

## **Oral Comments by Joseph Rajkovacz before the Los Angeles Harbor Commission**

My name is Joseph Rajkovacz from the Owner-Operator Independent Drivers Association. I am a member of the Association's Board of Directors as well as its Regulatory Affairs Specialist. All of members of the board are current or retired truckers. OOIDA is the largest international trade association representing the interests of owner-operators, small business motor carriers and professional drivers. Our over 161,000 members operate over 240,000 trucks nationwide.

Our interest in the POLA concession agreement is ensuring that our members who are primarily long-haul truckers in interstate commerce are not unfairly burdened or inhibited from accessing the port. Long-haul interstate truckers are integral to goods movement in the United States and generally exempt from attempts to regulate their routes and access.

Our members will be expected to comply with CARB regulations as well as potentially more vigorous emissions regulations from the port. Many are already operating the environmentally compliant trucks sought by both CARB and the port; without the benefit or ability to get any public or port financial assistance. Casting them into the same pot of regulatory burden proposed for the local drayage industry serves no compelling public interest. It will significantly complicate if not delay CAAP goals of the port.

All that said, the port does face significant environmental challenges. The current economic model employed by the drayage industry is broke and the reality is that it cannot under current conditions financially support the environmentally compliant trucks needed to reduce the pollution that is associated with the older trucks currently in operation. Add to that the implementation of the TWIC requirement from DHS and the impending inability of at least a quarter of the current driver pool to continue serving the port and you have a "perfect storm" capable of crippling the economic locomotive of Southern California.

Change in the local drayage market is necessary especially to attract a new crop of drivers to replace those displaced by TWIC requirements. It's an interesting conundrum that opponents of change are all too willing to accept significant public and port financial aid but do not want strings or responsibilities attached to that aid. OOIDA is an outspoken critic of any system that essentially makes drivers indentured servants- and that is what lease purchase agreements (as possible with the Long Beach concession) with motor carriers create. Financial assistance that helps create a system where motor carriers own the trucks and lease them back to so-called owner-operators will not alter the current economic landscape for drivers. Leasing trucks would become the profit center as opposed to hauling freight at an equitable market rate.

OOIDA has litigated in dozens of class-actions nationwide against motor carriers who callously disregard federal leasing regulations. That never ending litigation keeps a whole law firm employed. There is no reason to expect it would be any different in Los Angeles with the drayage industry.

Hard choices need to be made and with the exception of long-haul trucks engaged in interstate commerce, the POLA has taken a more reasoned approach when compared to the POLB.