



## Owner-Operator Independent Drivers Association

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October 25, 2021

Governor Gavin Newsom  
1303 10th Street, Suite 1173  
Sacramento, CA 95814

RE: Executive Order N-19-21 and Small-Business Truckers

Dear Governor Newsom,

OOIDA is the largest trade association representing small-business truckers and professional truck drivers. We have more than 150,000 members nationwide, including over 6,400 who reside in California. These truckers and thousands more operate on California highways – and in and out of California ports – every day. As you consider policies to address the unprecedented freight backlogs in California’s ports, you must account for the particular needs of these small-business truckers.

One of the biggest challenges that truckers face in California is a shortage of truck parking. The lack of truck parking makes it difficult for drivers to find a safe place to stop when they need to rest or comply with federal break requirements. As a result, drivers are forced to spend more and more of their on-duty time finding a place to park rather than keeping goods moving. Unpredictable delays and scheduling problems during this time of enormous supply chain disruption make it even more difficult for drivers to plan their day and find safe parking.

Under Executive Order N-19-21, you direct your office to “identify non-state sites... that could be available to address short-term storage needs to address the supply and distribution chain crisis.” We strongly believe that finding adequate parking for truckers is necessary to address the ongoing crisis, and we ask that you prioritize identifying non-state sites where this can be achieved.

Another aspect of your Order allows for weight limit exemptions on certain routes. Providing exemptions for increased weights not only diminishes safety and accelerates the deterioration of highway infrastructure, but also has the potential to specifically hurt small-business truckers. Permitting trucks to operate at higher weights has immediate economic implications for small trucking businesses who need to increase their hauling capacity to compete for business. Unlike large carriers that may already have the necessary equipment or the capital to make these upgrades, many smaller trucking companies and owner-operators would need to modify their equipment at great cost just to remain viable. And hauling at heavier weights increases other costs like fuel and maintenance from wear and tear. Unfortunately, previous weight limit increases have demonstrated heavier trucks don’t lead to higher paychecks for professional drivers.

While it may be appropriate to provide limited accommodations for weight increases during the peak of these supply disruptions, California must not keep these in place for any longer than necessary.

Apart from the action taken in your Order, we urge you to consider the potential impact of AB5 on trucking. As you know, AB5 would radically redefine independent contractor relationships by implementing the ABC Test, but enforcement of this law in the trucking industry is currently on hold due to ongoing litigation. If this law were to take effect, many owner-operators would have to abandon a business model that has worked well for them for years. In the short-term, many truckers, whether they are California residents or not, would likely no longer operate in the state for fear of unknowingly violating the law. Furthermore, the California Department of Industrial Relations has refused to provide any guidance or feedback on specific questions that we have asked to help our members. The state should respond to these questions and take action to avoid unnecessary and self-inflicted problems if the law takes effect.

While we are opposed to AB5, we certainly recognize that working conditions for port drayage drivers, and all other truckers, must be improved. Unfortunately, too many port drivers work long hours in awful conditions for inadequate pay. The worst of these arrangements are “lease-purchase” agreements. These are schemes where the lessee (truck driver) leases their truck to the lessor (motor carrier) when the motor carrier and the lessor are the same entity. In reality, these drivers are indentured servants who are paid pennies on the dollar, will likely never own the truck, and have zero independence.

We supported SB 1402 when it was signed in to law in 2018. This law is designed to improve working conditions for port drivers by discouraging shippers from using port drayage motor carriers that have unpaid wage, tax, and worker’s compensation liabilities. We hope SB 1402 and other efforts can address “lease-purchase” and other exploitative agreements.

Small-business truckers will be necessary to solving the current supply chain crisis. Providing additional truck parking, limiting any vehicle weight allowances, and hearing out their concerns will help improve their working conditions and help them get the job done.

Sincerely,

A handwritten signature in black ink that reads "Todd Spencer". The signature is written in a cursive, flowing style.

Todd Spencer  
President & CEO  
Owner-Operator Independent Drivers Association, Inc.