

March 21, 2017

The Honorable Elaine Chao
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20590

Re: Reducing Regulation and Controlling Regulatory Costs

Dear Secretary Chao:

On January 30, 2017, President Donald Trump issued an Executive Order, titled *Reducing Regulation and Controlling Regulatory Costs*. This measure requires the elimination of two existing regulations for each newly proposed federal rulemaking. We believe the administration's efforts to provide regulatory relief to critical industries will help drive economic growth across the country, creating new opportunities and greater job security for millions of hard working Americans. We look forward to working with you to carry out the Executive Order in the safest and most responsible manner possible.

While representing remarkably diverse segments of the economy, we are all negatively impacted by two substantial Department of Transportation (DOT) rulemakings advanced under the previous administration. When identifying the most costly and burdensome regulations for repeal under the Executive Order, we believe your department must prioritize the Electronic Logging Device (ELD) mandate and speed limiter proposed rule. Collectively, these rulemakings would cost our industries over \$2.845 billion to implement, without providing any meaningful safety or economic value to our members or the American public. Both meet the cost threshold included in the administration's interim guidance to be considered significant regulations under the Executive Order.

The ELD mandate alone is estimated to cost a whopping \$2 billion, making it one of the most expensive of all federal rulemakings advanced by the Obama Administration. Because the technology is primarily used to manage large fleets of vehicles and is incapable of automatically recording changes in a driver's duty status, this mandate comes with no economic or safety value for our members or the wide range of customers who rely on truck transportation. Meanwhile, the small number of large corporations that benefit from the utilization of ELDs are already using the technology to monitor their productivity. In light of these factors, implementation of the mandate will force our members to bear all the \$2 billion in costs associated with the installation of these devices, imposing wholly unnecessary financial and compliance burdens on American businesses of all sizes.

While we are adamant the ELD mandate must be repealed, we are also concerned by serious complications associated with its implementation, which is currently scheduled for December 2017. We understand many significant technological concerns remain unresolved, including the certification of devices, connectivity problems in remote areas of the country, cybersecurity vulnerabilities and the ability of law enforcement to access information. For example, ELD manufacturers are currently able to self-certify technology without validation by the Federal Motor Carrier Safety Administration (FMCSA), creating vast uncertainty within the regulated community. This uncertainty has forced many of our members to delay the purchase and installation of ELDs until they can be guaranteed the technology will be compliant.

With December looming, we believe it would be reasonable and responsible for your Department to pursue a delay in implementation until these concerns are fully resolved. We acknowledge the ELD mandate and its implementation deadline are required by statute, limiting your ability to act unilaterally. However, we believe it is imperative for DOT to work with the regulated community and Congress to mitigate the negative impact of this

excessive regulation. We are confident the administration's full support for a delay in implementation and the eventual repeal of the ELD mandate would help encourage Congress to provide our industries the regulatory relief we desperately need.

In addition to the ELD mandate, FMCSA's proposed speed limiter rule will add another \$845 million in implementation costs for our members. Nearly 10 years ago, the federal government was petitioned to conduct a rulemaking to require speed limiters on all heavy vehicles. Despite highway research consistently and unequivocally indicating speed limiters would actually make roads less safe for all drivers, the previous administration persisted with this unnecessary regulation and released a proposed rule on September 7, 2016.

Without question, highway users stand to be negatively affected by the mandated use of speed limiters. States with speed limits above the maximum levels proposed by FMCSA would see their crash rates increase, as extreme speed differentials between automobiles and heavy vehicles make driving conditions more hazardous. States already experiencing major congestion would find their problems compounded, as more trucks are needed to move the same amount of goods. And small businesses, the cornerstone of local economies, would struggle to overcome the economic impact of another costly federal regulation that provides no discernable benefit – a reality the agency even acknowledges in its proposal.

President Trump's desire to create a regulatory environment that enables businesses of all sizes to grow is commendable and welcomed. However, to do so this administration must eliminate the most egregious regulations developed under the haphazard, one-size-fits-all approach to rulemaking embraced by its predecessor. The delay and removal of the ELD mandate, as well as the elimination of the proposed speed limiter rule will provide immediate and overdue regulatory relief to a wide variety of industries, allowing them to devote greater resources to growth. Of all the regulations your department will consider repealing under the Executive Order, none will have a greater positive impact on American businesses than these two costly and burdensome rules. We encourage you to prioritize the ELD mandate and proposed speed limiter rule when identifying regulations for elimination.

Sincerely,

Agricultural Retailers Association
American Farm Bureau Federation
Lucas Oil Products
National Association of Small Trucking Companies
National Cotton Council
National Federation of Independent Business
National Grain and Feed Association
National Ground Water Association
National Hay Association
National Motorists Association
National Oilseed Processors Association
National Pork Producers Council
National Ready Mixed Concrete Association
National Stone, Sand & Gravel Association
New England Fuel Institute
Owner-Operator Independent Drivers Association
Petroleum Marketers Association of America

cc: Members of the Senate Committees on Appropriations and Commerce, Science & Transportation
Members of the House Committees on Appropriations and Transportation & Infrastructure