



Owner-Operator Independent Drivers Association, Inc.

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November 22, 2019

The Honorable Stephen Sweeney
Senate President
New Jersey Legislature

The Honorable Wayne DeAngelo
Deputy Speaker
New Jersey Legislature

The Honorable Joseph Egan
Deputy Majority Leader
New Jersey Legislature

Dear Senator Sweeney, Assemblyman DeAngelo, and Assemblyman Egan:

The purpose of this letter is to convey the opposition of the Owner-Operator Independent Drivers Association (OOIDA) to S4204 and A5936.

OOIDA is the nation's largest trade association representing the views of small-business truckers and professional drivers. We have more than 160,000 members nationwide, including 4,101 who reside in New Jersey. Your proposed legislation will impact an overwhelming majority of our members, in particular those who reside in New Jersey.

New Jersey's ongoing war against legitimate, independent, and small-business trucking companies is deeply troubling. The state has already done several things that makes it difficult, if not impossible, for independent truckers to work with motor carriers based in New Jersey. While it's unclear exactly what impact S4204 and A5936 will have, we view it as the proverbial nail in the coffin.

Trucking is an extremely diverse industry. Overly broad legislation – even well-intentioned legislation – seldom works. If this legislation is enacted, we can't envision a way for independent truckers that are leased to motor carriers to comply with state law. New Jersey hasn't released any information to suggest otherwise, leaving us to believe the state simply opposes the independent contractor model. Unfortunately, in trucking this inevitably raises serious Constitutional questions as it relates to interstate commerce.

Costly and lengthy litigation is likely a foregone conclusion, absent significant changes in the state's laws and regulations that deal with independent truckers. However, at this point the state still has a choice:

- (1) Amend this legislation and other existing state laws and regulations to exempt leased owner-operators who own their truck/trailer and have a Title 49 compliant lease agreement and make it clear that owner-operators with their own authority are exempt.

or;

- (2) Continue down this misguided path of destroying the livelihoods of tens of thousands of independent truckers and creating unnecessary and irreversible chaos in the trucking industry.

OOIDA has roughly 340 employees, many of which have a background in trucking. Our board of directors are all truckers, which includes employee drivers, leased owner-operators, owner-operators with their own authority, and small fleet owners. Collectively, our membership has millions of years and billions of miles of trucking experience. Yet, we can't figure out the full reach and impact of this legislation. We suspect you can't either and that alone is reason enough for us to oppose it.

However, please know that we would make every resource we have available to New Jersey lawmakers and regulators to take a more targeted approach to address misclassification issues. We don't deny that some truckers are misclassified, but broadly condemning the entire independent trucking industry is irresponsible and inappropriate.

Over the next few days and weeks, we suspect you'll be hearing from members of ours not only from New Jersey, but from across the country. Because it's unlikely this letter will change your mind, perhaps hearing directly from those that your laws and regulations drastically impact will.

Thank you for your time and consideration of our views. Please contact Mike Matousek, Manager of Government Affairs, at (816) 229-5791 ext. 1603 or mike_matousek@ooida.com should you have any questions, require additional information, or to schedule a meeting to discuss this issue in greater detail.

Respectfully,

A handwritten signature in black ink, appearing to read "Todd Spencer", with a stylized, cursive script.

Todd Spencer
President and CEO
OOIDA