TRUCK LEASING TASK FORCE CHARTER

- 1. <u>COMMITTEE'S OFFICIAL DESIGNATION</u>: The committee's official designation is the Truck Leasing Task Force (TLTF).
- 2. <u>AUTHORITY</u>: The Task Force is established as a statutory committee under the authority of section 23009 of the Infrastructure Investment and Jobs Act (IIJA), Pub. L. 117-58 (2021), and in accordance with the Federal Advisory Committee Act (FACA), as amended, 5 U.S.C. App. 2.
- 3. OBJECTIVES AND SCOPE OF ACTIVITIES: The Secretary of Transportation, or his or her designee, in consultation with the Secretary of Labor, shall task TLTF with examining and reviewing the terms, conditions, and equitability of common truck leasing arrangements, particularly as they impact owner-operators and trucking businesses subject to such agreements. Consistent with the above statutory authority, the TLTF will also examine financing arrangements among motor carriers, entry-level drivers, driver training providers, and other involved entities, which may result in new drivers entering the trucking workforce encumbered by outsized debt and inequitable terms for repayment, and will identify potential illegal practices to law enforcement or regulators as appropriate. The Task Force will provide advice and recommendations to the Secretary of Transportation and Secretary of Labor through the Administrator of the Federal Motor Carrier Safety Administration (FMCSA).
- 4. **<u>DESCRIPTION OF DUTIES</u>**: The Task Force shall act solely in an advisory capacity. Duties include the following:
 - a. Gathering information as necessary to discuss issues presented by the Designated Federal Officer (DFO);

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- b. Deliberating on issues relevant to the equitability of common truck leasing arrangements; and
- c. Providing written consensus advice to the Secretary and Secretary of Labor through the FMCSA Administrator concerning the following aspects of truck leasing arrangements:
 - 1. Common truck leasing arrangements available to commercial motor vehicle drivers, including lease-purchase agreements.
 - 2. The terms of the leasing agreements described in section 4(c)(1) of this charter.
 - 3. The existence of inequitable leasing agreements and terms in the motor carrier industry;
 - (a) whether any such inequitable terms and agreements affect the frequency of maintenance performed on vehicles subject to those agreements; and

- (b) whether any such inequitable terms and agreements affect whether a vehicle is kept in a general state of good repair.
- 4. Specific agreements available to drayage drivers at ports relating to the Clean Truck Program or any similar program to decrease emissions from port operations.
- 5. The impact of truck leasing agreements on the net compensation of commercial motor vehicle drivers, including port drayage drivers.
- 6. Whether truck leasing agreements properly incentivize the safe operation of vehicles, including driver compliance with the hours of service regulations and laws governing speed and safety generally.
- 7. Resources to assist commercial motor vehicle drivers in assessing the financial impacts of leasing agreements.
- 8. The opportunity that equitable leasing agreements provide for drivers to start or expand trucking companies and the history of motor carriers starting from single owner-operators.
- 5. **REPORT:** On completion of its examination of these issues, the Task Force shall submit to the Secretary, the Secretary of Labor, and the appropriate committees of Congress a report containing the following:
 - 1. The findings of the Task Force with respect to the matters described in section 4 of this charter.
 - 2. Best practices relating to assisting a commercial motor vehicle driver in assessing the impacts of leasing agreements prior to entering into such an agreement; assisting a commercial motor vehicle driver who has entered into a predatory lease agreement; and preventing coercion and impacts on safety as described in section 31136 of title 49, United States Code.
 - 3. Recommendations relating to changes to laws (including regulations), as applicable, at the Federal, State, or local level to promote fair leasing agreements under which a commercial motor vehicle driver, including a short haul driver, who is a party to such an agreement is able to earn a rate commensurate with other commercial motor vehicle drivers performing similar duties.
- 6. <u>AGENCY/OFFICIAL TO WHOM THE COMMITTEE REPORTS</u>: The Task Force shall report to the Secretary of Transportation and the Secretary of Labor through the FMCSA Administrator. The Administrator is the sponsor and evaluates the recommendations produced by the Task Force.
- 7. <u>SUPPORT</u>: The FMCSA's Office of Policy will provide necessary funding, logistics, and administrative support for the Task Force.
- 8. **ESTIMATED ANNUAL OPERATING COSTS AND STAFF YEARS**: The annual operating costs associated with the Task Force's functions are estimated to be \$50,000 including all direct and indirect expenses. The cost estimate includes 0.34 full-time equivalent positions required to support the Task Force.

9. <u>DESIGNATED FEDERAL OFFICER (DFO)</u>

- a. The DFO for the Task Force is FMCSA's Associate Administrator for Policy or his or her designee.
- b. The DFO will approve or call all Task Force and subcommittee meetings, prepare and approve all meeting agendas, attend all Task Force and subcommittee meetings, adjourn any meetings when he or she determines adjournment to be in the public interest, and chair meetings when directed to do so by the Secretary.
- 10. **ESTIMATED NUMBER AND FREQUENCY OF MEETINGS**: Task Force meetings will be held approximately twice a year.
- 11. **DURATION:** Continuing.
- 12. **TERMINATION:** Unless otherwise renewed in accordance with FACA, the Task Force will terminate 2 years after the filing date of this charter or not later than 30 days following the submission of the report described in section 5, whichever is soonest.

13. MEMBERSHIP AND DESIGNATION

- a. The Task Force shall comprise no more than 10 members appointed by the Secretary for up to 2-year terms.
- b. Members serve at the pleasure of the Secretary. The Secretary may extend appointments and may appoint replacements for members who have resigned outside a stated term, as necessary. Members may continue to serve until their replacements have been appointed.
- c. The Secretary may reappoint members.
- d. The members will be selected from among individuals from the following categories, and shall include at least one representative from each category:
 - 1) Labor organizations
 - 2) Motor carriers that provide lease-purchase agreements to owner-operators;
 - 3) Consumer protection groups
 - 4) Members of the legal profession who specialize in consumer finance issues, including experience with lease-purchase agreements
 - 5) Owner-operators in the trucking industry with experience regarding lease-purchase agreements
 - 6) Businesses that provide or are subject to lease-purchase agreements in the trucking industry.

- e. Members shall serve as Representatives.
- f. To ensure the recommendations of the Task Force have considered the needs of diverse groups served by the Department, membership shall include, to the extent practicable, include persons with lived experience and knowledge of the needs of underrepresented groups with regard to race, ethnicity, religion, disability, sexual orientation, gender identity, and other factors.
- g. The Secretary, through the FMCSA Administrator, shall designate a chair from among members of the Task Force.
- 14. <u>SUBCOMMITTEES</u>: The FMCSA Administrator is authorized to establish subcommittees. Subcommittees shall not work independently of the chartered TLTF and shall report their recommendations and advice to the full TLTF for deliberation and discussion. Subcommittees must not provide advice or work products directly to FMCSA, the U.S. Department of Transportation, or U.S. Department of Labor.
- 15. **RECORDKEEPING**: The records of the Task Force, formally and informally established subcommittees, or other subgroups of the Task Force, shall be handled in accordance with General Records Schedule 6.2 or other approved agency records disposition schedule. These records shall be available for public inspection and copying, subject to the Freedom of Information Act, 5 U.S.C. § 552.
- 16. **FILING DATE:** This charter is effective is February 11, 2022, which is the filing date, and will expire 2 years after this date, unless sooner terminated or renewed, on February 11, 2024.