



Minutes Meeting of March 21, 2024

FMCSA's Truck Leasing Task Force (TLTF) on March 21, 2024, held a hybrid meeting via Zoom and in person at the Mid-America Trucking Show in Louisville, Kentucky. In accordance with the provisions of Public Law 92-463, the meeting was open to the public. Steve Rush, TLTF Chair, called the meeting to order at 10:10 a.m.

The following individuals attended the meeting:

TLTF COMMITTEE MEMBERS

Steve Rush, Founder, Carbon Express, Inc, Chair
Tamara Brock, Lewis & Lewis Logistics LLC
Paul Cullen, The Cullen Law Firm PLLC
Jim Jefferson, Owner-Operator Independent Drivers Association (OOIDA)
Joshua Krause, OTR Leasing LLC
Kaitlyn Long, International Brotherhood of Teamsters
Lesley Tse, Getman, Sweeney & Dunn PLLC
Steve Viscelli, Professor, University of Pennsylvania

FMCSA AND OTHER GOVERNMENTAL REPRESENTATIVES

Larry Minor, Associate Administrator for Policy, Designated Federal Officer (DFO), FMCSA
Shannon L. Watson, Senior Policy Advisor and Deputy DFO, FMCSA
Ryan Kelly, Risk Monitoring Program Manager, Consumer Financial Protection Bureau (CFPB)
Emma Oppenheim, Senior Fellow, Workers Initiative, CFPB
Kathryn Arnold, Budget Analyst, Office of the Secretary of Transportation
Stephanie Chase, Volpe Center
Michael Christopher, Division Administrator, Kansas, FMCSA
Richard Clemente, Transportation Specialist, Driver and Carrier Operations Division, FMCSA
Travis Ellis, Training Specialist, Missouri DOT Motor Carrier Services
John Frittelli, Policy Analyst, Congressional Research Service, Library of Congress
Daniel Gilliam, Multimedia Specialist, USDOT Media Center
Jack Kostelnik, Transportation Specialist, Office of the Executive Director, FMCSA
Donald Lee, Kansas Department of Revenue, Division of Vehicles (Commercial)
Wendy Liberante, Director, Policy, Strategic Planning and Regulations, FMCSA
Grace Parente, Multimedia Specialist, USDOT Media Center
Anil Pillai, Program Manager, USDOT Media Center
José Rivas, Transportation Specialist, Compliance Division, FMCSA
Eran Segev, Volpe Center
Rosie Stahl, Management and Program Analyst, Office of Policy, FMCSA
Rachel Strauss McBrien, Volpe Center
Heather Walsh, Volpe Center
Cicely Waters, Director, Office of Communications, FMCSA

OTHER ATTENDEES

Lora Andela, Caruso Cattle Co Inc
Kristen Ballard, Transportation Safety and Compliance Consulting Inc
Gerald Borovick, Andresen & Borovick LLP



Gary Bucks, Media Overdrive
Satnam Bussan, North American Punjabi Trucking Association
Calvin Chapman, Chapman Trucking
Brenda Chiles, BreStar Truckin' LLC
Matt Cole, Overdrive
Charity Coleman, Changeis
Keith Cooper, Driver
Teresa Coursin, Owner-Operator
Diana Dacyczyn, Hireright
Marissa Davis, Transportation Safety and Compliance Consulting Inc
Jim Fetzer, Land Line Now
Rhythm Kaur Gandhi, Fleet Regulators
Hector Garcia, 3 Brothers Trucking LLC
Anil Gharmalkar, Gharmalkar LLC
Jay Grimes, OOIDA
Victor Grunder, Retired Driver
Amanda Hampton, Nessel & Blakey
Steve Harlow, Driver
Ladda Hawkins, Trainual Consultants
Matt Harris, Pathway Leasing LLC
Zetta Hockaday, A2Z Logistics Enterprise
Shanique Hunter, Straight Path Dispatch
John Kingston, FreightWaves
Anna Lach-Zynwala, Intact Insurance
Nathan Lewis, Lewis & Lewis Transport
Michael Lombard, Lombard Trucking
Isidro Lopez, Orbia Polymer Solutions
Reed Loustalot, LOST FR8
Gord Magill, Autonomous Truckers Voice of GO(r)D
Richard Malchow, J. J. Keller & Associates
Justin Martin, Stealth Mode
Martha McRae, Transportation Safety & Compliance Consulting
Eric Miller, Transport Topics
Melanie Morales, Office of Congresswomen Grace F. Napolitano
Robert Murphy, WBOB Trucking LLC
Michael Page, Page Trucking
Clifford Petersen, RBX Inc
Rena Phillips, TSCC
Billy Randel, Truckers Movement for Justice/Tamexun
Richard Resek, Driver
Anthony Romano, Montgomery Transport
Irakli Sahlthucisvili, National Express Carriers
Lee Schmitt, CDL Drivers Unlimited
Mark Schremmer, Land Line Media
Nichole Shackelford, Hartford Humanities LLC
Vincent Shakir, Truck Driver News



Grace Sharkey, Freight Waves
Prasad Shawama, Scopelitis, Garvin, Light, Hanson & Feary
Todd Spencer, OOIDA
Charles Sperry, OOIDA
Bailey Stark, Glendenning Brothers Inc
James Stark, Frame Zeller LLC
Lola Taylor, 3d-Dispatch Services
Norita Taylor, OOIDA
Chris Thomas, Indie Trucker
Scott Thompson, Land Line Now
Paul Torlina, OOIDA
Tom Treadwell, JA Trucking Inc
Shelley VandenBerg, VandenBerg Logistics
Joe Varano, Geotab
Avery Vise, FTR Transportation Intelligence
Rachel Walman, Changeis
Tom Weakley, OOIDA
Scott Whitefoot, Pathway Leasing LLC
Desiree Wood, REAL Women in Trucking Inc
Nicole Ward, African American Women in Trucking Association

REMARKS AND COMMITTEE ACTION

Larry Minor, DFO, and Shannon Watson, Deputy DFO, welcomed TLTF members. Committee members introduced themselves. Steve Rush, TLTF Chair, gave opening remarks reminding the committee that its role is to find ways to stop predatory practices in the commercial motor vehicle (CMV) industry.

Members approved the January 18, 2024, meeting minutes unanimously.

Remarks from the FMCSA Chief Counsel

Brian Stansbury, FMCSA Chief Counsel, spoke on behalf of FMCSA, Secretary Pete Buttigieg and Acting Deputy Administrator Sue Lawless. Mr. Stansbury noted that the safest drivers are the more experienced drivers. Drivers are essential workers, deserving of respect. If the more experienced drivers are kept on the road, roads will be safer. Truck leasing represents prosperity to some but there are too many examples of predatory behavior and confusing contracts that leave drivers at risk. Mr. Stansbury thanked all for participating and providing input from their personal experiences.

Task 24-2: The Impact of Truck Leasing Agreements on the Net Compensation of CMV Drivers, Including Port Drayage Drivers, and Specific Agreements Available to Drayage Drivers at Ports Relating to the Clean Truck Program or Similar Programs to Decrease Emissions from Port Operations

TLTF deliberated on Task 24-2, where FMCSA asks the committee to review and share inequitable truck leasing agreements and their terms and discuss whether and how they impact the net compensation of CMV drivers, including port drayage drivers, and specific agreements available to these drivers at ports.



Discussion Points

- Challenges for drivers in the trucking industry because of predatory leases.
- Whether to restrict motor carriers from leasing or lending to drivers.
- Who holds control in a lease agreement.
- Specific roles that unions and associations can play in reviewing contracts and lease agreements in addition to helping to educate their members about lease obligations.
- Understanding enforcement mechanisms at a federal, state, and local level.
- A two-check system that would restore control to the driver. Every lease and financial instrument should have information on additional fees and all terms should be accessible and clearly described.

PUBLIC COMMENTS

- Steve Harlow, a Driver for 27 years who has been leasing for 10 years, noted that he does not see being in debt to the company as a problem. Companies are still in charge of finances regardless. Mr. Harlow shared his success with his lease purchase agreement but has seen other leases requiring balloon payments.
- Tom Weakley, OOIDA, said that while many OOIDA members average more than 25 years of experience, very few have been in a lease purchase program. Since lease purchase agreements put drivers out of business, there is no way to contact them, so they are underrepresented. Mr. Weakley asked the committee to consider a study on what drivers do to make lease payments and the safety risks associated with those payments.
- Matt Harris, President of Pathway Leasing, has been in the industry 22 years with many clients who have completed at least one lease. He asked for regulations not to be tightened so much that it is hard to continue in the business. Mr. Harris applauds TLTF for addressing pitfalls that drivers experience and focusing on finding solutions.
- Shelley Vandenberg, President of Vandenberg Logistics, shared that she and her husband entered a predatory lease purchase agreement and ultimately left the agreement. She contributed her awareness of her legal rights to an OOIDA Truck to Success seminar. Ms. Vandenberg felt that it is imperative that predatory companies be put out of business and drivers have reasonable options to lease CMVs.
- James Stark, a transportation attorney at Frame Zeller LLC said he is currently running a case against predatory leasing on behalf of at least 1,400 drivers. Mr. Stark believed most drivers are in a “right without remedy” situation. If the carrier refuses to share financial documentation regarding the costs it charges, the only option for the driver is to go to court—if the driver can find and afford a lawyer. Mr. Stark has seen over 10,000 drivers experience abusive practices.
- Desiree Wood, Real Women in Trucking, expressed concern that the committee may not receive the data it requested because many drivers affected by predatory leasing cannot afford to attend conferences. Ms. Wood described how new drivers do not realize they are entering into a lease purchase deal when applying for jobs posted by motor carriers.
- Bailey Stark, Glen Dunning Brothers, and a member of the National Tank Truck Carriers and chair of its workforce committee, expressed concern that many drivers do not realize their lease agreement classifies them a contractor and deductions will be taken out of their settlement. Ms. Stark shared that the workforce committee is working on an apprenticeship program to help educate drivers about bad actors in the industry. She expressed concern



predatory practices are running new drivers out of the industry and said that issue should be a focus of the committee.

- Brenda Chiles, BreStar Truckin' LLC, shared that she purchased a brand-new truck in 2022 but the truck has been in the repair shop 10 times. The repair shop is unable to identify the problem. She is losing money and is behind on payments, requiring her to spend more time on the road and less at home.
- Billy Randel, Trucker Movement for Justice, said deregulation in 1980 led to corruption in the trucking industry. Mr. Randel said a predatory lease left him bankrupt. He suggested the creation of a national standard for leases. Drivers should be given ample opportunity to provide input about a standard without having to take time off to attend meetings.
- Clifford Peterson, RBX Transportation, has 25 years of experience and has been a lease-to-purchase driver for 17 years. Mr. Peterson shared that he has been in nine lease purchase programs with nine companies. He was successful as an owner-operator in two of those nine lease programs. The other seven programs were skimming off the top and overcharged for repairs. Mr. Peterson said predatory practices are criminal and should result in prosecution.
- Lee Schmitt, CDL Drivers Unlimited, said he has been an owner-operator since 1996 and owns his truck and equipment. He does not need to contend with forced dispatch. He said the committee should make distinctions between the different trucking industry sectors.
- Anil Gharmalkar, Gharmalkar LLC, owns 12 trucks leased to multiple carriers. He expressed concern that committee discussions have not defined the difference between lease purchase and lease contracts. There are good lease contracts in the industry. The conversation should focus on the carriers and other entities who use predatory lease purchase agreements.
- Justin Martin, Driver, started trucking in 2007 and has had experience with mega carriers where it is a regular practice after six months to ask drivers to enter a lease purchase agreement without clearly stating the risks. Mr. Martin said lease purchase agreements cannot be fixed and need to be eliminated from the industry.
- Robert Murphy, Owner-Operator of WBOB Trucking LLC, mentioned that creating a rule for lease operators is a good thing but wondered about the process. Mr. Murphy asked about the ramifications of any new rule defining a lease operator. Will that definition affect current contracts?
- Keith Cooper, Driver since 2004, leased his first truck 2.5 years ago. He shared his experience being a company driver and compared it with his experience in a lease purchase program. Mr. Cooper described his 30-page contract and realized after he had signed it that he did not get paid per mile and consequently did not make enough money for his family.
- Victor Grunden, Driver, said many drivers think being an owner-operator is necessary to eliminate forced dispatch, but drivers do not understand the terms of a lease purchase agreement. Mr. Gruden gave examples of predatory company behaviors and ways he has witnessed companies working around the system.
- Todd Spencer, President and CEO, OOIDA, shared that he knew only one success story about lease purchase agreements. He stated that employers cannot lose in most lease purchase agreements and asked what FMCSA will do about it.
- Richard Resek, an owner-operator, shared that he was not in a lease purchase program but received financing from the manufacturer. The company still took advantage of him by not sharing rates and fuel charges. Mr. Resek said companies circumvent labor laws by



classifying their drivers as independent contractors even though drivers are limited to only working for one carrier at a time.

ADJOURNMENT

Chair Rush gave final remarks. Mr. Minor and Ms. Watson thanked TLTF for their contributions and provided information for future meetings.

//Signed//
Steve Rush, Chair

//Signed//
Larry Minor, DFO