



## June 13, 2024, Meeting Minutes

FMCSA's Truck Leasing Task Force (TLTF) met virtually on June 13, 2024, via Zoom. Steve Rush, TLTF Chair, called the meeting to order at 10:00 a.m. In accordance with the provisions of Public Law 92-463, the meeting was open to the public.

The following individuals attended the meeting:

### **TLTF MEMBERS**

Steve Rush, Founder, Carbon Express, Inc, Chair  
Tamara Brock, Independent Owner-Operator, Lewis & Lewis Logistics LLC  
Paul Cullen, Partner, The Cullen Law Firm PLLC  
Joshua Krause, Chief Operating Officer, OTRLeasing LLC  
Kaitlyn Long, Chief Economist, International Brotherhood of Teamsters  
Steve Viscelli, Professor, University of Pennsylvania

### **FMCSA AND OTHER GOVERNMENTAL REPRESENTATIVES**

Larry Minor, Associate Administrator for Policy, Designated Federal Officer (DFO), FMCSA  
Shannon Watson, Senior Advisor and Deputy DFO, FMCSA  
Derrick Carrington, Program Manager, FMCSA  
Bennie Cheatham, Safety Investigator, FMCSA  
Justine Chen, Writer/Editor, FMCSA  
Richard Clemente, Transportation Specialist, FMCSA  
Michael Evans, Transportation Specialist, FMCSA  
Keenan Forbes, Transportation Specialist, FMCSA  
Patrick Harrison, Assistant Commissioner, Motor Carrier Services, Virginia Department of Motor Vehicles (VADMV)  
Florence Jett, Director, VADMV  
Thomas Keane, Associate Administrator, Office of Research and Registration, FMCSA  
Ryan Kelly, Risk Monitoring Program Manager, Consumer Financial Protection Bureau (CFPB)  
Adam Kraus, Safety Investigator, FMCSA  
Kimberly Lambert, Chief, Strategic Planning and Program Evaluation Division, FMCSA  
Patricia Lavoie, Safety Investigator, FMCSA  
Oriella Mejia, Advisor for External Affairs, FMCSA  
Jarius Moore, Safety Investigator, FMCSA  
Nelson Newcomb, Transportation Specialist, FMCSA  
Brian Ninesling, Safety Supervisor, Alabama Department of Transportation  
William Norris, Division Administrator, Louisiana, FMCSA  
Sarah Nural, Attorney-Advisor, USDOT  
Emma Oppenheim, Senior Fellow, Workers Initiative, CFPB  
Monique Riddick, Chief, Commercial Enforcement Division, FMCSA  
Julianne Schwarzer, Environmental Protection Specialist, Office of the Secretary, USDOT  
Eran Segev, Operations Research Analyst, Volpe Center, USDOT  
Rosie Stahl, Management and Program Analyst, FMCSA  
Marlon Strain, Transportation Specialist, FMCSA  
Eduardo Suarez, Transportation Specialist, FMCSA  
Heather Walsh, Program Analyst, Volpe Center, USDOT  
Angela Weller, Deputy Director, Intrastate Compliance and Operations, VADMV

### **OTHER ATTENDEES**

Missy Abbott, INSPRO Marsh McLennan



Lawrence Abee, HCEW Management Services LLC  
Jayme Anderson, The National Owner-Operators Association (TNOOA)  
Barb Aude, Marsh McLennan  
Lola Avina, Avina's Insurance  
Babatunde Bamgbose, B N B Transportation  
Shirley Barmota, Libban Transport LLC  
Dustin Benton, Saulsbury  
Mike Boston, TNOOA  
Erica Bryant, owner-operator  
Connell Byrd, Mr. Byrd's Trucking LLC  
Beth Cambra, AIPSO  
Jennifer Chrestman, TNOOA  
Cristina Ciobanu, Sun Express Inc  
Charity Coleman, Changeis  
Livenstonn Dattus, Priada Transportations LLC  
Todd Dills, Overdrive  
Renee Dutter, Transportation Recruiter  
Jim Fetzer, Land Line Now  
Blake Fos, TNOOA  
Scott Grenerth, former lessee/owner-operator  
Jay Grimes, Owner-Operator Independent Drivers Association (OOIDA)  
Vanessa Harden, W Trucking, Inc.  
Loana Henriquez, Discovery Express Corp  
Joe Hoovestol, Lone Mountain  
Christopher Howard, Three Square  
Sharon Hurst  
Ramona Johnson, About Trucking LLC  
James Kelley, Kelley & Kelley Logistics  
Matthew Kennedy, Colonial Transportation Solutions Inc.  
Furqan Khan, Truck Owners and Drivers Association  
Andrew King, OOIDA Foundation  
Anna Lach-Zynwala, Intact Insurance  
Kelly Larkin, New Jersey Manufacturers Insurance Group  
Richard Malchow, J. J. Keller & Associates  
Anthony McAuliffe, Aptive Resources  
William McKelvie, independent trucker  
Iana Medvedieva, Total Safety Corp.  
Eric Miller, Transport Topics  
Bryce Mongeon, OOIDA  
Aretha Moodie, Are Tha 1 Enterprises, LLC  
Judit Munoz, Goal Transports  
Robert Natal, Imperial Express LLC  
Veronique Ngoma, WER1 Logistics  
Adelina Norte, NSE, LLC  
Maria Orozco, Transnational Express  
Kristina Pluta, Total Safety Corp



Lewie Pugh, OOIDA  
Joe Rajkovic, Western States Trucking Association  
Billy Randel, Truckers Movement for Justice/Tamexun  
Anthony Romano, Montgomery Transport  
Daniel Sandoval, LCO3P LLC  
Mark Schremmer, Land Line Media  
Prasad Sharma, Scopelitis  
James Smith, JKS LLC  
Rick Smith, Five Acre Farms  
Jennifer Spencer, Nutra Blend LLC  
Todd Spencer, OOIDA  
Charles Sperry, OOIDA  
Heather Spring, The Pasha Group  
Brendan Steppke, Arrow Truck Sales  
Nancy Tahaney, DNS Logistics, LLC  
Norita Taylor, OOIDA  
Paul Torlina, OOIDA  
Rachel Walman, Changeis  
Tom Weakley, OOIDA Foundation  
James Wilson, Mascot Freight  
Francois Wilson, Jawbone Express Logistics  
Jaelan Wine, Glad Hand Trucking LLC  
Kathi Wojcik, AIPSO

## **REMARKS AND COMMITTEE ACTION**

Larry Minor, DFO, welcomed TLTF members with Shannon Watson, Deputy DFO. Committee members introduced themselves and 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 unanimously the March 21, 2024, meeting minutes.

### **Presentation: Consumer Financial Protection Bureau (CFPB)**

Emma Oppenheim and Ryan Kelly of CFPB provided an update on the leases gathered via FMCSA's Request for Information: Drivers' Leasing Agreements for CMVs. CFPB will present more detailed information about the leasing agreements at the July 18<sup>th</sup> meeting.

### **Establishment of Subcommittee**

The chair announced the subcommittee to review the publicly available case documents on leasing, appointed Kaitlyn Long as chair, and named Paul Cullen, Lesley Tse, and Dr. Steve Viscelli as members. The subcommittee will begin its deliberations prior to the July 18 meeting and will present its findings to TLTF for its consideration at a subsequent meeting.

### **Task 24-3: 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, and identify resources to assist CMV drivers in assessing the financial impacts of leasing agreements**

Members deliberated on Task 24-3, where FMCSA asks the committee to review and discuss 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, and identify resources to assist CMV drivers in assessing the financial impacts of such agreements.

## Discussion Points

- The financial and personal risks that lease purchase agreements pose to drivers.
- Warning signs that a lease may be a predatory lease.
- Possible benefits of a two-check driver compensation system.
- The viability of curtailing lease purchase agreements.
- Resources to educate drivers on lease purchase agreements.
- Why drivers enter into lease purchase agreements.
- The high failure rate of lease purchase agreements.

## **PUBLIC COMMENTS**

Aretha Moodie, consumer/trucker, tried to obtain her own truck through a lease/purchase company that required her to be running for a year. Ms. Moodie stated that situations of debt, bankruptcy, and excessive hours of operation all need to change.

Billy Randel, consumer/trucker, stated that carriers will not improve their leasing practices since no one has required them to do so. Truckers organize to no avail. He stated that there are predatory lease programs targeted to inner city men and women of color, immigrants, and poor rural people with limited economic opportunity.

Jay Grimes, Director OOIDA, has seen red flags for years, with drivers having little chance of ever owning a truck, zero independence, high turnover, safety risks, and the pressures of escalating debt creating highway safety risks. Drivers should have access to education and resources to learn more about financing and contract agreements. Mr. Grimes looks forward to CFPB's report next month and the Task Force's final report later this year to take substantive actions to protect drivers from predatory practices.

William McKelvie, independent trucker, noted that there should be clear definitions of independent contractor, owner/operator, etc. If this issue is addressed it will help with pay issues, etc. With a lease/purchase, the lessor is responsible for the lessee. They should sit down with those people, explain the contract and answer questions. Two companies do this, Landstar (done with every new beneficial cargo owner) and Mercer (whole orientation class).

Jaelan Wine, owner/operator, noted that the purchase price of trucks is too high. Companies cheat drivers by slowing down their work while still charting payment. Ms. Wine recommends creating a portal for reviews for keeping track of how companies are treating their lessees.

Richard Malchow, industry/business advisor for J.J. Keller, advises customers on leasing regulations. Mr. Malchow suggests that TLTF review household goods regulations. Recommendations to Congress should reference existing rules. He suggests further that drivers should have 3-day right of rescission for leases.



## **ADJOURNMENT**

The DFO thanked the members for their contributions. Ms. Watson noted that the next meeting will be held virtually on July 18. The Chair adjourned the meeting at 4:00 p.m.

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Steve Rush, Chair

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Larry Minor, DFO