TRUCKING 101

Presented to: Senate Transportation Committee Senator Mike Petersen, Chairman

February 6, 2019

Presented By: Tom Whitaker, Executive Director, Kansas Motor Carriers Association



Kansas Motor Carriers Association2900 SW Topeka Blvd.785-267-1641www.kmca.org

Kansas Trucking 101

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

When the public thinks of trucking companies, they envision the large companies such as UPS, FedEx and Old Dominion. The Kansas trucking industry is made up of many small businesses. There are 10,880 companies in Kansas. 98% of all trucking companies in Kansas operate 25 or fewer trucks; only four tenths of one percent of the companies operates more than 100 trucks. 46% operate one truck.

Some Kansas trucking "Fast Facts" (see attachment No.1)

- The trucking industry in Kansas provides 71,190 jobs.
- The trucking industry wages paid in Kansas are \$3.4 billion with an average annual salary of \$48,068.
- 49 percent of Kansas communities depend exclusively on trucks.
- The trucking industry pays 43% of all taxes and fees owed by Kansas motorists, despite trucks representing only 13% of the miles traveled in the state.
- The trucking industry in Kansas paid \$359 million in federal and state roadway taxes.

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 within the State of Kansas.

Types of Carries 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 of several smaller shipments on regular routes
- Household Good Carriers movers
- Intermodal Carriers
- Oilfield & Heavy Machinery oilfield services and Oversized/Overweight loads
- **Private Carriers –** transports their 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, interstate private, Interstate/Intrastate for-hire carriers operating vehicles with a gross vehicle weight rating (GVWR) of 10,001 pounds or more. Intrastate Private 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 and freight brokers except 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 (fee listed on next page)

Uniform Carrier Registration Fees: All interstate for-hire and private carries (including farmers) operating vehicles with a GVWR more than 10,000 pounds. This includes trucks, truck tractors and trailers.

0-2 vehicles - \$62.00 per year 3-5 vehicles - \$185.00 per year 6-20 vehicles - \$368.00 per year 21-100 vehicles - \$1,283.00 per year 101-1000 vehicles - \$6,112.00 per year 1001 or more - \$59,689.00 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 - \$1,719 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:

Kansas Miles

= % Kansas Miles

Total Operational Mileage/Per annum

Example: Kansas – 50% miles – Reg. Fee = \$935.00Colorado – 10% miles – Reg. Fee = \$243.90lowa – 20% miles – Reg. Fee = \$339.00Nebraska – 10% miles – Reg. Fee = \$131.20Oklahoma – 10% miles – Reg. Fee = \$94.88Totals – 100% miles – Total Reg. Fee - \$1,743.98

- Power unit having two or more axles and a gross weight more than 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 states are required by federal law to participate in IRP.

Motor/Special Fuel Tax

<u>State</u> Kansas Colorado Missouri Nebraska Oklahoma **Federal Fuel Tax:**

<u>Gasoline</u> \$.24 per gallon \$.22 per gallon \$.17 per gallon \$.289 per gallon \$.19 per gallon

<u>Diesel</u>

\$.26 per gallon\$.205 per gallon\$.17 per gallon\$.283 per gallon

\$.19 per gallon

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, obtain cab cards, external decals 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)

For a state to participate in IFTA, such state must agree to audit a certain percentage of each size of motor carriers based in that state. Like IRP, federal law required state participation in IFTA.

Motor carriers can choose 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 (HVUT) The annual Federal Heavy Vehicle Use tax is \$100.00 plus \$22.00 per 1,000 pounds of gross weight over 54,999 lbs. The ceiling for HVUT is \$550.00 for gross vehicle weight rating of 75,000 lbs or more. There is a 7,500-mile exemption for farm vehicles and a 5,000mile exemption for other trucks.
- Federal Excise Tax on Tires The federal excise tax on a typical 11x24.5 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 \$150,000.00 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 \$31.30 with K-TAG or \$38.25 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)

See Attachments for 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 for a private carrier in intrastate commerce.
- 2. A vehicle designed to transport 16 or more passengers, including the driver;
- 3. A vehicle designed to transport more than 6 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 is Prohibited

- Load Securement
- Vehicle Inspection
- Maintenance & Repair
- Hours of Service
- Hazardous Materials Transportation

For commercial motor vehicles with a GVRW more than 26,000 lbs. are subject to the following regulations:

• Drug and Alcohol Testing

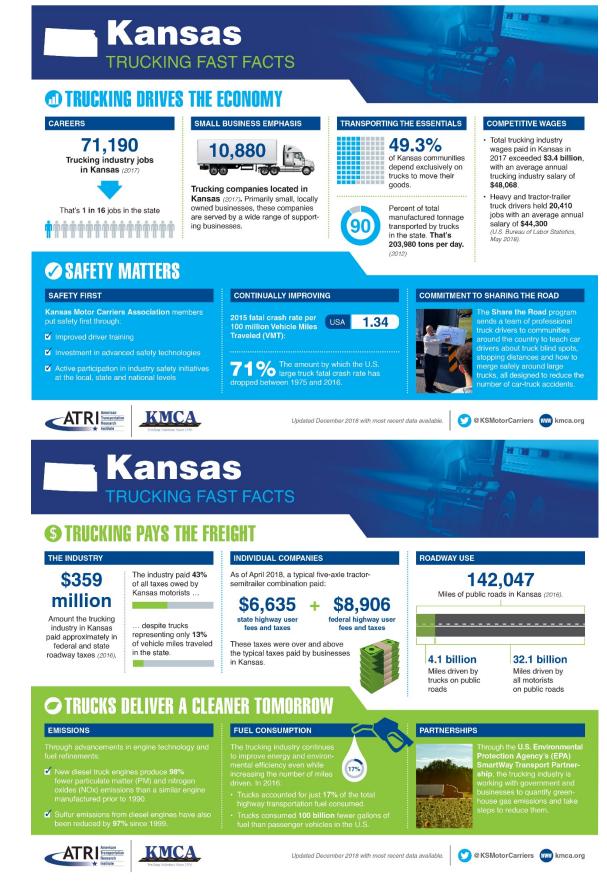
- Pre-Employment Testing
- Random Testing
- Reasonable Cause Testing
- Post-Accident Testing

Commercial Driver's License

- Endorsements:
 - Air Brakes
 - Double/Triple Trailers
 - Passenger
 - Tank Vehicle
 - Hazardous Materials (Federal Background Check required)
 - School Bus
- Restrictions
 - Manual Transmission/Automatic Transmission
 - Fifth Wheel Pintle Hook Connection/Tractor Trailer
- Electronic Logging Device Rules and Requirements
 Required by December 2017.

Prepared By:

Kansas Motor Carriers Association PO Box 1673 Topeka, KS 66601 785-267-1641 www.kmca.org Updated 1/2019



Updated December 2018 with most recent data available.

KANSAS VEHICLE REGISTRATION FEES

GROSS WEIGHTS	REGULAR	LOCAL	<u>6,000 –MILE</u>	CUSTOM HARVESTER	<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 2019

ANNUAL COMMERCIAL VEHICLE FEES

<u>Weight Group</u>	<u>Vehicle Age</u>	Fee
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 2019

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.

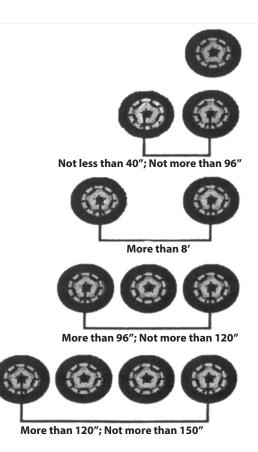
The gross weight on any one axle shall not exceed 20,000 pounds.

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'.



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:

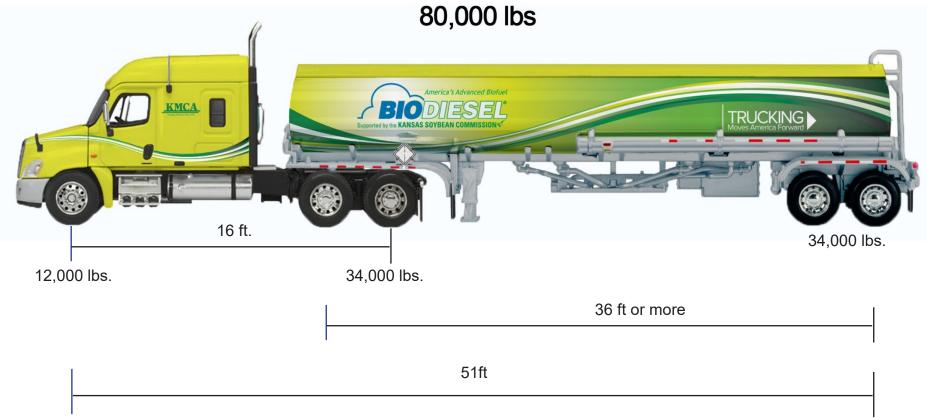
Tandem Axle Straight Truck



= 54,000 lbs. GVW

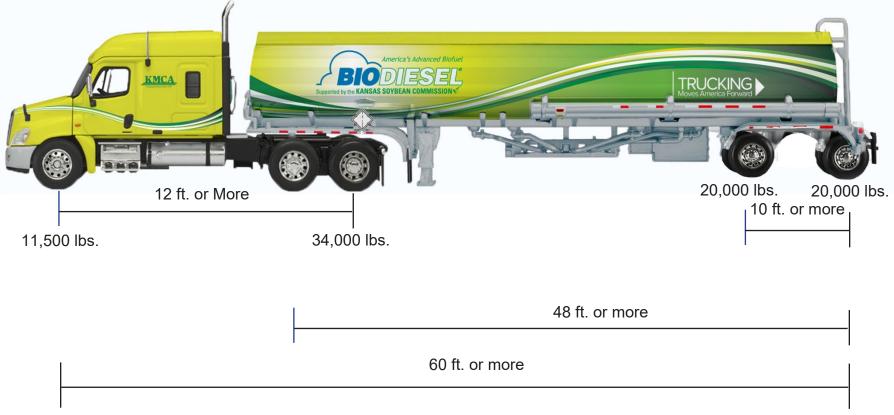
24 ft.

Tandem Axle Tractor Trailer



Attachment 8

Spread Axle Tractor Trailer Combination 85,500 lbs.



Triple Axle Tractor Trailer Combination 85,500 lbs.

