposed to between 10-15 percent for Less than Truckload Teamster carriers. While there are certainly marked differences between the TL and LTL sectors, it is notable that turnover is low at companies in which the union has

¹ Pay and Working Conditions in the Long-Distance Truck and Bus Industries: Assessing for Effects on Driver Safety and Retention, National Academies of Science, 2024

successful bargained for wage, benefits, and workplace protections. For example, at UPS, operating a tractor-trailer is one of the most sought-after agreement positions. However, package car drivers looking to become "feeder" drivers, frequently wait for multiple years for these positions to open up, and it is common for members who have secured these jobs to work in them until retirement. In effect, with a strong contract that delivers industry leading benefits, we experience the exact opposite of a driver shortage.

Additionally, it is essential that we do not mistake a tight labor market for a shortage. A shortage, in the way that it has been defined in policy conversations, suggests an absence of drivers, an inability of carriers to hire the employees that they need because they do not exist in the market. This is fundamentally not the same economic circumstance as one in which drivers are able to exert their own negotiating power, resulting in employers having to offer more attractive wage and benefit packages to recruit and maintain. It should not be Congress' imperative to artificially dilute a labor market under the auspices of a shortage for the purposes of suppressing compensation.

Congress should also consider that totality of CDL licensure reflects a fatal disconnect between individuals who are interested in commercial driving, and those who ultimately do so as a long-term career. In 2021, an average of 50,000 Commercial Drivers Licenses were issued each month.² Simultaneously, the Department of Transportation estimated that 300,000 drivers per year were leaving the profession.³ This data, and the Teamsters experience at our carriers tell us there are fundamental problems with the industry that are more complicated than how many CDL holders the nation is able to produce. If carriers, particularly in the truckload sector, are having such difficulties recruiting, training, and retaining drivers, the root causes of those difficulties must be addressed as opposed to simply forcing more drivers into a damaged pipeline.

However, the Teamsters do remain deeply invested in developing the next generation of truck drivers. We and many of our Local Union Training Centers are FMCSA approved providers for Entry Level Driver Training (ELDT) which is a required prerequisite for CDL A and B training and licensure. Teamster Local Unions in 20 states have established training trusts or apprenticeship programs to train and certify Teamster members as well as members of the general public as CDL drivers. Our programs also offer related trainings including on hazmat, passenger, school bus and doubles/triples endorsements. These training programs are offered at little or no cost to the student.

These programs are a gold standard in the industry. The Teamster approach to CDL training is to prepare students to go to work rather than simply achieve licensure. In addition to higher than industry average graduation rates, our programs ensure that new CDL holders actually have the skills to succeed as a driver and to pursue a career.

In that regard, we are hoping to work with Congress through surface reauthorization to expand our footprint and bring high quality Teamster training to more prospective drivers.

² https://www.fmcsa.dot.gov/registration/commercial-drivers-license/states

³ https://landline.media/buttigieg-300000-truckers-leave-industry-every-year/

Unfortunately, the Department of Transportation's resources in this regard are limited. FMCSA's Commercial Motor Vehicle Operator Safety Training (CMVOST) grant program provides funding which can be used for training to license new drivers. or to provide advanced training for various endorsements. Regrettably, the program is small – in 2024 it awarded a total of \$3.5 million to 27 awardees.⁴ An expanded CMVOST program, or a new grant all together targeted at promoting high-quality CDL training programs would offer a path to increase the supply of well-trained drivers. We believe that the Teamster program offers a model in accomplishing this goal, and as the Subcommittee considers the issue of driver supply, we hope to work with you to bring our expertise in training the safest commercial truck drivers to more of your constituents and provide more opportunities for prosperous careers in the trucking industry.

Teamsters are also proud to represent the affiliated Brotherhood of Maintenance of Way Employes (BMWED), who represent 37,000 rail workers who build, inspect, and maintain railroad tracks, bridges and structures and as part of these responsibilities, many maintenance of way workers (MOW) are required to hold a CDL – the BMWED reports that approximately 75% of its membership holds a CDL. However, MOW vehicles, including section trucks, welding trucks, brant trucks, and others are specialized construction CMVs, and require specific training on operations that is not otherwise covered by ELDT courses or existing CDL endorsements. MOW workers therefore must be trained on the job, and the inability to receive this specialized training at any point prior to hiring slows the ability of MOW employees to fully begin their careers. The Federal Railroad Administration has previously determined that its CDL training (and attendant specialized training) is not an eligible use for its existing grant programs. Similarly to the above, the Teamsters and the BMWE hope to work with the Subcommittee in reauthorization to pursue legislative solutions to this problem and improve and expand training offerings for MOW workers.

Finally, the Teamsters were participating members of the Truck Leasing Task Force, created by Section 23990 of the IIJA. Congress is well aware of the harms posed by predatory truck leasing, the impact these arrangements have on drivers, and the deleterious effects of these impacts on retaining drivers long term in the industry. The Teamsters strongly endorse the Task Force's recommendations and urge the adoption of the relevant recommendations via mandate in surface reauthorization.

Safety Issues in Trucking

As the Subcommittee begins consideration of reauthorization, we share members' focus on improving safety in the trucking industry. Crashes involving heavy trucks, which can include vehicles carrying hazardous materials, are one of the most dangerous threats on our roadways. The Committee and Subcommittee will continue to hear proposals to improve safety, including at the recent Subcommittee hearing entitled "America Builds: A Review of Programs to Address Roadway Safety". The Teamsters look forward to engaging with these proposals as well as discussing proposals of our own. However, it is imperative that surface reauthorization does not contain provisions which would set us backwards on truck safety.

⁴ https://ai.fmcsa.dot.gov/Grants/CMVOST.aspx

Truck Weight

Critically, the Teamsters adamantly oppose efforts to raise maximum allowable gross vehicle weight rating/gross vehicle weight. Simply put, these proposals threaten safety, increase wear and tear on our nation's roads, and adds unnecessary operational difficulties for drivers. In 2019, the Department of Transportation conducted its Comprehensive Truck Size and Weight Limits Study, which found that heavier trucks had a 47 percent to 400 percent higher crash rate than 80,000-pound trucks, that heavier trucks had out-of-service and brake violation rates that substantially outpaced 80,000-pound trucks and recommended against a nation-wide increase in maximum truck weights. This data was gathered in part from states which have permitted larger trucks on local roads, and Department's research identifying these risks has not been repudiated.

An additional study concerning the proposal to raise maximum truck weights to 91,000 pounds specifically examined the effects doing so would have on local bridges. Critically, a truck's journey from location to location cannot solely take place on interstates, and thus heavier trucks would also operate over local roads and infrastructure. In that study, it was estimated that between 65,157 and 82,457 local bridges would be at risk – predicated on National Bridge Inventory (NBI) data, which includes operating ratings for individual bridges. The study concluded that the cost of replacing these local bridges to accommodate trucks operating under a new 91K maximum ranges from an estimated \$70.5 billion to \$98.5 billion.

In considering these proposals, we also ask that Congress consider the perspective not of industry advocates who view increased truck weight as an on-paper cost-cutting efficiency measure devoid of real world implications, but of the individuals who would be directly impacted by the changes at their workplaces. The actual truck drivers we represent have been clear - heavier vehicles present operational difficulties such as controlling braking distance and maneuvering in congested traffic conditions. Heavier trucks are more likely to overturn. Putting our members behind the wheel of heavier vehicles, when all safety analysis agrees with our professional experiences, is simply putting our members and the members of the public they share the roads with in harm's way.

While our testimony today is focused on truck driving and our drivers, the Teamsters also represent a significant population of law enforcement officials, including police, sheriffs, and others across more than 400 departments of varying sizes. Law enforcement interacts with trucks of all sizes, during traffic stops and in the unfortunate aftermath of truck crashes. In addition to the experiences of our drivers, the Teamsters Law Enforcement League, based on their experiences dealing with overweight trucks in the states in which they are currently permitted, firmly opposes increased truck weight maximums.

We call on Congress to forego any truck weight increases as part of surface transportation reauthorization.

Hours Of Service

 $^{^{5} \, \}underline{\text{https://ops.fhwa.dot.gov/freight/sw/map21tswstudy/ctsw/CTSLWS\%20Report\%20to\%20Congress\%20FINAL.pdf} \\$

Hours of service (HOS) regulations serve as a bedrock safety principle of our industry. These regulations are essential to combating fatigue, a factor in at least 13% of large truck crashes.⁶ The Teamsters oppose efforts to increase drive or duty time windows, or to provide flexibility to extend or waive HOS protections where unwarranted.

Contracted Fleets and Sub-10,000 GVWR

The Subcommittee should also consider how structural changes in trucking operations may affect the ability of existent safety systems to account for them. FMCSA's Compliance, Safety, Accountability (CSA) program is the structure by which it measures safety and directs enforcement as necessary, consisting of the Safety Measurement System (SMS), enforcement actions and a Safety Fitness Determination (SFD) rating system to determine the safety fitness of motor carriers. Through these tools, FMCSA endeavors to promote safety while measuring the performance of regulated carriers. Data collected through CSA and other databases, including "a concise electronic record of a company's identification, size, commodity information, and safety record, including the safety rating (if any), a roadside out-of-service inspection summary, and crash information" can generally be viewed through FMCSA Safety and Fitness Electronic Records (SAFER) System.⁷

We note that some large companies, like Amazon, have increasingly organized their trucking operations in such a manner as to avoid traditional scrutiny through these systems. In short, much of Amazon's trucking services are provided by its Freight Service Partners – contractors to Amazon whom in turn hire drivers to haul Amazon product. However, these drivers and their performance is solely the responsibility of the contractor. If a contracted fleet operates unsafely, FMCSA is only aware of the safety metrics associated with that specific contractor. If the "parent" company in question has impelled dozens of unsafe contracted fleets, as Amazon has, FMCSA lacks the ability to connect the dots between them and establish a pattern of unsafe behavior across the contracted fleets. The company impelling the contracted fleets will see no impact to their CSA scores or operating authority, while it is perfectly content to constantly cycle through and replace contractors who FMCSA takes enforcement action against.

Businesses using drivers who are not employees, either through direct contracting or through freight brokers is increasingly a part of today's trucking industry. We believe that FMCSA requires new tools to assess if a company is explicitly skirting liability for the transportation of its products by laundering its operations through hundreds of constantly rotating contracted fleets. We hope to work with the Subcommittee to address this behavior.

Additionally, the Subcommittee should also be aware of the increased usage of under 10,001 GVWR vehicles in last-mile delivery service. Because these vehicles are usually not classified as

⁶ https://www.nhtsa.gov/sites/nhtsa.gov/files/18esv-000252.pdf

⁷ https://safer.fmcsa.dot.gov/about.aspx

⁸ As discussed in prior testimony before the Subcommittee, a Wall Street Journal investigation found that over 1,300 Amazon Freight Service Partners "received [safety]scores worse than the level at which DOT officials typically take action" that "Trucking contractors that worked frequently for Amazon were more than twice as likely as all other similar companies to receive bad unsafe driving scores" and that FSP drivers were cited for violations at a rate 70 times higher than Teamster-represented UPS drivers.

commercial motor vehicles because of their weight, they fall outside the scope of FMCSA's safety authority. In 2020 FMCSA's Motor Carrier Safety Advisory Committee (MCSAC) noted that "In recent years, the package and small goods delivery sector has changed. Numerous companies now use small vehicles (e.g., vehicles with a gross vehicle weight rating less than 10,000 pounds, etc.) to deliver goods. At the same time their use has expanded, there seems to be a gap in safety oversight of both drivers and vehicles. The impact of these changes on commercial motor vehicle (CMV) safety is unclear. As the industry changes, more carriers are going to use these vehicles for the last mile of delivery". MCSAC undertook "Task Statement 20-1: Small Vehicles and Their Potential Safety Impact" to examine this issue and consider recommendations. However, MCSAC never completed its report, and the use of non-CMV vehicles for last mile delivery has only increased in the interim. The Subcommittee should consider formally tasking FMCSA and/or other research organizations like the National Academies to investigate this issue.

Autonomous Vehicles

The testing and commercial deployment of autonomous trucks has only continued since the passage of the IIJA. We are gravely disappointed that despite the clear need for safety regulation of these vehicles, a point on which the automated vehicle industry largely agrees, next to no progress has been made. In lieu of meaningful action by the federal government, our roadways have been turned into a wild west, where autonomous vehicles can be operated on a nearly unfettered basis, subject to only state and local rules. In the absence of action by federal regulators, it is time for Congress to act decisively and meaningfully addressAV operations in surface reauthorization.

The Teamsters appreciate that jurisdiction over AVs is divided in the House of Representatives. However, the Committee and Subcommittee still maintain critical jurisdiction over several elements of AV regulation, including but not limited to:

- o Equipment requirements
- Pre/Post Trip Inspections
- o Requirements when a driver or operator remains present/in control of the vehicle, including as they relate to commercial driver's licenses and hours of service.
- CSA scoring and operational authorities, and additional considerations that may be appropriate for monitoring the safety performance of automated or partially automated fleets
- Workforce impacts/workforce development. Particularly in this regard, the Subcommittee should consider recommendations made by the DOT's Transforming Transportation Advisory Committee, on which the Teamsters served.¹⁰

⁹ https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/2020-07/MCSAC%20Task%2020-1%20Small%20Trucks%20and%20Their%20Safety%20Impact%207-13-2020%20FINAL.pdf

 $^{^{10}\,\}underline{\text{https://www.transportation.gov/priorities/transformation/transforming-transportation-advisory-committee/TTACReport2024}$

In part, these objectives can be accomplished by requiring that FMCSA complete its Motor Carrier Operation of Automated Driving Systems (ADS)-Equipped Commercial Motor Vehicles rulemaking, which has yet to be published.¹¹

Given the meaningful jurisdiction held in Transportation and Infrastructure, it is essential that the Subcommittee exercise its authorities in this regard as a potential autonomous vehicle title is considered and do so with careful consideration for the impacts of the deployment of autonomous vehicles on the nation's trucking workforce.

Drug and Alcohol Testing

Recent testimony before this Subcommittee highlighted the fact that Department of Health and Human Services has failed to issue scientific and technical guidelines for hair testing as a method of detecting the use of a controlled substance for purposes of DOT testing, as required by Sec. 5402 of the FAST Act. While we are no strangers to frustration with the failure of agencies to promulgate regulations in a timely fashion, it is important to note that HHS' prior attempt to do so failed so spectacularly to address core concerns with the use of hair follicle testing that stakeholders across the board expressed grave concerns about the viability of the proposal, which has since not been acted upon. At this time, the Teamsters have no reason to believe that HHS has made any further progress in answering core questions, including a further Congressional mandate from the 2018 SUPPORT for Patients and Communities Act. ¹². For as long as these issues remain unresolved, hair follicle testing must not be implemented for the purpose of DOT testing.

Highway Trust Fund and Infrastructure Projects

Essential to drafting the surface reauthorization bill will be the choices the Committee and Subcommittee make regarding the Highway Trust Fund (HTF), and our future expenditures into highway infrastructure. As the Subcommittee is well aware, solvency of the HTF remains a significant concern, as it has been maintained for years via transfers from the General Fund.

In this Subcommittee and elsewhere, a number of proposals have been discussed including ensuring that all road users pay into the fund (as electric vehicles are currently not captured by the gas tax), raising existing fuel taxes, creating a vehicle miles traveled fee, and others. Currently, the Teamsters have not adopted a formal position on the most beneficial and palatable option for ensuring long-term HTF solvency but hope to work closely with the Subcommittee as options are considered. A further degradation of the conditions of the highway system stemming for inability to provide necessary revenues puts Teamster drivers at risk while reducing efficiency for the trucking industry broadly.

The Teamsters also share concerns with members of this Subcommittee regarding impact of inefficient permitting and environmental review on infrastructure projects. Despite positive steps

¹¹ https://www.reginfo.gov/public/do/eAgendaViewRule?publd=202410&RIN=2126-AC17

¹² Which mandated that "to the extent practicable and consistent with the objective of the hair testing...the final notice of scientific and technical guidelines...shall eliminate the risk of positive test results, of the individual being tested, caused solely by the drug use of others and not caused by the drug use of the individual being tested"

taken in the IIJA, it remains clear that the length of time between application and shovels in the ground is unacceptable. As we look to both infrastructure projects we support that are entering the environmental review stage, such as the Brooklyn-Queens Expressway (BQE) Interstate-278 project, known as "BQE Central, and future projects that will be funded by the next surface reauthorization, we look forward to working with the Subcommittee to identify responsible methods to reduce timelines and bureaucratic delays as we seek to invest in highway infrastructure.

Trucking and Labor Law

Lastly, we wish to draw the Subcommittee's attention to an issue within the Railway Labor Act, for which the Committee has jurisdiction. Currently, a singular company, FedEx, has been able to make use of an outdated provision of labor law to classify its truck drivers and related employees in a unique and damaging manner. FedEx Express employees – including tens of thousands of truck drivers, package handlers, loaders, mechanics, and dispatchers – are classified under the Railway Labor Act (RLA), the labor law enacted in 1926 which intends to cover airline and railroad employees, as opposed to the National Labor Relations Act (NLRA). RLA status was granted to FedEx in its early days as a freight airline, but this classification has long been inappropriate for the company's ground package delivery workforce. There is no other trucking workforce in the country, whether for UPS, Amazon, DHL, or others, whom is included under the Railway Labor Act.

This classification is important as under the RLA, workers choosing to form a union must organize system wide instead of being able to organize on a location-by-location basis, as is allowed under the NLRA. As a result, even if a majority of FedEx Express workers choose to join a union at one location, they are denied the opportunity to bargain for better wages, benefits, and working conditions because of this misclassification in federal labor law. Legislation to rectify this issue, the Package Delivery Parity Act, will be introduced shortly, and we hope for support from members of this Subcommittee.

The International Brotherhood of Teamsters thanks the Subcommittee for the opportunity to testify today. We look forward to continuing to work together on a bipartisan basis on the upcoming surface transportation reauthorization.