

Trucking 101

Presented to the

House Transportation Committee

Richard Proehl

Chairman



Kansas Motor Carriers Association

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By

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KANSAS TRUCKING 101

On behalf of the Kansas Motor Carriers Association, we are pleased to provide with a brief overview of trucking in Kansas or as we have titled this presentation, "Trucking 101."

When the general public thinks of trucking companies, they envision the large companies such as UPS, FedEx and Con-way. Actually, the Kansas trucking industry is made up of many small businesses. There are 10,650 trucking companies in Kansas. 92% of all trucking companies in Kansas operate 19 or fewer trucks; only one-half of one percent of the companies operates more than 100 trucks.

Here are some Kansas trucking "Fast Facts" (see attachment No. 1):

- The trucking industry in Kansas provides 74,320 jobs.
- Total trucking industry wages paid in Kansas are \$3.4 billion.
- 49 percent of Kansas communities depend exclusively on trucks
- The trucking industry pays 45 percent of all taxes and fees owed by Kansas motorists, despite trucks representing only 10 percent of the miles traveled in the state.

TYPES OF MOTOR CARRIERS

Private Carriers: Those that transport their own goods in commerce.

For-Hire Carriers: Those that transport goods of others for a fee.

Interstate Motor Carriers: Those that transport goods across state lines or in continuation of an interstate movement.

Intrastate Motor Carriers: Those that transport goods wholly within the State of Kansas.

TYPES OF CARRIERS THAT MAKE UP THE KMCA MEMBERSHIP

- Aggregate Carriers (sand, gravel and fill material)
- Agricultural Carriers (grain, livestock, farm machinery and fertilizer)
- Less-than-Truckload Carriers (one shipment made up of several smaller shipments on regular routes)
- Household Goods Carriers (movers)
- Intermodal Carriers
- Oilfield & Heavy Machinery (oilfield services and Oversized/Overweight loads)
- Private Carriers (transport own product)
- Tank Truck Carriers (gasoline, diesel, chemicals, cement or flour)
- Towing and Recovery Carriers (disabled vehicle transportation)
- Truckload Carriers (each shipment usually a trailer full of the same product over irregular routes)
- Auto Hauler (new and used vehicles)

OPERATING AUTHORITY REQUIRED

USDOT Number: All interstate private and for-hire carriers operating vehicles with a gross vehicle weight rating (GVWR) of 10,001 pounds or more. All intrastate only carriers operating vehicles with a GVWR of 26,000 pounds or more.

Federal Motor Carrier Safety Administration Operating Authority: All for-hire interstate motor carriers accept those transporting exempt commodities (grain & livestock).

Requirements for Interstate Authority:

- \$300 application fee
- 48 State Process Agents
- \$750,000, \$1,000,000 or \$5,000,000 liability insurance
- Uniform Carrier Registration (fees listed on next page)

Uniform Carrier Registration Fees: All interstate for-hire and private carriers (including farmers) operating vehicles with a GVWR in excess of 10,000 pounds.

0 -2 vehicles (trucks, truck tractors and trailers) - \$76.00 per year

3 – 5 vehicles - \$227.00 per year

6 – 20 vehicles - \$452.00 per year

21 – 100 vehicles - \$1,576.00 per year

101 – 1000 vehicles - \$7,511.00 per year

1001 or more - \$73,346.00 per year

Kansas Intrastate For-Hire Authority – Kansas Corporation Commission
(10,001 GVWR or more)

Requirements:

- \$250.00 application fee
- \$10 per vehicle per year (unless fees paid through UCR)
- Financial Statement
- Liability Insurance filing
- Cargo Insurance filing
- Attend KCC Safety Class
- Tariff Filing (Household Good Movers Only)

Kansas Intrastate Private Carrier Permit (26,001 pounds or more)

Requirements:

- \$100.00 application fee
- \$10 per vehicle per year (unless fees paid through UCR)
- Liability Insurance filing
- Attend KCC Safety Class

TRUCK REGISTRATION FEES

80,000 lb. Tractor trailer combination

Kansas - \$1,870 *

Colorado - \$2,439 **

Iowa - \$1,695

Missouri – \$1,050

Nebraska - \$1,312

Oklahoma - \$948.00

* Plus Kansas' Commercial Vehicle Fee ** Plus Colorado Ownership Tax

Kansas Registration Fee Schedule (see attachment No. 2)

Commercial Vehicle Fee Schedule (see attachment No. 3)

International Registration Plan (Apportioned Registration) www.irponline.org

Allocation formula:

$$\frac{\text{Kansas Miles}}{\text{Total Operational Mileage/Per annum}} = \% \text{ Kansas miles}$$

Example:

Kansas – 50% miles – Reg. Fee = 935.00

Colorado – 10% miles – Reg. Fee = 243.90

Iowa – 20% miles – Reg. Fee = 339.00

Nebraska – 10% miles – Reg. Fee = 131.20

Oklahoma – 10% miles – Reg. Fee = 94.80

Totals – 100% miles – Total Reg. Fee = 1743.90

IRP Qualified Vehicle:

- Power unit having two or more axles and a gross weight in excess of 26,000 lbs.; or
- Power unit having three or more axles; or
- Used in combination, when the weight of such combination exceeds 26,000 lbs.

All state are required by federal law to participate in IRP**Motor/Special Fuel Tax**

<u>State</u>	<u>Gasoline</u>	<u>Diesel</u>
KS	\$.24 per gallon	\$.26 per gallon
CO	\$.22 per gallon	\$.205 per gallon
MO	\$.17 per gallon	\$.17 per gallon
NE	\$.276 per gallon	\$.264 per gallon
OK	\$.16 per gallon	\$.13 per gallon

Federal Fuel Tax: Gasoline - \$.184 per gallon Diesel - \$.244 per gallon

International Fuel Tax Agreement (IFTA) – www.iftach.org

Forty-seven of the forty-eight contiguous states and ten Canadian provinces require interstate motor carriers to report how much fuel they use within the borders of their state or province, and pay fuel tax based on these reports. This fuel “use” tax enables jurisdictions to assess highway user fees on all motor carriers that travel on its roads, not just those that purchase fuel and pay tax at the pump within the state.

The motor carrier is required to register for the tax and obtain cab cards and external decals for the vehicles, and send quarterly reports. The IFTA credential fee is \$10.00 per year for the first vehicle and \$1.00 for each additional vehicle. IFTA “qualified vehicles” are the same size and weight as those governed under the IRP.

IFTA (continued)

In order for a state to participate in IFTA, such state must agree to audit a certain percentage of each size of motor carrier based in that state. Like IRP, federal law requires state participation in IFTA.

Motor carriers can chose to purchase "trip permits" in lieu of registering for IFTA. This process can be burdensome and expensive for the motor carrier.

Other Taxes and Fees:

- **Federal Heavy Vehicle Use Tax** – The annual Federal Heavy Vehicle Use tax is \$100.00 plus \$22.00 per 1,000 pounds of gross weight for vehicles weighing more than 54,999 lbs. gross weight up to a ceiling of \$550.00 for vehicles weighing 75,000 lbs. gross vehicle weight or more. There is a 7,500 mile exemption for farm vehicles.
- **Federal Excise Tax on Tires** – The federal excise tax on a typical 11 x 24.5 truck tire is approximately \$36.00 per tire or \$648.00 for an 18-wheeler.
- **Federal Excise Tax on New Equipment** – A 12% Federal Excise Tax applies on new trucks and truck tractors with a gross vehicle weight rating of more than 33,000 lbs. and trailers with a gross vehicle weight rating of more than 26,000 lbs. A truck tractor semitrailer combination costing \$150,000 would pay \$18,000 in tax.
- **Tolls** – Toll for a 5- axle truck tractor semitrailer to travel the Kansas Turnpike from the eastern terminal to the southern terminal is \$29.93 with K-TAG or \$31.50 for cash customers.

Truck Size and Weights:

Length – The overall length of a truck tractor semitrailer combination is based on the length of the semitrailer. Kansas law allows a maximum of 59 feet 6 inches for a semitrailer. The industry standard for a semitrailer is 53 feet. For a truck tractor semitrailer and trailer combination (twins), the maximum trailer length is 28 feet 6 inches. The overall length limitations for a stinger steered automobile or boat transporter and a combination unit used to transport a combine in a custom harvesting operation is 75 feet. A straight truck is limited to 45 feet and any other combination of vehicles is limited to 65 feet.

Width – The maximum width of a vehicle is 8 feet 6 inches.

Height – The maximum height of a vehicle is 14 feet except for vehicles transporting cylindrically shaped bales of hay which is 14 feet 6 inches.

Weight – The maximum gross weight of a vehicle or combination of vehicles on the interstate system is 80,000 lbs. A maximum vehicle weight of 85,500 lbs. is allowed on all other highways.

Kansas law limits the weight on a single axle to 20,000 lbs. and a tandem axle to 34,000 lbs. (see attachment No. 3) Axle spacing is dictated by the federal bridge formula. (see attachment No. 4)

Examples of calculating truck weights.

Straight Truck – Attachment No. 5

5-axle Truck Tractor Semitrailer Combination – Attachment No. 6

5-axle Truck Tractor Semitrailer Combination (Spread) – Attachment No. 7

6-axle Truck Tractor Semitrailer Combination – Attachment No. 8

Longer Combination Vehicles – Vehicle combinations with a length limitation of 125 feet and a weight limitation of 120,000 lbs. (subject to axle weights and bridge formula spacing) are allowed on the Kansas Turnpike. Twenty mile access is allowed from the east end of the turnpike and 10 mile access is allowed from all other turnpike exits. Triple trailer combination vehicles are also allowed on I-70 from Goodland to the Kansas-Colorado border. In 1991, Congress froze any expansion of routes for longer combination vehicles.

Safety Requirements:

Definition of a “commercial vehicle”:

1. A vehicle with a gross vehicle weight rating or gross combination weight rating of 10,001 pounds or more; 26,001 pounds or more in intrastate commerce.
2. A vehicle designed to transport 16 or more passengers, including the driver;
3. A vehicle designed to transport more than six passengers, including the driver operating in intrastate commerce for hours of service regulation under 49 CFR Part 395 only; or
4. A vehicle used in the transportation of hazardous materials in a quantity requiring placarding under Title 49 Part 172, Subpart F.

All commercial motor vehicles and drivers of such vehicles are subject to the Federal Motor Carriers Safety regulations. The regulations include:

- Vehicle Marking
- Driver Qualification
- Emergency Equipment
- Lighting
- Liability Insurance Limits
- Use of Hand Held Mobile Devices and Texting
- Load Securement
- Vehicle Inspection
- Maintenance & Repair
- Hours of Service
- Hazardous Materials Transportation

For commercial motor vehicles in excess of 26,000 lbs. gross vehicle weight rating are subject to the following regulations:

- Drug and Alcohol Testing
 1. Pre-employment testing
 2. Random Testing
 3. Reasonable Cause Testing
 4. Post Accident Testing

- **Commercial Drivers License**

Endorsements:

1. Air Brakes
2. Double/Triple Trailers
3. Passenger
4. Tank Vehicle
5. Hazardous Materials (Federal Background Check required)
6. School Bus

Restrictions

1. Manual Transmission/Automatic Transmission
2. Fifth Wheel Pintle Hook Connection/Tractor Trailer

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Kansas Fast Facts



TRUCKING DRIVES THE ECONOMY

- **Employment:** In 2013, the trucking industry in Kansas provided 74,320 jobs or one out of 15 in the state. Total trucking industry wages paid in Kansas in 2013 exceeded \$3.4 billion, with an average annual trucking industry salary of \$45,829. The U.S. Bureau of Labor Statistics (BLS) reported in May 2013 that truck drivers, heavy, tractor-trailer and light, delivery drivers, held 27,950 jobs with a mean annual salary of \$37,070.
- **Small Business Emphasis:** As of April 2014, there were 10,650 trucking companies located in Kansas, most of them small, locally owned businesses. These companies are served by a wide range of supporting businesses both large and small.
- **Transportation of Essential Products:** Trucks transported 84 percent of total manufactured tonnage in the state in 2010 or 262,896 tons per day.* 49 percent of Kansas communities depend exclusively on trucks to move their goods.

TRUCKING PAYS THE FREIGHT

- **As an Industry:** In 2013, the trucking industry in Kansas paid approximately \$354 million in federal and state roadway taxes. The industry paid 42 percent of all taxes owed by Kansas motorists, despite trucks representing only 13 percent of vehicle miles traveled in the state.
- **Individual Companies:** As of January 2014, a typical five-axle tractor-semitrailer combination paid \$6,635 in state highway user fees and taxes in addition to \$8,906 in federal user fees and taxes. These taxes were over and above the typical taxes paid by businesses in Kansas.
- **Roadway Use:** In 2013, Kansas had 140,687 miles of public roads over which all motorists traveled 30 billion miles. Trucking's use of the public roads was 3.9 billion miles.

SAFETY MATTERS

- **Continually Improving:** At the national level, the large truck fatal crash rate for 2013 was 1.44 fatal crashes per 100 million vehicle miles traveled (VMT). This rate has dropped by 39.2 percent over the past decade.
- **Sharing the Road:** The trucking industry is committed to sharing the road safely with all vehicles. The Share the Road program sends a team of professional truck drivers to communities around the country to teach car drivers about truck blind spots, stopping distances and how to merge safely around large trucks, all designed to reduce the number of car-truck accidents.
- **Safety First:** Kansas Motor Carriers Association members put safety first through improved driver training, investment in advanced safety technologies and active participation in industry safety initiatives at the local, state and national levels.

TRUCKS DELIVER A CLEANER TOMORROW

- **Fuel Consumption:** The trucking industry continues to improve energy and environmental efficiency even while increasing the number of miles driven. In 2013, combination trucks consumed 95 billion fewer gallons of fuel than passenger vehicles in the U.S. and accounted for just 17 percent of the total highway transportation fuel consumed.
- **Emissions:** Through advancements in engine technology and fuel refinements, new diesel truck engines produce 98 percent fewer particulate matter (PM) and nitrogen oxides (NOx) emissions than a similar engine manufactured prior to 1990. Sulfur emissions from diesel engines have also been reduced by 97 percent since 1999.
- **Partnerships:** Through the U.S. Environmental Protection Agency's (EPA) SmartWay Transport Partnership, the trucking industry is working with government and businesses to quantify greenhouse gas emissions and take steps to reduce them.



* Manufactured tonnage data provided by IHS Global Insight.

Updated March 2015 with most recent data available.

Attachment 2

KANSAS VEHICLE REGISTRATION FEES

<u>GROSS WEIGHTS</u>	<u>REGULAR</u>	<u>LOCAL</u>	<u>6,000-MILE</u>	<u>CUSTOM HARVESTER</u>	<u>FARM</u>
0 – 12,000 lbs.	40.00	40.00	40.00	40.00	40.00
12,001 – 16,000 lbs.	202.00	162.00	162.00	82.00	57.00
16,001 – 20,000 lbs.	232.00	202.00	202.00	202.00	142.00
20,001 – 24,000 lbs.	297.00	232.00	232.00	232.00	152.00
24,001 – 26,000 lbs.	412.00	277.00	277.00	277.00	172.00
26,001 – 30,000 lbs.	412.00	277.00	277.00	277.00	172.00
30,001 – 36,000 lbs.	475.00	315.00	315.00	315.00	175.00
36,001 – 42,000 lbs.	575.00	345.00	345.00	345.00	175.00
42,001 – 48,000 lbs.	705.00	415.00	415.00	415.00	175.00
48,001 – 54,000 lbs.	905.00	515.00	515.00	515.00	175.00
54,001 – 60,000 lbs.	1145.00	615.00	615.00	615.00	325.00
60,001 – 66,000 lbs.	1,345.00	715.00	715.00	715.00	505.00
66,001 – 74,000 lbs.	1,670.00	895.00	895.00	895.00	745.00
74,001 – 80,000 lbs.	1,870.00	1,025.00	1,025.00	1,025.00	745.00
80,001 – 85,500 lbs.	2,070.00	1,145.00	1,145.00	1,145.00	745.00

Prepared By:

Kansas Motor Carriers Association

January 2016

Attachment 3

ANNUAL COMMERCIAL VEHICLE FEES

<u>Weight Group</u>	<u>Vehicle Age</u>	<u>Fee</u>
up to 12,000 lbs.	1 to 3	\$250.00
12,000 lbs.	4 to 6	200.00
12,000 lbs.	7 and older	150.00
16,000 lbs.	All Ages	250.00
20,000 lbs.	All Ages	250.00
24,000 lbs.	All Ages	250.00
26,000 lbs.	All Ages	300.00
30,000 lbs.	All Ages	300.00
36,000 lbs.	All Ages	300.00
42,000 lbs.	All Ages	350.00
48,000 lbs.	All Ages	350.00
54,000 lbs.	All Ages	350.00
60,000 lbs.	All Ages	400.00
66,000 lbs.	All Ages	400.00
74,000 lbs.	All Ages	400.00
80,000 lbs.	All Ages	400.00
85,500 lbs.	All Ages	400.00

Source: K.S.A. 8-143m

Kansas Motor Carriers Association
January 2016

Attachment 4

• AXLE DEFINITIONS •

“Gross weight on any one axle” means the total load on all wheels whose centers are included within two parallel transverse planes not more than 40 inches apart.

“Tandem axle” means two or more consecutive axles, arranged in tandem and articulated from a common attachment to the vehicle or individually attached to the vehicle, with such axles spaced not less than 40 inches and not more than 96 inches apart.

“Triple axle” means three or more consecutive axles, arranged in tandem and articulated from a common attachment to the vehicle or individually attached to the vehicle, with such axles spaced more than 96 inches and not more than 120 inches apart.

“Quad axle” means four or more consecutive axles, arranged in tandem and articulated from a common attachment to the vehicle or individually attached to the vehicle, with such axles spaced more than 120 inches and not more than 150 inches apart.

• WIDE-BASE SINGLE TIRES •

“Wide-Base Single Tires” means all tires having a section width, as specified by the manufacturer, of 14 inches or more.

WEIGHT LIMITATIONS: The maximum load for a wide-base single tire on a steering axle shall not exceed 600 pounds per inch of tire section width.

The maximum load for a wide-base single tire on any axle, other than the steering axle, shall not exceed 575 pounds per inch of tire section width.

RESTRICTIONS: No wide-base single tire shall exceed the load limit designated by the manufacturer.

No wide-base single tire shall exceed the maximum tire inflation pressure designated by the manufacturer.

• DUAL TIRES •

IT SHALL BE UNLAWFUL for any person to operate a vehicle with a single tire on any hubs configured for dual tires.

There are four exceptions:

- A truck registered for a gross weight of 20,000 pounds or less is exempt from this restriction.
- A vehicle or combination of vehicles operating with wide-base single tires is exempt from this restriction.
- A triple-axle combination can include a single-axle configured for a dual tire assembly so long as such single axle does not exceed 9,000 pounds.
- In case of emergency.

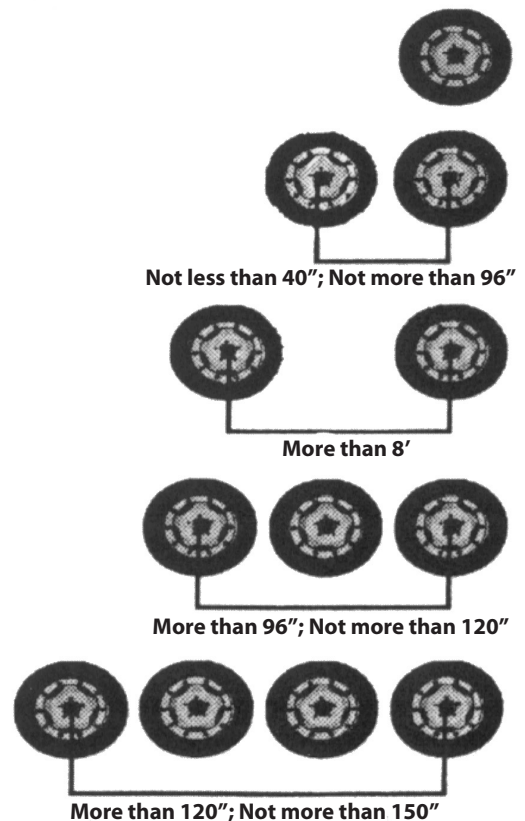
The gross weight on any one axle shall not exceed 20,000 pounds.

The gross weight on tandem axles shall not exceed 34,000 pounds.

The bridge table controls the weight distribution on a “spread axle” configuration.

The gross weight on any triple axle combination will be allowed to carry up to 42,000 pounds if the triple axle configuration measures more than 8’ and less than 9’. The table applies for measurements 9’ and over.

The gross weight on any quad axle combination will be allowed to carry up to 50,000 pounds if the quad axle measures up to 12’. The table applies for measurements over 12’.



Attachment 5

8-1909. Gross weight limits for vehicles; exceptions; safety of certain vehicles for operation. (a) No vehicle or combination of vehicles shall be moved or operated on any highway when the gross weight on two or more consecutive axles exceeds the limitations prescribed in the following table:

Distance in feet between the extremes of any group of 2 or more consecutive axles				Maximum load in pounds carried on any group of 2 or more consecutive axles			
	2 axles	3 axles	4 axles	5 axles	6 axles	7 axles	8 axles
4	34,000						
5	34,000						
6	34,000						
7	34,000						
8 and less	34,000	34,000					
More than 8	38,000	42,000					
9	39,000	42,500					
10	40,000	43,500					
11		44,000					
12		45,000	50,000				
13		45,500	50,500				
14		46,500	51,500				
15		47,000	52,000				
16		48,000	52,500	58,000			
17		48,500	53,500	58,500			
18		49,500	54,000	59,000			
19		50,000	54,500	60,000			
20		51,000	55,500	60,500	66,000		
21		51,500	56,000	61,000	66,500		
22		52,500	56,500	61,500	67,000		
23		53,000	57,500	62,500	68,000		
24		54,000	58,000	63,000	68,500	74,000	
25		54,500	58,500	63,500	69,000	74,500	
26		55,500	59,500	64,000	69,500	75,000	
27		56,000	60,000	65,000	70,000	75,500	
28		57,000	60,500	65,500	71,000	76,500	82,000
29		57,500	61,500	66,000	71,500	77,000	82,500
30		58,500	62,000	66,500	72,000	77,500	83,000
31		59,000	62,500	67,500	72,500	78,000	83,500
32		60,000	63,500	68,000	73,000	78,500	84,500
33			64,000	68,500	74,000	79,000	85,000
34			64,500	69,000	74,500	80,000	85,500
35			65,500	70,000	75,000	80,500	
36			66,000	70,500	75,500	81,000	
37			66,500	71,000	76,000	81,500	
38			67,500	72,000	77,000	82,000	
39			68,000	72,500	77,500	82,500	
40			68,500	73,000	78,000	83,500	
41			69,500	73,500	78,500	84,000	
42			70,000	74,000	79,000	84,500	
43			70,500	75,000	80,000	85,000	
44			71,500	75,500	80,500	85,500	
45			72,000	76,000	81,000		
46			72,500	76,500	81,500		
47			73,500	77,500	82,000		
48			74,000	78,000	83,000		
49			74,500	78,500	83,500		
50			75,500	79,000	84,000		
51			76,000	80,000	84,500		
52			76,500	80,500	85,000		
53			77,500	81,000	85,500		
54			78,000	81,500			
55			78,500	82,500			
56			79,500	83,000			
57			80,000	83,500			
58				84,000			
59				85,000			
60				85,500			

except that two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each if the overall distance between the first and last axles is 36 feet or more.

(1) The gross weight on any one axle of a vehicle shall not exceed the limits prescribed in K.S.A. 8-1908, and amendments thereto.

(2) For vehicles and combinations of vehicles on the interstate system the table in this section shall not authorize maximum gross weight of more than 80,000 pounds.

(3) The table in this section shall not apply to truck tractor and dump semitrailer or truck trailer combination when such are used as a combination unit exclusively for the transportation of sand, salt for highway maintenance operations, gravel, slag stone, limestone, crushed stone, cinders, coal, blacktop, dirt or fill material, when such vehicles are used for transportation to a construction site, highway maintenance or construction project or other storage facility, except that such vehicles shall not be exempted from any application of the table as may be required to determine applicable axle weights for triple and quad axles as defined in K.S.A. 8-1908, and amendments thereto. As used in this subpart (3), the term "dump semitrailer" means any semitrailer designed in such a way as to divest itself of the load carried thereon.

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Attachment 6

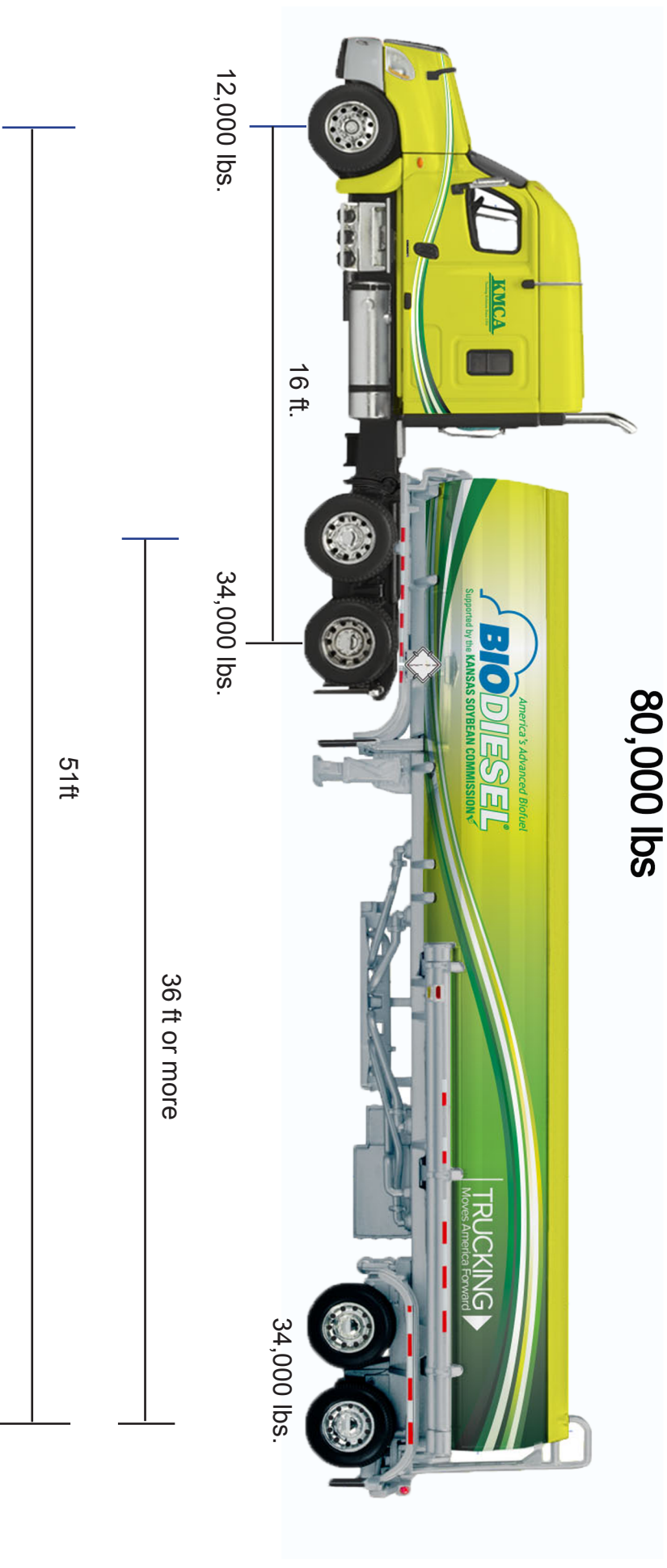
Tandem Axle Straight Truck



Attachment 7

Tandem Axle Tractor Trailer

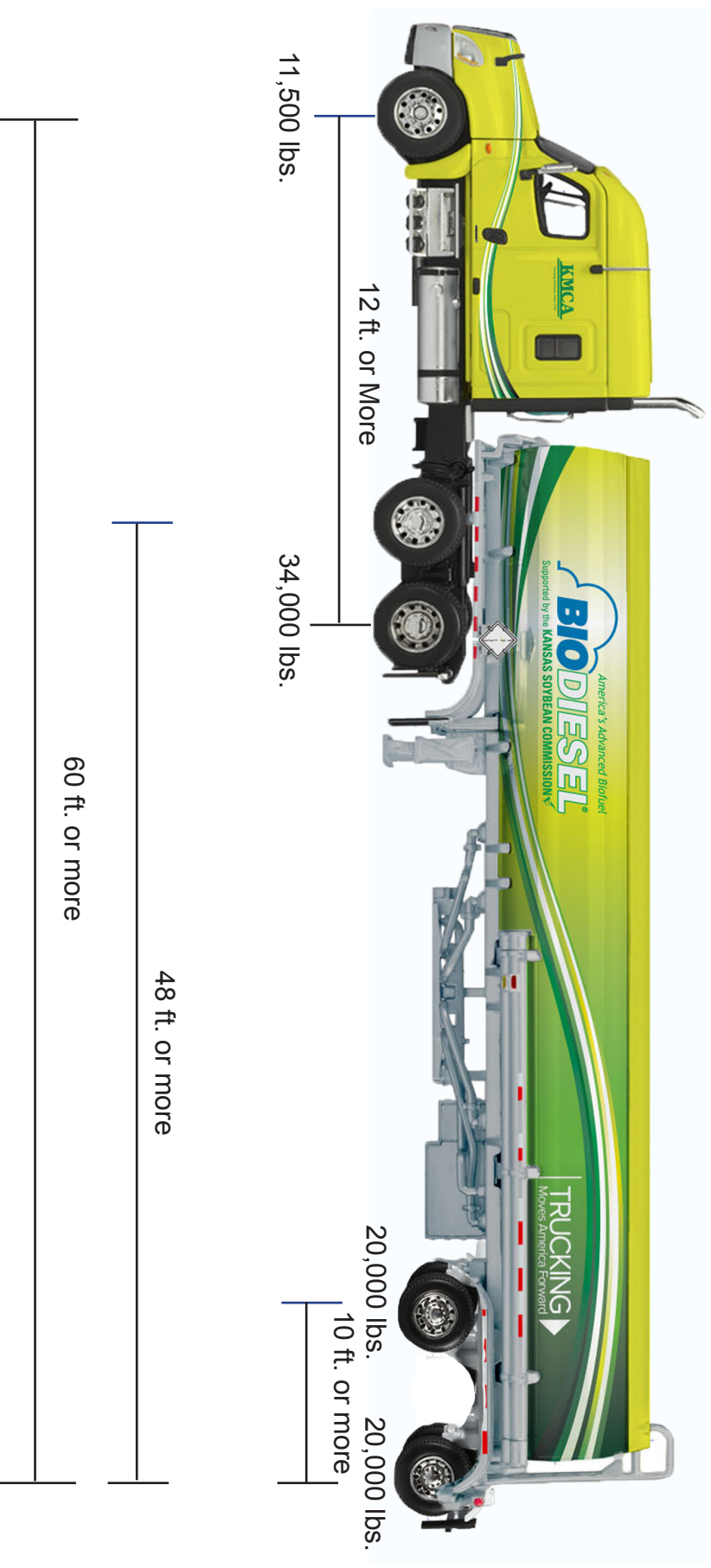
80,000 lbs



Attachment 8

Spread Axle Tractor Trailer Combination

85,500 lbs.



Attachment 9

Triple Axle Tractor Trailer Combination

85,500 lbs.

