

**American Trucking Associations President and CEO Chris Spear**  
**2018 State of the Industry Address (as prepared for delivery)**  
**Monday, October 29, 2018**  
**Austin, Texas**

Thank you! Good morning and welcome to Austin, Texas... home of the 2018 Management Conference and Exhibition. I want to extend my deepest appreciation to our sponsors for making this year's event possible... and to the countless leaders – including our officers, committee chairs, members, drivers, state executives, ATRI... and my hard-charging staff – all who help make ATA the voice of the trucking industry.

For 85 years, we have come together at MCE to celebrate our accomplishments. It is here where ATA members set our agenda. And it is here where we now channel our collective will to win. This is our federation's strength... and why unity matters.

MCE affords us the opportunity to embrace the universal values we share as an industry. Our unyielding commitment to safety. Hard work and playing by the rules. Faith, family, compassion... our love of country. All shaping who we are... and how we're perceived.

It's been said that trucking is a high-touch business. Indeed, and it's these values that make ATA a partner of choice. And it's why the President of the United States turned to us when launching the legislative phase of his tax reform initiative, a top campaign promise.

We answered that call and led...helping deliver the first tax reform bill to the President's desk in over three decades. That's your money. You earned it and it belongs to you, not the government. And with more of it in your pocket, you are now investing in your employees.

You are now purchasing safer, more environmentally friendly equipment, technologies and services. That's something the folks in this jam-packed convention hall like to hear! Tax reform is a measurable victory for you and our industry... and its passage is now fueling our nation's economy.

Speaking of the economy, have you noticed it's booming? With the unemployment rate below 4% and more job openings than unemployed people, we are at full employment. As a result, household consumption is rising. When people buy more, we transport more.

Add in good construction and factory activity... you have for-hire truck tonnage, up nearly 8% year-to-date. American Trucking Trends shows the U.S. trucking industry generated more than \$700 billion in economic activity last year, a 3.5% increase year over year. That's 79% of the nation's freight bill.

We are ordering a lot of new equipment. At current build rates, it would take North America's heavy truck manufacturers nine months to build all the Class 8 units in backlog. We are now witnessing the fastest growth the trucking industry has experienced in 20.

These facts, figures and trends are exactly what ATA tells our elected officials and regulators every day... that trucking is the driving force behind the world's #1 economy... and we want to keep it that way.

While tax reform was a significant win and we're enjoying all the benefits of a bustling economy, we have unfinished business in Washington. Our foes continue to sow the seeds of distrust and mistruths, spreading their own narrative about our industry.

That's what's happened with F4A. Over four years, we've fought this California-born battle on Capitol Hill...with what could be best described as trench warfare. We've witnessed a nexus between lawmakers' willingness to do their job and Congress becoming a sanctuary for obstruction.

Having exhausted every legislative option available, last month ATA filed a petition with the Secretary of Transportation, seeking preemption on the grounds that California's redundant meal and rest breaks impede federal safety standards. The sheer lack of available parking alone has forced our drivers to park in unsafe conditions, putting themselves and the motoring public at an elevated risk.

Obstruction is no substitute for the truth. Approval of ATA's petition will put safety first, preserve interstate commerce, and deliver justice on behalf of our industry. And I am confident that justice will soon prevail.

For the last two years, ATA has been at the table on trade... educating negotiators on how 76% of NAFTA freight relies on trucking, supporting more than 47,000 US trucking employees, including more than 31,000 dedicated U.S. truck drivers.

And, NAFTA freight generated \$6.6 billion in revenue for our industry just last year. We want to "up" those numbers, and having a revised agreement that provides sustainable growth for our industry is key.

We commend the President and his team of negotiators for reaching an agreement with Mexico – holding U.S. investments in Mexican trucking companies harmless – and bringing terms with Canada to a close.

The new US-Mexico-Canada Agreement will govern nearly \$1.2 trillion in trade, bring certainty to our industry and the American economy; and, allow this Administration to now fully focus on reaching new agreements with Europe and China.

Our commitment to safety is unmatched, nearing \$10 billion a year in training and technology investments. The ELD fight was one of the toughest fought battles. I'm proud of ATA for holding the line.

The rule is now in effect and with less than one percent of drivers inspected being cited for not having an ELD when required, Hours of Service violations have now reached an all-time low.

Now is the time for the FMCSA to make sensible changes to the federal HOS regulations. ELDs make more data available to the industry than before, enabling ATA to advocate common-sense improvements to these rules and allowing us to tighten the reigns on detention time.

Coupled with ATRI's recent report on Hours of Service Flexibility, we now have the tools to produce measurable results. ATA commends Administrator Martinez for his leadership, his willingness to listen to our industry and for acknowledging the need for flexibility. We look forward to helping his agency shape this outcome in the coming months.

Both ATA and FMCSA are working together to further develop the Department of Transportation's 3.0 Automated Vehicle guidance, released earlier this month. Commercial vehicles have a say in this debate, where improvements in safety, efficiency and productivity can accelerate voluntary adoption of driver-assist technologies.

Since joining the Safety Spectrum Coalition, ATA locked arms with the auto industry as a strategic partner of the Automotive Information Sharing and Analysis Center, or Auto ISAC, developing cybersecurity protocols. I had the privilege this year to address the General Assembly of the International Road Transport Union in Geneva, sharing the policies produced by ATA's Automated Truck Subcommittee and how we're working with the DOT to establish an innovation-based federal framework.

The opportunity also revealed how far ahead the U.S. is in this process compared to the rest of the world, underscoring why leadership and benchmarking matters.

We've seen 9 states and Canada legalize recreational marijuana, all while the nation fights the tragic spread of opioid use. This reality points again to our values and how this great industry can advocate a safe and drug-free workforce. ATA is working with federal regulators to finally allow hair testing as an alternative means of employment screening.

We call on the FMCSA to press forward with the Drug Clearinghouse and make sensible, corrective changes to CSA. And ATA is asking the FMCSA and Congress to grant us access to our nation's youngest talent pool. When a young person chooses drugs, the result is most often irreversible.

We need to be in the schools, recruiting our future workforce at the earliest age possible...giving them a path, a purpose...a family that can provide them a solid career and long-term prosperity.

With a strong economy, our industry's challenges just got bigger. The chronic driver and technician shortage is now top-fold, national news...fueled by consumer confidence, a well above-average retirement age, and erroneous claims that our trucks will soon be driverless.

Our Workforce Development Policy Committee wasted no time producing a menu of legislative and regulatory initiatives that will help shore up the shortage. And beyond all the social goodwill that comes from engaging our nation's youth, the truth of the matter is... we need them.

Forty-eight states already allow an 18 year-old to drive intrastate. That works pretty well in Texas and California, but not so great in states like New Hampshire or Vermont. Building on FMCSA's pilot project that allows 18 to 21 year-olds with military truck driving experience to drive trucks as civilians in interstate commerce, ATA is advocating the Drive-Safe Act.

This federal legislation would require 400 hours of on-duty, apprenticeship-based training, including 240 hours of drive-time with an accompanying experienced driver in the cab in order for an 18 to 21 year-old to operate across state lines.

Moreover, all trucks used for training in this program would need to be equipped with safety technology, including active braking collision mitigation systems, a video event capture system, and a speed governor set at 65 miles per hour or below. Despite all that, some of the so-called safety groups oppose this proposal outright.

Let's cut to the chase. Where were these same safety groups when 48 states passed laws allowing an 18 year-old to drive a commercial vehicle intrastate?

Not one of these 48 states have all these training and technology requirements ATA is seeking at the federal level.

Where do these same obstructionists stand on sending an 18 year-old off to fight our wars...to defend our freedom? If they're paying attention, they'd know that our nation's military is largely made up of 18 to 21 year-olds, including my 19 year-old son.

This past summer, I had the privilege to fly out and spend a couple days on the USS Abraham Lincoln...a \$4.7 billion aircraft carrier.

While on the captain's deck, I watched an 18 year-old female sailor at the helm take orders to steer a vessel that's 104,000 tons of displacement, 1,092 feet in length, housing 90 aircraft worth up to \$30 million apiece and two nuclear reactors.

When deployed, the Lincoln is home to 5,500 souls. Now why can this young, talented sailor be trusted to steer this massive warship, but not be allowed to drive across state lines in a truck?

The answer is simple. Training. We can no longer afford to wait until drivers come our way. We must be allowed to compete for the same talent as other industries, and teach them to safely and responsibly operate this equipment.

Leveraging ATRI's Younger Driver Assessment Tool, ATA is also working to streamline state credentialing requirements, hire more veterans and exiting servicemen and women, and help our federal, state and city officials channel urban talent into our industry – with an emphasis on minorities and women.

With an average driver salary of \$55,000, a figure that continues to climb, ours is an immediate, barrier-free path to the middle class – without having to obtain a college degree and the debt that often comes with it.

It's for all these reasons I'm so pleased and honored to announce here today that Mack Trucks has approved the addition of yet another Mack Anthem model to our ATA fleet.

This amazing truck will be driven by the same professional truck drivers, our Share the Road professional truck drivers, who are also the heart of the Mack-sponsored Share-The-Road effort, in honor and support of military veteran recruiting, hiring and training.

Would all of our veterans please take a moment to stand and be recognized.

This new Mack Anthem and campaign will provide direct support and expand our budding partnerships with the U.S. military, including the U.S. Marine Corps Museum in Quantico, VA and soon to include the new U.S. Army Museum in Ft. Belvoir, VA.

ATA is now well-positioned for an infrastructure debate, which we expect to occur in 2019. The premise of our Build America Fund now has the support of the business community, including the U.S. Chamber of Commerce, as the most conservative and immediate way to fund and fix our nations' ailing roads and bridges. Trucks are four percent of all vehicles on our nation's highways, we pay half the tab into the Highway Trust Fund and we're willing to pay more... to the tune of \$340 billion more over the next 10 years. The Build America Fund is real money, not fake funding like P3's and asset recycling. Our proposal is less than one cent on the dollar to administer, shores up the near-broke Trust Fund and doesn't add a dime to our nation's deficit. Name one proposal that does all that... I'm all ears. Fact is, the Build America Fund is the only true fix... putting real money on the table.

This debate couldn't come at a more critical time. ATRI's latest Cost of Congestion report shows 1.2 billion hours of lost industry productivity – or... 425,533 truck drivers sitting idle for an entire year. That's a \$74.5 billion hit to our industry. Congress must have the courage to vote in favor of funding their constituents' roads and bridges. It's our responsibility to remain engaged, put these facts squarely on the table and hold our elected officials accountable. If we're going to win this fight, we have to accept it for what it is... a full contact sport.

Our voice is not only being heard on Capitol Hill, but in the courts. This year, ATA and three carriers filed suit in U.S. District Court against the State of Rhode Island, arguing that the state's truck-only tolls are unconstitutional. Here's what the state DOT had to say: "The tractor-trailer tolling program is meeting or exceeding our performance and revenue expectations.

It will benefit the users of Rhode Island's bridges and ensure that they are repaired and paid for in a fair and equitable manner." Let me reiterate that last part...fair and equitable?

The RhodeWorks program discriminates against our industry and is entirely designed to cover up the state's own budgetary mismanagement and shortfalls.

Truck tolling schemes are now being considered in several states, including Connecticut and Virginia.

In Indiana, the Governor recently announced a 35 percent toll increase for trucks only on a privately owned, Indiana Toll Road.

In return, the state gets a \$1 billion, sweetheart loan for non-infrastructure projects... leaving the trucking industry on the hook to pay it all back.

It is worth noting that this comes just months after the industry endorsed a major statewide fuel tax increase to fund infrastructure. That's extortion... and it must stop.

ATA has an obligation to flank our state association executives and protect the federation from flawed, and potentially contagious tolling policies that could eventually have national implications. To that end, it's ATA's intention to ramp up its Litigation Center and leverage our full ability to influence outcomes.

I've told our legal team to bring me targets...and I'm asking you to help ATA and our state association executives fight back by funding this mission-critical cause. For those interested, please get in touch with ATA General Counsel Jennifer Hall.

And with the growing number of state actions threatening seamless interstate commerce, ATA is working closer than ever with its state association executives and members to combat senseless policies put forth by special interest groups.

Look no further than the concerted erosion of the traditional independent contractor model. For those who choose this profession, you need a voice.

To that end, ATA will be announcing this week the Independent Contractor Ambassadors Program. These Ambassadors will represent independent truckers before key decision makers... explaining first-hand why they choose this entrepreneurial path that provides them flexibility, the opportunity to build their own business, and to spend more time with family.

And ATA is taking steps to strengthen its relationship with our partners in the law enforcement community. This year, ATA and the Commercial Vehicle Safety Alliance combined the National Truck Driving Championships with the North American Inspectors Championship for what turned out to be a resounding success.

We held our first Law Enforcement Summit to identify and pursue solutions to issues ranging from human and sex trafficking to cargo theft.

And here at MCE, we'll continue that discussion with a session focused on how ATA and the law enforcement community can safely and securely move America's economy. This is a natural partnership, one that makes sense and requires our fullest commitment.

Now let me bring it all back to those values. Last year, we announced the formation and funding of ATA's Trucking Cares Foundation. The Foundations' Board of Directors has since been appointed and thanks to the generous support of member companies and individuals, Trucking Cares is now ready to support several initiatives that will impact the lives of many who need our help.

Trucking Cares Foundation is also about recognizing the contributions many of you make without any notice or fanfare...people who are all about giving back.

Herschel Evans is with us this morning. For over three decades, Herschel has worked as a driver-trainer for -- Holland, is a certified heavy duty technician and a proud America's Road Team Captain.

Herschel has accumulated three million accident-free miles and was awarded CVSA's 2018 International Driver Excellence Award. He is also a six-time competitor at National Truck Driver Championships and a 12-time competitor at the state level... and just last year, he was Georgia's Grande Champion. Like many of Herschel's professional colleagues... he's a warrior.

Yet today, we recognize Herschel for something more... for going that extra mile to make a difference in the lives of others. Three years ago, Herschel started a truck rodeo called the Safety Drive for a Cure, a truck safety and skills competition benefiting the Pediatric Brain Tumor Foundation.

Hundreds of drivers traveled from across the country to compete at the Atlanta Holland terminal, improving their safety skills and supporting a cause. Last year, Safety Drive for a Cure raised \$30,550 with 116 drivers competing from 21 states with 31 sponsors.

Herschel is also involved in the Convoy of Care, helping deliver critical supplies to families affected by major natural disasters, such as the flooding in Baton Rouge, tornado victims in southern Georgia, flood victims in Houston, Texas and most recently with Florence and Michael relief.

I caught up with Herschel during this year's NTDC competition in Columbus, Ohio. He had just finished his pre-trip and looked like he had wrestled a bear... and the bear lost. I asked him how he thought he did. He just shook his head and said, "We'll see...I did the best I could." Herschel and 423 other competitors knew that only one driver gets crowned Grande Champion.

But all 424 drivers are champions, because they made it to the show by giving it their best. Those are our industry's values at play... 7.7 million people working hard to make each day better than the last.

So on behalf of our newly appointed Foundation board, it is my honor to announce Herschel Evans as the first recipient of the annual Trucking Cares Foundation Premier Achievement Award. Herschel, will you please join me on stage?

And with this award, ATA's Trucking Cares Foundation is providing Herschel a check in the amount of \$5,000, made out to the Pediatric Brain Tumor Foundation. Congratulations Herschel, and well done, warrior.

Ladies and gentlemen, there are countless others like Herschel out there. And next year, it could be you who is being recognized for going that extra mile.

Thank you, and enjoy the 2018 Management Conference & Exhibition!