



October 30, 2024

Mr. Steve Rush
Chair, Truck Leasing Task Force
143 Chincoppee Road
Lake Hopatcong, NJ 07849

Dear Mr. Rush:

Enclosed for your consideration is the final report of the Public Court Data Subcommittee (PCDS) to the Truck Leasing Task Force (TLTF) of the Federal Motor Carrier Safety Administration (FMCSA). The subcommittee prioritized highlighting the most important publicly available data on predatory truck leases. This data can be found in publicly available court documents and is now available at the FMCSA website. TLTF tasked the subcommittee with reviewing and analyzing public court data, including any conclusions or recommendations. On July 25, July 31, August 14, August 28, September 11, September 25, October 9, October 16, and October 23, 2024, PCDS met in public meetings to deliberate on the public data and develop priorities and conclusions.

The attached report includes highlights and conclusions from the public data. It is the hope of this subcommittee that TLTF uses evidence gathered to make recommendations to remedy the damages that inequitable truck-leasing programs are causing in the trucking industry. This evidence will be useful to policymakers working on solutions to this problem.

I respectfully submit this report to TLTF for its consideration.

Sincerely,

Kaitlyn Long
Chair, Public Court Data Subcommittee
Truck Leasing Task Force

Enclosure

I. Introduction

The Public Court Data Subcommittee (PCDS) was convened to gather evidence that would illustrate the testimony received by the Task Force from truck drivers and other stakeholders. This was important because the task force's appeal to the public for information was missing the important information found in publicly available court documents.

The subcommittee developed a methodology to efficiently utilize available resources for the review of publicly available court data. First, the subcommittee developed a list of known cases where predatory lease-purchase agreements were an important factor in the mistreatment of truck drivers. Next, the subcommittee prioritized cases. Once cases were prioritized, the subcommittee developed a rubric for methodologically finding the most important documents in a case. From the Consumer Financial Protection Bureau, Theodore Wagner, attorney, Emma Oppenheim, Senior Fellow, and Ryan Kelly, Risk Monitoring Program Manager, pulled the most important cases for the subcommittee to cite in its report. FMCSA staff organized the files and created the web listing for the general public. The subcommittee also developed summary statistics based on the cases. Outside expert James Stark, Esq., of the Frame Zeller law firm, provided irreplaceable help with this task. The case documents can be found at the following link and in Appendix A: <https://www.fmcsa.dot.gov/mission/advisory-committees/tltf/truck-leasing-task-force-tltf-subcommittee>. PCDS' conclusions and recommendations are summarized below.

As you will see in the report, the conclusions from this research are clear. The current system is set up to continue harming drivers. Drivers are critical to our nation's supply chain, and a race-to-the-bottom in driving jobs results in qualified drivers leaving the profession. Litigation, currently the only avenue for relief, has many shortcomings as described in Section V. Legal Remedies for Drivers Under Bad Lease-Purchase Agreements. Accordingly, the government must act in order to protect drivers. In addition, drivers are entering lease-purchase agreements unaware of the implications or their rights. Finally, drivers have limited legal rights and those rights fall short of providing true remedies. Reforms are needed to protect our country's goods transportation system from eroding due to mistreatment of truck drivers.

This leads the subcommittee to recommend several solutions. First, providing new rules or statutes that provide restitution and easier avenues for recourse would provide needed accountability. Second, drivers need to be educated on the pros and cons of entering into a lease-purchase agreement with their exclusive carrier. Third, providing more protections for drivers seeking to unionize would alleviate some of the unbalanced power dynamics that currently favor carriers. And finally, the subcommittee recommends the TLTF strongly considers banning motor carriers from offering truck-lease purchase arrangements to independent operators/drivers who are also required to be exclusive drivers for the carrier.

II. The American Truck Driver is Essential to the U.S. Economy

Trucking is the backbone of American commerce. Trucks moved over 67% of US domestic freight by weight in 2023.¹ That is the largest share by-far compared to any other link in the US domestic supply chain. The second-largest mode by volume, pipeline, transported just over 19% of US domestic freight by weight in 2023. You could double all other modes for transporting goods in the US, and still trucking would be the largest. In its profound way, trucking supports every mile of the US domestic supply chain across various industries, including agriculture, manufacturing, retail, construction, and consumer goods.

Despite the essential link trucking represents, the value of trucking is often overlooked. In 2023 trucking added an impressive \$260 billion in economic value to the US GDP, about 1% of all US economic activity.² This relatively small value-added is a testament to the sometimes-cruel efficiency of US trucking, which transports approximately 53% of the US's GDP, \$14.7 trillion worth of freight, every year.³ Measured by value, trucking is responsible for 74% of US domestic freight, a higher share than by weight.⁴

And the keystone of the trucking industry is the American truck driver. These essential workers are responsible for hauling goods, day and night across the country. Without these skilled professionals, more than half of the US's GDP could not get from seller to buyer. Drivers work long days, away from family and friends, and in dangerous conditions to pick up and deliver the goods that support the American way of life.

Approximately 3.5 million CDL truck drivers operate in US interstate commerce for active, registered carriers.⁵ An estimated 5% of all interstate CDL drivers have been affected by legal challenges to inequitable lease-purchase agreements. Experts on this subcommittee estimate the total number of drivers affected is many times larger. This is due to the reality that most drivers affected settle out of court and because the cost savings of the lease-purchase business model incentivize these unfair arrangements .

Intermodal CDL drivers were not highlighted in this report but are also affected by inequitable lease-purchase agreements and misclassification. An estimated 500,000 intermodal CDL drivers operate in the US outside of interstate commerce.⁶ In the intermodal industry, thousands of drivers have come forward to fight misclassification as independent operators instead of as employee drivers.

¹ See Table 4 “2021-2023 Weight of Freight Shipped within the US by Mode” in Appendix B.

² Data sources: U.S. Bureau of Economic Analysis, “[Value Added by Industry](#)” and “[Value added by Industry as a Percentage of Gross Domestic Product](#)” (accessed Saturday, October 26, 2024).

³ See Table 6 “Value of Freight Shipped within the US by Mode in Appendix B.

⁴ *Ibid.*

⁵ See Table 8 “Number of Interstate CDL Drivers sorted by carrier fleet size” in Appendix B.

⁶ See Table 10 “Number of Intermodal CDL Drivers for Non-Interstate Carriers sorted by carrier fleet size” in Appendix B.

III. What is an Inequitable Lease-Purchase Agreement?

The TLTF has deliberated at length on the nature of inequitable lease-purchase agreements as part of task 23-2. These deliberations are summarized to provide context for the subcommittee report.

Carriers of all size capitalize on lease-purchase programs as a core business model.⁷ In essence, a carrier provides a truck to a driver under an equipment lease, and then under a second contract, the driver leases on as a driver for the carrier. Drivers are then required to work for the carrier for a time. During the contracted time drivers make weekly payments to the carrier, termed “settlement deductions,” until the truck is paid in full. In theory, this system would result in the driver obtaining ownership of the truck and independence. However, drivers rarely ever complete the lease term. Drivers often earn less than minimum wage, are subjected to threats of substantial economic harm, and are forced to work under dangerous conditions to avoid defaulting on their lease terms.

Conservatively, over 200,000 truck drivers have been affected by predatory-truck lease purchase programs.⁸ Hundreds of thousands more drivers are likely affected but lack the resources to hold the carrier accountable for its bad practices. Drivers report the experience of a predatory truck-lease leaves them at a significant competitive and career disadvantage that affects their lifelong earnings and retirement.

IV. Why Do Carriers Use Inequitable Lease-Purchase Agreements?

Lease-purchase programs provide a tremendous competitive advantage to carriers. The programs provide lower-cost manpower, move the burden of buying and maintaining tractors to the worker, exploit inexperienced drivers who underestimate their need for insurance and healthcare, create an inequitable power dynamic that carriers exploit, and tether workers to the carrier that would otherwise find better employment.

Carrier lease-purchase programs are designed to ensure lease-purchase drivers earn less. The outcome for drivers of carrier control over all key aspects is significantly lower earnings than comparably experienced employees. While the data in these cases does not allow a precise estimate, these cases clearly indicate the hardship that results for drivers.

⁷ The size of the carriers sued by drivers under an inequitable lease-purchase program range from a fleet of 95 power units to a business where the parent corporation boasts a fleet of over 24,000 power units. Select One, Inc., is a smaller carrier which reports a fleet of 95 trucks and 95 drivers as of 7/30/2024 per FMCSA MCS Form 150. See <https://safer.fmcsa.dot.gov/>. In the case *Brown v. Select One* <https://www.fmcsa.dot.gov/mission/advisory-committees/tltf/brown-v-select-one> the class size was estimated to be 40 drivers. When Swift Transp. Co. merged with Knight Transportation, Inc. the company became the second largest for-hire fleet in the US. Knight-Swift’s combined fleet totals over 24,000 power units as reported in the company’s 2023 10-K <https://www.sec.gov/Archives/edgar/data/1492691/000149269124000015/knx-20231231.htm>.

⁸ See Table 11 “Public court cases with estimated size of drivers impacted by predatory lease-purchase programs” in Appendix B.

a. Drivers Paid Far Below the Industry Average

The American Transportation Research Institute conducts a survey of operational costs of trucking annually. That survey has historically shown that driver compensation is the largest cost for motor carriers. In 2024, average driver compensation represented over 42% percent of all costs for carriers per mile.⁹ Driver wages were \$0.779 per mile (34%) and benefits were \$0.188 per mile (8%).¹⁰ Average Owner-Operator pay per mile was \$2.10 per mile.¹¹

In the case *Roberts v. TransAm*,¹² evidence pointed to an average driver cost far below the industry average. On average, TransAm's total costs as a percent of revenue for lease driver labor in the case records was just 11.3%. In the case of Mr. Truitt, over the two and half years he worked for TransAm, his truck generated \$686,210.04 in revenue. He was paid \$82,207.20 or just 12.0% of the revenue he generated.

Table 1 Labor Cost Comparison				
TransAm Lease Drivers and Industry Employees				
TransAm Lease Driver Compensation as % of <u>Revenue</u>				11.3%
Industry Average Driver Compensation as % of <u>Costs</u> (Inc. Wages and Benefits)				42%
TransAm Lease Driver Average Compensation Per Mile				\$.227
Industry Average Driver Compensation Per Mile (Large Fleet Average, Inc. Wages and Benefits)				\$.709
Drivers with Sufficient Data to Compare Compensation Costs				
	Total Revenue Generated For TransAm	Total Compensation (Mileage + Bonus)	Compensation % of TransAm Revenue	Total Compensation per mile
Otis	\$22,436.89	\$1,579.20	7.0%	0.147
McRoberts	\$28,929.01	\$3,262.28	11.3%	0.211
Wright	\$57,711.17	\$7,424.15	12.9%	0.302
Colvin-Williams	\$52,343.36	\$4,602.00	8.8%	0.165
Roberts	\$123,072.00	\$16,296.67	13.2%	0.259
Salmon	\$109,427.00	\$15,655.22	14.3%	0.279
Jarmon	\$105,916.18	\$11,708.99	11.1%	0.207
Truitt	\$686,210.04	\$84,932.00	12.4%	0.252

⁹ "An Analysis of the Operational Costs of Trucking: 2024 Update." June 2024. *American Transportation Research Institute (ATRI)*. <https://truckingresearch.org/wp-content/uploads/2024/06/ATRI-Operational-Cost-of-Trucking-06-2024.pdf>

¹⁰ *Ibid.*

¹¹ *Ibid.* p 22-23.

¹² *Roberts v. TransAm* (<https://www.fmcsa.dot.gov/mission/advisory-committees/tltf/roberts-v-transam>)

TransAm lease operators earn less than 1/3 of the *average* per mile compensation in the industry. Just to be clear, that is not less than 1/3 of the compensation of the best paid employees, that is 1/3rd of the *average*.

b. Drivers Often Earn No Money or Owe the Carrier for Weeks Worked

Drivers often work most or all days in a week but, due to lots of unpaid waiting time, weather, breakdowns and other challenges and rolled over debt to the carrier, they often do not earn enough revenue to cover their expenses. In these cases, drivers will end up with a “negative” paycheck. This is so common in lease purchases, that drivers all understand the industry term “going in the hole.”

In *Cervantes v. CRST*,¹³ a driver manager testified about how the economics structured by the carrier left margins so thin that drivers had to work as a trainer in order to drive enough miles to earn positive paychecks consistently. The carrier had set up its program to ensure lease purchase drivers would have to team, even if they did not want to do so.

Question: And during that period that somebody was driving solo, was it your understanding that the expectation was that they would not be successful during that week that they drove solo?

Answer: Yeah—well, successful—well, we pretty much wouldn’t expect them to make any good money. If—if they did make money, they were usually considered lucky to making it above break even.

Question: Can you explain that to me? What do you mean by break even?

Answer: So after—after their fuel costs are taken into consideration, after their maintenance, mileage is taken into consideration, basically all the costs that they have to pay and the upkeep of their truck between the lease, maintenance, gas, so on and so forth. So once all that’s paid for and then still being able to make little bit past that, would be considered break even.

Question: I see. So were there instances where drivers that you managed didn’t break even?

Answer: It was—paydays were our most stressful days. It was common in office culture to dread Tuesdays and Thursdays because most driver managers would be assuming that they would be having difficult conversations with their drivers regarding negative paychecks.

Question: And what do you mean by negative paycheck?

Answer: As in they owed the company money.

Question: I see. And so was that a regular occurrence every Tuesday and Thursday you expected to get calls from drivers in that situation?

Answer: Every Tuesday and Thursday

Question: And so on -- so if you had 20 drivers, how many drivers do you think would be in that situation in a typical week?

Answer: So I was fortunate in that many of my drivers did not have to regularly worry about that. On a personal basis I would say I’d be having one of those conversations at a

¹³ *Cervantes v. CRST* (<https://www.fmcsa.dot.gov/mission/advisory-committees/tltf/cervantes-v-crst>)

minimum once per week. And anywhere up to possibly even half of my fleet could have gone negative on any given payday. I remember it was significant enough that on one particular pay period I sent an e-mail to both my boss and his boss celebrating the fact that not a single one of my drivers had gotten anything less than a positive paycheck. And that statement was significant enough that my boss's boss went in, dug through the system, and looked at every single one of my drivers because he was expecting to see someone that had not gotten a positive paycheck. And then he came and spoke with me and, You were right. Every single one of your drivers got a positive paycheck this week. Good job.

c. Conclusion: Large Incentives for Carriers to Exploit Drivers with Inequitable Lease-Purchase Agreements

Given the high rate of turnover indicated in the cases, some might wonder why carriers would continue these programs. The example from *Roberts vs. TransAm* suggests the answer. The carrier pays a driver 66% less than the industry average by using this business tactic. In addition, drivers often earn nothing for their work or even receive a “negative paycheck.” The example of negative paychecks from *Cervantes vs CRST* (see above) is normal in the industry.

V. Legal Remedies for Drivers Under Bad Lease-Purchase Agreements

Importantly, it is not common for drivers to pursue litigation against motor carriers if they are victimized by a predatory lease-purchase arrangement. The subcommittee wants to be clear that the existence of several dozen cases challenging truck leasing programs is not in any way evidence that litigation has been effective to stop the proliferation of bad truck-leasing programs. The effect of litigation on the use of truck lease-purchase agreements in the trucking industry is minimal.

Fortunately, there are some truck drivers who have been able to secure legal assistance to pursue litigation seeking relief from their treatment under inequitable lease purchase agreements. The documents found in public court dockets of such litigation provides one of the best sources for data on bad practices in truck lease-purchase programs. These cases include truck leasing agreements and related documents and narratives of the actions of motor carriers toward drivers under those agreements.

When a typical driver ends their truck-lease relationship with their motor carrier, they are poorer for the effort and often in debt to the motor carrier. See section Why do Carriers use Inequitable Lease-Purchase Agreements? with more data and examples of this effect. In most cases, they do not have the funds to afford lawyers. And while those who can find support to pursue litigation through a contingency/class action arrangement or the support of an advocacy organization, the effect is being made whole at best. Rarely does a driver obtain injunctive relief against a motor carrier's unlawful practices. Often monetary relief does not account for interest and retribution. For some these can be real and successful results for the individual who brought the litigation, and for the dozens or hundreds of drivers in a class action. For others, as described below, there are still many obstacles to using litigation as a tool against bad truck lease-purchase programs.

Documents gathered and referred to in this report are representative of the industry based on the experience of subcommittee members. This experience includes witnessing drivers dealing with inequitable lease-purchase agreements. Members of the subcommittee have shared this experience with truck lease-purchase programs with the Task Force.

a. Shortcomings of Litigation

As is evidenced by the cases reviewed for this report, drivers sometimes try to remedy the myriad problems in the trucking industry through litigation. However, litigation has numerous shortcomings.

Some shortcomings of litigation include (but are not limited to):

1. **Settling out of court.** Upwards of 90% of cases settle out of court. This means that while there is limited relief, usually monetary, for the drivers involved in the lawsuit, there is usually no finding by the court of wrongdoing by carriers. Thus, carriers do not have to change their bad practices, and precedent is not set that would make such litigation easier for other truck drivers.
2. **Limited coverage.** A lawsuit covers a very limited number of drivers who work for a single carrier. This means that many drivers will never have the chance to assert their claims and that many carriers will never be held accountable for their wrongdoing. Further, a lawsuit covers a limited period of time. So even if a driver recovers some money, there may be many years of harm for which he will never recover.
3. **Drivers must come forward.** Additionally, litigation depends on drivers being willing and able to bring claims against powerful carriers, risking retaliation, future employment, and sometimes even their safety. Not many drivers are willing to step forward.
4. **Backwards looking.** A lawsuit can only be brought once the harm has already been done. It does not prevent the harm from occurring in the first place. Often it is hard to fully remedy harm once it has already occurred. This is especially true of harm to a worker's career, since debt owed to an employer creates a disincentive for the worker to advocate for themselves or leave a bad work situation and creates an incentive for the employer to push past legal limits in safety and other areas.

b. Forced Arbitration

An important issue faced by drivers trying to assert their rights in litigation is forced arbitration. While the Federal Arbitration Act (FAA) exempts drivers from arbitration under the FAA as transportation workers in interstate commerce, most leases and contracts require arbitration under state arbitration acts which often do not contain such an exemption. Whether federal law on forced arbitration for workers in interstate commerce can or should be held to preempt state arbitration laws is an unresolved issue.

Forced arbitration is a disadvantage for the driver for many reasons. Provisions usually require that any issues between drivers and carriers be resolved in private arbitration rather than in court. This means that proceedings happen behind closed doors and there will be no public record of the proceedings.

Most arbitration provisions also require that drivers bring their claims individually. This means that drivers cannot band together to bring their claims collectively against a carrier. Drivers are less likely to do this because they cannot pool resources, making bringing claims against a carrier prohibitively expensive. Similarly, attorneys are less likely to represent drivers in individual arbitrations because recovering for a single driver rather than a large group of drivers is an inefficient use of attorneys' time and resources. Attorneys will also likely recover less in fees. Arbitration provisions often have numerous other conditions that disadvantage drivers, including cost-splitting, shortening the statute of limitations (the time period in which a lawsuit can be brought against a carrier), and waiving the right of the driver to recover attorneys' fees if the driver wins.

c. Common Claims Brought Against Carriers

Some common claims brought by drivers against carriers include (but are not limited to):

Truth in Leasing Act

To operate a truck in interstate commerce, an individual or company is required to have federal motor carrier operating authority, which requires substantial financial and regulatory responsibilities. Individuals who own and operate a truck are permitted to operate in interstate commerce without federal operating authority by entering into an independent contractor agreement with motor carriers who do. The Truth in Leasing rules (TIL)¹⁴ governs those independent contractor agreements.

TIL rules require motor carriers to use written independent contractor leases with owner-operators. Those agreements must make certain disclosures and assign specific responsibilities for some areas of costs and operation to one of the parties. The rules then command motor carriers to comply with those leases and the rules. TIL regulations are designed to promote full disclosure between the carrier and owner-operator in the leasing contract, to promote the stability and economic welfare of the independent trucker segment of the motor carrier industry, and to eliminate or reduce opportunities for skimming and other illegal practices.¹⁵¹⁶ These regulations

¹⁴ TIL is authorized by 49 U.S.C. § 14704 and implemented at 49 CFR Part 376.

¹⁵ 43 Fed. Reg. at 29812; see also *Brant v. Schneider Nat'l, Inc.*, 43 F.4th 656, 662.

¹⁶ In *Carter v. Paschall Truck Lines, Inc.*, 2023 U.S. Dist. LEXIS 10989 the Court explained that: "In 1973, truckers declared a nationwide strike to 'protest a host of economic problems' caused by 'questionable industry practices.' *Global Van Lines, Inc. v. Interstate Commerce Commission*, 627 F.2d 546, 547-48, 201 U.S. App. D.C. 87 (D.C. Cir. 1980); see also *In re Arctic Express Inc.*, 636 F.3d 781, 795 (6th Cir. 2011) (quotation omitted). After this "winter of discontent," Congress and the Interstate Commerce Commission commenced hearings regarding the problems faced by independent truckers. *In re Arctic Express Inc.*, 636 F.3d at 795. The ICC then promulgated the Truth in Leasing regulations, now 49 C.F.R. Part 376, in order to "protect [the] owner-operators" who drove the trucks. *In re Arctic Express*, 636 F.3d at 795 (quotations omitted). These regulations were designed to "promote ... a full disclosure between the carrier and the owner-operator of the elements, obligations, and benefits of leasing contracts signed by

were designed to “promote ... a full disclosure between the carrier and the owner-operator of the elements, obligations, and benefits of leasing contracts signed by both parties,” and to “eliminate or reduce opportunities for skimming and other illegal or inequitable practices.”¹⁷

For the purpose of analyzing and considering potential policy changes, it is important to distinguish these independent contractor leases from truck lease-purchase contracts, TLTF’s focus, which are for the individual’s acquisition of a truck. Motor carriers offer truck lease-purchase contracts to individuals in conjunction with independent contractor lease agreements promising that the arrangement will make them small business owner-operators who then lease their truck and their driving services to the motor carrier under independent contractor agreements.

Independent contractor leases are regulated by the rules, and truck-lease purchase agreements are not regulated by the rules, except to the extent that a lease-purchase agreement 1) conflicts with the TIL rules, permits the motor carrier to engage in conduct that conflicts with the TIL rules, or otherwise gives the motor carrier more opportunities to violate the TIL rules.

Truck lease-purchase agreements give motor carriers more opportunities to violate the TIL rules because they give those motor carriers more control over the driver’s decisions and compensation. For example, many leases require maintenance on a driver’s leased truck to only be performed by vendors pre-approved by the carrier, thereby constituting a forced purchase. Drivers may also be required to purchase truck supplies and fuel only from specific vendors. Then through the control of a driver’s work, the motor carrier can control a driver’s compensation. And with control over a driver’s compensation, motor carriers make deductions from driver compensation for the driver’s obligations under the truck lease-purchase agreement. Drivers have alleged in litigation that carriers force drivers to default on their lease-purchase agreement by reducing their work, and therefore their compensation, under the independent contractor lease agreement.

The TIL rules also permit motor carriers to collect and maintain escrow funds on behalf of the driver, but the carrier must disclose the purpose of the escrow in their contract and limit withdrawals from the escrow to those purposes. The motor carrier must maintain escrow funds in an interest-bearing account, provide to the driver documentary proof of each expenditure for any deductions made from the escrow account, provide an accounting of the escrow fund upon request, and upon termination of the relationship, provide a final accounting of the escrow plus a return to the driver of any remaining escrow funds plus interest. Escrow funds are routinely collected as deductions from driver compensation and are, therefore, the driver’s money. Under the Truth in Leasing rules, escrow accounts have been found to be constructive federal trusts.

both parties,” and to “eliminate or reduce opportunities for skimming and other illegal or inequitable practices.” Id. at 796 (quotation omitted). After Congress dissolved the ICC in 1995, Congress enacted 49 U.S.C. § 14704(a), which enables owner-operators to bring private lawsuits under the regulations against motor carriers registered with the Department of Transportation. See *Owner Operator Independent Drivers Ass’n, Inc. v. Swift Transp. Co.*, 367 F.3d 1108, 1110 (9th Cir. 2004) (discussing this regulatory history)."

¹⁷ *In re Arctic Express*, 636 F.3d at 796.

Truck lease-purchase arrangements give motor carriers more opportunities to make deductions from drivers' escrow account. And as drivers in the reported litigation allege, motor carriers concoct phantom costs to deduct from driver escrow, without providing proof of such expenditures to the driver. Such activity is particularly acute at the end of driver/carrier relationships under truck lease-purchase agreements. Rather than return escrows, drivers have found motor carriers to routinely create false charges related to truck repairs (after they turned in the truck or had it taken away) and other obligations under the truck lease-purchase agreement to justify more escrow deductions that equal the amount of escrow the carrier was required to return to the driver. And prior litigation shows that motor carriers routinely refuse to provide drivers with documents showing the legitimacy of such charges.

Litigation by drivers attempting to enforce Truth in Leasing rules in truck lease-purchase agreements illustrates not only violations of the TIL rules, but much of the unfairness of lease-purchase agreements. This litigation also exposes the unfair and oppressive practices of motor carriers using truck lease-purchase programs. The limits of this litigation cases to address problems with independent contractor lease agreements demonstrates the need for additional action by policymakers to address the problems with lease-purchase programs.

Fraud/Misrepresentation

As noted in the Carriers Present Misleading Information and Carriers Actively Mislead Drivers About Potential Earnings sections, carriers often present only the most attractive aspects of the lease purchase program to drivers, withhold critical information from drivers, and/or actively provide misinformation to drivers when recruiting them to the program. Drivers rely on carriers' representations and then are harmed because the representations are not true.

Misclassification/Minimum Wage

The work contracts that drivers sign with carriers state that lease purchase drivers are independent contractors, even though, as set forth in the Carriers Structure All the Important Aspects of the Relationship and Carrier Control Prevent Drivers From Good Markets sections, carriers will exert control over all of the important aspects of drivers' work. Thus, the classification of lease purchase drivers as independent contractors rather than employees is often a misclassification. Classifying drivers as independent contractors means, among other things, that:

1. Carriers do not have to guarantee payment of the minimum wage to drivers;
2. Carriers can shift the cost of hauling loads (e.g., fuel, truck maintenance and repair, insurance, tolls) and the risk of downturns in the market onto drivers;
3. Carriers do not have to provide benefits like health insurance or paid time off; and
4. Drivers are not entitled to unemployment and workers compensation benefits.

As set forth in the Why Do Carriers Use Inequitable Lease-Purchase Agreements section, this often leads to drivers making below the minimum wage, and sometimes even making negative paychecks, in violation of the federal Fair Labor Standards Act¹⁸ and its analog state laws.

¹⁸ 29 U.S.C. § 201 et seq. and its implementing regulations.

Drivers are harmed by being paid sub-minimum wages and not receiving benefits that they would if properly classified as employees. The Fair Labor Standards Act, which is a federal minimum wage law, provides: “Every employer shall pay to each of his employees who in any workweek is engaged in commerce” the federal minimum wage, which is now \$7.25 per hour.¹⁹

While the issue of proper classification is not limited to lease purchase drivers, lease purchase programs often add elements of control (that are not present when a driver owns his own truck, leases from an entity that is not related to the carrier, and/or has his own operating authority) that make it more likely that a lease purchase driver is misclassified. Such elements include that leases often allow the related carrier to deduct lease payments directly from drivers’ pay and that termination of the contract with the related carrier is considered a default of the lease.

Unenforceable Contract

Work contracts and equipment leases are unenforceable because they are both procedurally and substantively unconscionable. They are procedurally unconscionable because carriers present the contracts and leases to drivers on a “take-it-or-leave-it” basis with no opportunity for drivers to negotiate any of their terms. Carriers then rush drivers through the signing of the contracts and leases, which are filled with legalese and fine print. Drivers are often not permitted to take copies of the documents off-site for more careful review by the drivers or others (e.g., family members, attorneys).

The contracts and leases are substantively unconscionable because their terms are so oppressive, one-sided, and unlawful that no reasonable person would make them and no person with the time and ability to understand them would accept them.

Forced Labor

Defaulting on the lease often results in draconian consequences, such as:

1. the acceleration of all remaining lease payments (which can total over \$100k) to be immediately due;
2. immediate repossession of the truck;
3. a negative entry on a driver’s DAC report (an employment history report frequently used in the trucking industry), which can jeopardize future employment.

¹⁹ See 29 U.S.C. § 206(a). See [*Brant v. Schneider Nat’l, Inc.*, 43 F.4th 656, 664-665](#): “The Supreme Court noted in 1947 that these definitions in the FLSA are broad and do not clarify how to address “problems as to the limits of the employer-employee relationship under the Act.” *Rutherford Food Corp. v. McComb*, 331 U.S. 722, 728, 67 S. Ct. 1473, 91 L. Ed. 1772 (1947); see also *United States v. Rosenwasser*, 323 U.S. 360, 362, 65 S. Ct. 295, 89 L. Ed. 301 (1945) (“A broader or more comprehensive coverage of employees within the stated categories would be difficult to frame.”). The common law also provides only limited guidance in marking the outer reaches of the FLSA’s coverage. The Act was designed to reach working relationships that would not have qualified as employer-employee under the common law. *Walling v. Portland Terminal Co.*, 330 U.S. 148, 150-51, 67 S. Ct. 639, 91 L. Ed. 809 (1947). Congress designed the FLSA to reshape the economy to avoid the economic and social ills caused by low pay and long hours for workers, and the Act requires a different interpretation of its broader terms. See Fair Labor Standards Act of 1938, Pub. L. No. 75-718, § 2(a), 52 Stat. 1060, 1060; *Rutherford Food*, 331 U.S. at 727.”

Failure to make lease payments is considered a default of the lease. Termination of the contract with the carrier is often considered to be a default of the lease. Both of these things compel drivers to keep hauling for carriers under exploitative working conditions. Thus, carriers obtain labor from drivers by using threats of serious financial and professional harm, in violation of federal forced labor statutes.²⁰

VI. Driver Disadvantage in a Lease-Purchase Agreement with an Exclusive Carrier

The impact of an inequitable lease-purchase program on an individual driver can be crushing. Drivers who sign a contract as an exclusive owner-operator to a carrier find that their lease for their truck is held by the same carrier. This imbalance of power creates situations where drivers are financially worse off under the deal and are pressured to drive unsafely to get ahead. As mentioned in the Unenforceable Contract section above, these contracts are often written in such a way that the carrier has the ability to unilaterally claim the driver is in default at any time. This strands the driver who often needs legal assistance to challenge bad debt from the carrier, access escrow funds, and fight other onerous provisions of these bad contracts.

a. Even “Successful” Lease Purchase Drivers are Worse Off

If carriers structure lease purchase contracts so that drivers have no meaningful ability control costs or to choose or price work and thus control revenue, the only way they can earn more is by working more hours in the day or taking fewer days off. This can put significant pressure on drivers to violate hours of service and drive less safely.

While precise estimates of the cost of lease purchases to driver earnings are not possible given the data contained in these cases, the penalty can be very high even for the hardest working drivers. Carrier structured arrangements can ensure this.

For instance, *Roberts vs TransAm* reveals that drivers at TransAm had no chance to earn good incomes relative to what they could have elsewhere. The most successful lease purchase driver with data in case was Mr. Nassir Truitt. Mr. Truitt successfully completed five consecutive leases with TransAm. Despite herculean efforts, he made a fraction of what he could have elsewhere.

Mr. Truitt was an extremely productive driver. In 2021 TransAm trucks generated an average of about \$3,640 per week in revenue. When Mr. Truitt worked at TransAm, the carrier had a \$4,000 per truck per week revenue goal. In 2019 Mr. Truitt generated \$254,339 in revenue for TransAm or about \$4,890 per week. Limitation in the data produced does not allow us to see the same data for every year, but assuming the revenue per truck was comparable in 2019, Mr. Truitt was roughly 34% more productive than that the average truck.

Despite his productivity Mr. Truitt earned just \$33,126 after expenses in 2019, including all of his mileage pay, bonuses and advances from TransAm. And that is before we consider additional self-employment taxes. The median earnings of an employee in refrigerated trucking that year was about \$67,600 according to the American Trucking Association – twice what Mr. Truitt was

²⁰ 18 U.S.C. §§ 1589 and 1595 and its implementing regulations.

earning. The American Trucking Associations found that a new employee in the refrigerated segment made \$.42 per mile that year, while Mr. Truitt was earning just \$.24 per mile.

It is worth noting that better paying jobs in trucking are likely to include employer contributions to health and retirement benefits – equivalent to almost an additional 1/3 of employee salaries according to the American Transportation Research Institute data cited in the case. Obviously, if these were included, Mr. Truitt was much worse off than he would have been elsewhere. Despite his well-above average productivity and success at completing leases, Mr. Truitt earned 23% less than students at TransAm. In fact, at points, he worked for months without ever digging himself out of the hole, surviving on \$150-500 a week in advances and loans from the carrier.

Below are tables reproduced from expert analysis of Mr. Truitt and other named plaintiffs' productivity and earnings in the case.

Table 2 Weekly Productivity of TransAm Lease Drivers In Average Weekly Revenue			
TransAm Lease Driver Plaintiff Weekly Average Revenue			\$4,386
2021 TransAm Long Haul per Truck Weekly Revenue Goal 2021			\$4,000
2021 TransAm Long Haul per Truck Weekly Average Revenue ²⁵			\$3,642
Drivers with Data Available to Compare Productivity			
	Total Revenue Generated For TransAm	Approx. Weeks Worked	Revenue per Week for TransAm
Otis	\$22,436.89	6	\$3,740.00
McRoberts	\$28,929.01	7	\$4,133.00
Wright	\$57,711.17	10	\$5,771.00
Colvin-Williams	\$52,343.36	15	\$3,490.00
Roberts	\$123,072.00	26	\$4,733.00
Salmon	\$109,427.00	26	\$4,209.00
Jarmon	\$105,916.18	29	\$3,652.00
Truitt	\$686,210.04	128	\$5,361.00

Table 3. Mileage Rate Comparison <i>TransAm Lease Driver Pay Per Mile (2018-2021) to TransAm New Employees (2019) and Inexperienced Drivers in Refrigerated Segment (2019)</i>				
TransAm Lease Driver Plaintiff Average				\$0.18
TransAm Student Driver Pay Rate				\$0.31
TransAm New Employee Pay Rate				\$0.32
Refrigerated Segment New Employee ²⁷				\$0.45
Drivers with Sufficient Data to Calculate a Mileage Rate				
	Approximate Weeks Worked	Total Miles Driven	Total Mileage Pay	Mileage Rate Per Mile
Otis	6	10,738	\$1,200.72	\$0.11
McRoberts	7	15,490	\$3,089.49	\$0.20
Wright	10	24,621	\$4,676.15	\$0.19
Colvin-Williams	15	27,809	\$2,504.75	\$0.09
Roberts	26	62,877	\$13,306.67	\$0.21
Salmon	26	56,190	\$12,090.22	\$0.22
Jarmon	29	56,515	\$8,798.99	\$0.16
Truitt	128	336,526	\$79,547.10	\$0.24

b. Drivers May be Very Inexperienced

Lease purchase programs at large carriers are often part of a pipeline of drivers that carriers develop. These pipelines often start with initial recruitment, then school to train for a Commercial Driver's License (CDL), and on-road training programs. Some large carriers, such as CR England and CRST, recruit drivers to lease purchase trucks during their initial training as truck drivers and to take on the burden of multi-year leases immediately upon completion of that training. These companies typically indebt workers for the cost of their training, and some will forgive that debt if new drivers take on the greater liability of a truck lease. Other leasing programs may require experience levels of 6 months and work to convert their own employee drivers or those at other carriers via leasing programs.

c. Carriers Present Misleading Information

Carriers often present only the most attractive scenarios of gross revenue to drivers. Carriers fail to disclose the most revealing data, such as the program completion rate. In some cases, carriers present obviously misleading information about the amount of revenue drivers will generate or their ability to control the loads they will haul.

In recruitment and advertising carriers use language that suggests that many drivers succeed, and that success is likely. In fact, while it is rare for concrete on turnover data to be produced in

cases, that which has been produced and the number of class members in cases reveal astounding rates of turnover.

The available evidence in these cases suggests that drivers rarely succeed at lease purchases. In *Blakley vs Celadon Group*,²¹ Celadon's Vice President of Operations, Matthew Douglass testified that he did not know how many drivers successfully completed the carrier's lease program.²²

2 Q I agree, I don't want you to guess. I mean
3 Celadon's attorney is not wrong about that. I
4 don't -- it doesn't mean I don't want you to
5 estimate. But if you have no idea whatsoever, the
6 attorneys absolutely right to tell you that's what
7 you should tell me. But I just want to be clear on
8 that because I find it surprising. As the vice
9 president of operations at Celadon, you have no
10 idea, even a ballpark, of how many drivers
11 successfully complete the lease-purchase program?
12 MR. ECKHART: Can you clarify your
13 instruction then? What's ballpark versus --
14 Q Give me any parameters. So I have no idea. For me
15 it could be 100 percent, it could be zero percent,
16 no clue. But if you can move those parameters
17 anywhere, I want you to do so.
18 A Five to 10 percent.
19 Q Okay. Do you know why the success rate is so low?
20 A Personal finance management.

Q How many of the 90 to 95 percent who fail the
3 program end in debt to Celadon?
4 MR. ECKHART: Objection. Assumes facts not
5 in evidence.
6 A Without accurate understanding, 50 percent.

Other documents in this case suggest that Mr. Douglass's 5-10% estimated success rate may grossly overestimate the actual success rate. Celadon's internal management reports with data for the 3rd and 4th Quarters of 2016 reported annualized turnover rates for contractors of 245% and 328%. The data indicates that as many 3,000 drivers may have cycled through Celadon's program in 2016. As Mr. Douglass' testimony indicates, many drivers end up indebted to the carrier after they fail to complete leases.

²¹ Link to *Blakely v. Celadon* (<https://www.fmcsa.dot.gov/mission/advisory-committees/tltf/blakley-v-celadon>)

²² Douglass Deposition p.76-77.

Other cases suggest that Celadon's program was not exceptional. For instance, in *Roberts v. TransAm*,²³ Russell McElliot, President of TransAm Trucking, testified that TransAm had a fleet of about 560 trucks, about 140-160 of those trucks were lease purchase trucks. From approximately February of 2018 until September of 2021, 4,481 drivers cycled through TransAm's lease purchase program. This suggests a turnover rate far in excess Celadon.

In programs like these, with leases that require driver to pay on a truck for 3-5 years and then make a balloon payment, turnover rates like this suggest that the number of drivers who complete leases and then buy the truck at the end are more likely to be to 1 in 1,000 rather than 1 in 100.

Remarkably this turnover does not seem to prompt change. In fact, at TransAm, it appears the carrier leased out some trucks repeatedly yet charged the same weekly payment for the truck. Even as trucks depreciated, aged, gained mileage, accumulated wear and tear, and went from driver to driver the company still charged the same weekly payment for the truck.

d. Carriers Actively Mislead Drivers About Potential Earnings

In addition to withholding critical information, carriers regularly provide misinformation to drivers. Carriers claim drivers can make more money and have more control if they lease a truck. Often these claims are part of elaborate recruiter and orientation presentations of which drivers cannot accurately assess the validity.

For example, in *Brant vs. Schneider National*,²⁴ the carrier required drivers interested in leasing a truck from its leasing arm, Schneider Finance, to meet with "business advisors" from a third-party vendor called American Trucking Business Services (ATBS). ATBS provided the drivers with what the drivers thought were personalized "profit plans," (including estimates of revenue, mileage and net earnings) that vastly overstated the compensation drivers could actually expect. ATBS prepared identical "profit plans" for the named plaintiffs based on estimates of average revenues to them from hauling Schneider loads of \$3500 a week.²⁵ These plans were created in 2016 and 2017. Documents produced in the case show that Schneider's total per truck weekly revenue in 2016 averaged \$3,488.²⁶ Lease operators for Schneider were paid at most 65% of the carrier's load revenue. In other words, if an owner-operator generated typical revenue for the firm, they would generate around \$2,267 per week on average or about \$63,492 less per year than ATBS' business plan. Since many of the costs lease purchase drivers incur are fixed, like truck payments and insurance, this means that drivers were going into these lease purchases with figures that likely suggested take home earnings more than twice what the average Schneider truck could produce.

²³ <https://www.fmcsa.dot.gov/mission/advisory-committees/tltf/roberts-v-transam>

²⁴ <https://www.fmcsa.dot.gov/mission/advisory-committees/tltf/brandt-v-schneider>

²⁵ See, e.g., SN_Brant_0032972.

²⁶ Statista. <https://www.statista.com/statistics/915673/schneider-national-truckload-revenue-per-truck-per-week/>. Accessed 5.14.24.

e. Carriers Structure All the Important Aspects of the Relationship

While carriers suggest that drivers can control their earnings and do substantially better than employees, these cases demonstrate that the ability of drivers to control their revenue and costs and thus earnings is extremely limited. In fact, the only meaningful ways for drivers to earn more were the same as those available to W2 drivers: drive more hours in the day and go home less often.

Among the aspects and terms determined by Carriers:

1. Carrier programs may require drivers to form LLCs
 - a. Carriers will handle all of this other than naming the corporation
2. No evidence of drivers negotiating terms – the contracts are presented as “take it or leave it” contracts of adhesion
3. Carriers obtain the work either from a shipper or broker, set pay rates, pay, costs of various required inputs, such as insurance, electronic log systems,
4. Drivers are generally prohibited from sourcing work for themselves
5. Carrier set all of the important terms of the relationship:
6. Carriers set the fuel surcharge schedules
7. Accessory pay for non-mileage work: detention, layover, trailer washouts, extra stops, unloading trailers, extra
8. Carriers impose excess mileage fees
9. Carriers impose restrictions on use of the truck
10. Carriers control hiring of other drivers
11. Carriers dictate maintenance routines, where maintenance can be done and cost
12. Carriers require escrow accounts and determine the amount
 - a. Maintenance
 - b. Performance
 - c. Other
13. Carriers require drivers to use communications, specific electronic-logging systems, and planning systems at drivers’ expense – these are typically the same systems used to monitor and direct employee drivers
14. Carriers provide all the necessary inputs for nearly all drivers in most of these cases, such as insurance coverage, registrations, etc.
15. Drivers often cannot afford fuel and so are dependent upon carrier fuel cards
16. Drivers cannot independently source insurance
17. Drivers typically do not make a downpayment

f. Carrier Control Prevent Drivers From Benefitting From Good Markets

Carriers set the terms of compensation for loads, allowing them to capture additional revenue from good freight markets. There are also less obvious ways Carriers reduce the benefit to drivers of “good” times. For instance, carriers determine how drivers are paid for fuel surcharges and can manipulate these payments to the carriers’ benefit.

For instance, in *Roberts vs TransAm*, at the start of the class period, TransAm was paying drivers 84 cents per mile and a fuel surcharge.²⁷ By late 2018, it had given its lease drivers a “raise” to \$1.04 per mile.²⁸ This 20-cent per mile increase in their mileage rate was accompanied by a 20-cent per mile decrease in driver fuel surcharge payments.

The fuel surcharge is meant to reduce the risk of high fuel prices. But carriers often suggest that drivers being able to drive more efficiently or find cheaper fuel were primary areas where they could benefit. But when TransAm changed the payment schedule to make it appear as if they were giving drivers a raise, they set the fuel surcharge rate so low that if fuel prices dropped below \$2.46 per gallon, the fuel surcharge became negative²⁹. In fact, that happened in the Spring of 2020 as the COVID19 pandemic caused fuel prices to drop. At that time TransAm lease purchase drivers should have seen significant cost savings that could have gone into their pockets. Instead, TransAm began deducting from drivers’ pay for the fuel surcharge – taking back some of the raise they had given drivers in the mileage pay increase.³⁰

g. Courts Often Determine that Drivers under Inequitable Lease-Purchase Programs are Employees Not Independent Operators

Many operators under inequitable lease-purchase agreements are integrated into all of the major systems that organize the services of large carriers. These include communications, dispatching, and maintenance systems. In these inequitable lease-purchase arrangements, since the carrier and the holder of the lease are the same entity, the carriers are incentivized to load the driver with obligations. For example, high-cost maintenance fees. Carrier drivers in inequitable lease-purchase programs often do not have any more control over the business of the truck than W2 drivers. Even “load boards,” a more recent development promoted by carriers as a means for owner-operators to self-dispatch are simply more sophisticated task assignment systems in which carriers retain control over pricing to ensure similar outcomes to assigning loads one at a time.

h. Lease-Purchase Owner Operators are Less Protected Than Employees

1. Drivers are at much greater risk due to reduced protections under unemployment and workers compensation.
2. Drivers may be under greater pressure to accept loads and violate hours of service.
3. Carriers may overcharge drivers for a wide range of costs, including communications equipment, maintenance and insurances.
4. Carriers may be collecting payments from truck repairs under warranties on lease truckers while still charging drivers.

²⁷ DEF-00072046.

²⁸ DEF-00072092.

²⁹ DEF-00081681.

³⁰ DEF-0007017.

5. Carriers may be collecting insurance premiums from drivers for policy coverage that does not actually exist.
6. Carriers charge and overcharge drivers for products and services. Prices charged to drivers for insurance, fuel, logging and communications devices, administrative fees, etc. that may not reflect the actual cost.
7. Carriers May Not Enforce HOS as strictly for contractors. A good example is the OOIDA v. Swift case.³¹
8. Carriers do not properly segregate escrow funds and provide timely and accurate accounting to drivers.
9. W-2 drivers are required to be covered by the carrier's worker's comp policy. Independent contractor drivers have an additional risk of no coverage for physical injury.

VII. Conclusion

Conclusions from this research are clear. The current system is set up to continue harming drivers because it creates an economic advantage for individual carriers at the expense of the health of the industry. Reforms are needed to protect our country's goods transportation system from eroding due to mistreatment of truck drivers. Drivers are critical to our nation's supply chain, and a race-to-the-bottom in driving jobs results in qualified drivers leaving the profession. Litigation, currently the only avenue for relief, has many shortcomings as described in Section V. Legal Remedies for Drivers Under Bad Lease-Purchase Agreements. In addition, drivers are entering lease-purchase agreements unaware of the implications or their rights. Finally, drivers have limited legal rights and those rights fall short of providing true remedies. It is clear that action is needed. All stakeholders, i.e., the government, carriers, drivers, and advocacy groups, have a responsibility to protect drivers.

³¹ <https://www.fmcsa.dot.gov/mission/advisory-committees/tltf/ooida-v-swift>

Appendix A: Cases Used and Referenced in this Report

Argonaut v. Morales
Beissel v. Western Flyer Express
Blair v. TransAm
Blakley v. Celadon
Blodgett v. FAF
Brandt v. Schneider
Brown v. Select One
Browne v. PAM
Bryant v. All Ways
Canava v. RDS
Cantu v. CR England
Carter v. Paschall
Cervantes v. CRST
Chirino v. Proud 2 Haul
Cilluffo v. Central Refrigerated
Davis v. Colonial Freight
Dawkins v. NR 1 Transport
DOL case Mason v. New Prime
Elmy v. Western Express
Ferguson v. New Prime
Fox v. TransAm
Gleghorn v. Mika
Hill v. Cargo Runner
Huckaby v. CRST Expedited
Jowers v. KLLM
Kennedy v. LTI
Lee v. AAA Freight
Mervyn v. Atlas
Niiranen v. Carrier One
Oliveira v. New Prime
OOIDA v. Arctic Express, No. 97-CV-750 (S.D. Ohio)
OOIDA v. CR England, No. 202-CV-950 TS (D. Utah)
OOIDA v. Landstar
OOIDA v. New Prime, No. 97-3408-CV-S-DW (W.D. Missouri)
OOIDA v. Swift
Piquion v. Amerifrieght
Placide v. RoadRunner
Plestsov v. GTS
Remington v. JB Hunt
Rivers v. Southway
Roberts v. CR England
Roberts v. TransAm
Stampley v. Altom
Stephens v. C&K

Appendix A (continued)

Swales v. KLLM
Van Dusen v. Swift
Yata v. BDJ

Appendix B: Supporting Tables

Table 4. Weight of Freight Shipped within the United States by Mode (in Millions of Tons), 2021-2023

Mode	2021	2022	2023
Truck	11,780	11,717	12,015
Rail	1,072	1,068	1,113
Water	615	618	644
Air*	2	2	2
Multiple Modes and Mail	508	509	526
Pipeline	3,292	3,422	3,490
Other and Unknown	78	80	77
Total	17,346	17,415	17,867

Table 5. Percent of Total Weight of Freight Moved by Mode, 2021-2023

Mode	2021	2022	2023
Truck	67.9%	67.3%	67.2%
Rail	6.2%	6.1%	6.2%
Water	3.5%	3.5%	3.6%
Air*	0.0%	0.0%	0.0%
Multiple Modes and Mail	2.9%	2.9%	2.9%
Pipeline	19.0%	19.6%	19.5%
Other and Unknown	0.4%	0.5%	0.4%
Total	100.0%	100.0%	100.0%

*Includes air and truck-air.

Notes: Data do not include imports and exports that pass through the United States from a foreign origin to a foreign destination by any mode. Data in this version are not comparable to similar data in previous years because of updates to the Freight Analysis Framework. All truck, rail, water, and pipeline movements that involve more than one mode, including exports and imports that change mode at international gateways, are included in Multiple Modes and Mail to avoid double counting. As a consequence, Rail and Water totals in this table are less than other published sources. Data Source: USDOT, Bureau of Transportation Statistics and Federal Highway Administration, Freight Analysis Framework, version 5.3, 2024, <https://www.bts.gov/faf>.

Table 6. Value of Freight Shipped within the United States by Mode (in billions of US dollars), 2021-2023

Mode	2021	2022	2023
Truck	12,808	15,053	14,667
Rail	268	330	311
Water	229	323	274
Air*	162	171	183
Multiple Modes and Mail	2,605	2,885	2,938
Pipeline	1,154	1,756	1,398
Other and Unknown	2	2	2
Total	17,227	20,520	19,773

Table 7. Percent of Total Value of Freight Moved by Mode, 2021-2023

Mode	2021	2022	2023
Truck	74.3%	73.4%	74.2%
Rail	1.6%	1.6%	1.6%
Water	1.3%	1.6%	1.4%
Air*	0.9%	0.8%	0.9%
Multiple Modes and Mail	15.1%	14.1%	14.9%
Pipeline	6.7%	8.6%	7.1%
Other and Unknown	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%

*Includes air and truck-air.

Notes: Data do not include imports and exports that pass through the United States from a foreign origin to a foreign destination by any mode. Data in this version are not comparable to similar data in previous years because of updates to the Freight Analysis Framework. All truck, rail, water, and pipeline movements that involve more than one mode, including exports and imports that change mode at international gateways, are included in Multiple Modes and Mail to avoid double counting. As a consequence, Rail and Water totals in this table are less than other published sources. Data Source: USDOT, Bureau of Transportation Statistics and Federal Highway Administration, Freight Analysis Framework, version 5.3, 2024, <https://www.bts.gov/faf>.

**Table 8. Number of Interstate CDL Drivers sorted by carrier fleet size
Active, US-Only, For-Hire Interstate Carriers from 10/28/2024 MCMIS
Snapshot**

Number of power units reported by carrier	CDL Drivers
1 Power Unit	345,602
2 Power Units	159,868
3–10 Power Units	534,139
11–100 Power Units	917,303
>100 Power Units	1,741,798
No Power Units/Unreported	7,530
Total	3,706,240

**Table 9. Number of Intermodal CDL Drivers sorted by carrier fleet size
Active, US-Only, For-Hire, All Intermodal Carriers from 10/28/2024
MCMIS Snapshot**

Number of power units reported by carrier	CDL Drivers
1 Power Unit	150,607
2 Power Units	183,845
3–10 Power Units	224,219
11–100 Power Units	68,980
>100 Power Units	400,250
No Power Units/Unreported	4,759
Total	1,032,660

**Table 10. Number of Intermodal CDL Drivers for Non-Interstate Carriers
sorted by carrier fleet size
Active, US-Only, For-Hire Intermodal Carriers excluding Interstate
Carriers from 10/28/2024 MCMIS Snapshot**

Number of power units reported by carrier	CDL Drivers
1 Power Unit	70,417
2 Power Units	177,584
3–10 Power Units	203,753
11–100 Power Units	4,603
>100 Power Units	100,942
No Power Units/Unreported	3,163
Total	560,462

Table 11. Public court cases with estimated size of drivers impacted by predatory lease-purchase programs

Case	Class Date Ranges	Number of Possible Or Actual Plaintiffs
Atkinson v. SuperEgo, 22-cv-4127 (N.D. Ill.)	2016 - Present	not sure, but several thousand, possibly as many as 10,000+ class members
Beissel v. Western Flyer Express	12/2017 - 03/2021	2,670 (Settlement Agreement)
Blakely v. Celadon	2013-2017	6,786 (Statement of Facts for Class Cert.)
Brant v. Schneider	12/1/2013 to present	estimated to be approximately 4,000 drivers
Brown v. Select One	2/1/2014 to present	Over 40 delivery drivers.
Canava v. RDS	3/4/2015 - 10/21/2022	452 class members participated and 32 opted out prior to settlement above the 452
Carter v. Paschall		4,659 lessees (Motion for Rule 23b3 Class Cert, 10)
Cervantes v. CRST	10/23/2017 - Present	3,696 drivers
Cilluffo v. Central Refrigerated	6/1/2009 to 8/2017	3,456 drivers
Crosby v. Byland Transportation	2012 - Present	82 class members
Davis v. Colonial		Hundreds (Motion to Cert Class, 25)
Dawkins v. NR 1 Transport		Over 100 company drivers not paid one or more of their final paychecks (Complaint, 6)
Elmy v. Western Express	2014 to 12/3/2021	6,289 drivers
Fox v. TransAm	11/2/2008 - 2015	3,000+
Gadson v. Stelle Corp., 23-cv-2977 (N.D. Ill.)	2013 - Present	Not sure but Estimated 100-500 class members
Huckaby v. CRST Expedited	8/9/2017 - 4/10/2023	Over 4,350 prospective class members (Memo in support of Class Cert, 1).

Table 11 Continued		
Case	Class Date Ranges	Number of Possible Or Actual Plaintiffs
Malone v. ASAP Trans Corp., 22-cv-3572 (N.D. Ill.)	1012 - Present	Not sure but Estimated at 400 class members
Mervyn v. Atlas Van Lines, Inc.		Thousands in Plaintiff Class (Complaint, 4).
New Prime v. Oliveira	10/2/2012 through 5/8/2020	40,000
OOIDA v. CR England--D Utah	6/1998 through 5/2006	7,893
Roberts v. CR England	2007 - 2017	~17,000
Stewart v. Interland, 23-cv-3306 (N.D. Ill.)	2020 - 2023	Not sure but Estimated 500 class members
Van Dusen v. Swift Transportation Co., Inc. et al.	12/22/1999 to 1/1/2019	19,955 drivers
OOIDA v. Arctic Express--SD OHIO	Approx. 4 years from 1993 - 6/1997.	2,818 class members (13 opted out)
OOIDA v. Landstar	11/1/1998 through end (2006 settlement)	at least 26,000
OOIDA v. New Prime--WD Missouri	10/1/2012 through end (2021 settlement)	over 40,000
OOIDA v. Swift	6/1998 - 5/2003. Class not granted.	Estimated as many as 5,500.

Note: Data collected from publicly-available court documents and interviews with the plaintiffs' attorneys.