

April 14, 2017

Docket Management Facility
U.S. Department of Transportation
1200 New Jersey Avenue, SE
West Building, Ground Floor, Room W12-140
Washington, DC 20590-0001

Via Electronic Filing: www.regulations.gov

Re: Docket FMCSA-2016-0428: Hours of Service of Drivers: Application for Exemption; Truck Renting and Leasing Association, Inc. (TRALA)

The National Association of Chemical Distributors (NACD)¹ appreciates the opportunity to comment on the Truck Renting and Leasing Association, Inc. (TRALA) application for exemption from the requirement that a motor carrier install and require each of its drivers to use an electronic logging device (ELD) to record the driver's hours-of-service (HOS) no later than December 18, 2017.

NACD appreciates the Federal Motor Carrier Safety Administration's (FMCSA) efforts to develop the ELD Rule, and our members plan to comply fully with the mandate. However, when it comes to short-term rentals of 30 days or fewer, our members face significant hurdles because of the way the rule is currently written.

Short-term truck rentals that are not already covered by other exemptions, such as the 100- and 150-mile exemptions, represent a very small but critical part of the overall trucking industry. Rentals of 30 days or fewer impact not only companies such as TRALA members but also businesses such as chemical distributors that need to use short-term rental trucks for over-flow, seasonal, or break-down requirements.

Chemical distributors frequently use short-term rentals during repairs, maintenance, or inspections. The alternative would be to keep an extra unit available, which is not a feasible solution for most companies. Tractors are expensive, and it does not make sense to pay for

¹ NACD is an international association of nearly 440 chemical distributors and their supply-chain partners. NACD members represent more than 85% of the chemical distribution capacity in the nation and generate 93% of the industry's gross revenue. Members of NACD operate in every region of the country through approximately 1,500 facilities. The membership includes small businesses as well as many regional and national companies.

NACD members meet the highest standards in safety and performance through mandatory participation in NACD Responsible Distribution®, the association's third-party-verification environmental, health, safety, and security quality management system. Through NACD Responsible Distribution®, association members demonstrate their commitment to continuous performance improvement in every phase of chemical storage, handling, transportation, and disposal operations.

Hazardous materials transportation is an integral part of the chemical distribution business. In 2015, NACD members made nearly 4.9 million shipments, were responsible for 25.4 million tons of product, and drove 175.7 million miles while making deliveries to customers every 6.5 seconds.

costly equipment to sit idle. These costs would add up particularly quickly for a company with multiple facilities.

As the rule is currently written, motor carriers and drivers must be ELD compliant when using a short-term rental. Given the variety of configurations in the market and the lack of interoperability, a company would be required to find a vendor that has suitable equipment outfitted with their specific ELD configuration. Further, the rule would require the company to configure the rental unit in their system prior to operating it on the roadway (i.e. while at the rental counter).

There is an additional complication caused by the major technology gap that will not allow different ELD systems to communicate and share information with each other. Given that many businesses must individually collect their own data for International Fuel Tax Agreement (IFTA) and International Registration Plan (IRP) compliance purposes, the interoperability of ELD technology will create more challenges than solutions for the short-term rental need as compared to the vast majority of trucks that are owned or leased.

As stated above, most chemical distributor rental needs are short term, such as to provide a unit when one of their own is undergoing repairs. Requiring companies like these to purchase both ELD devices and the required year-long subscription-based tracking technology would place unnecessary and costly burdens on budgets that are already constrained in this challenging economic market.

If no relief is given for short-term rentals, companies would be faced with the untenable position of trying to force their drivers to operate an ELD platform that would only be used a few times a year. Whether from a logistical or cost perspective, neither option is realistic.

One final benefit of a short-term rental exemption will be a simpler roadside inspection process due to the fact that short-term rentals of 30 days or fewer do not require a truck to display the user's U.S. Department of Transportation number. The continued use of paper logs would alleviate confusion in the inspection process since a law enforcement officer would immediately recognize a short-term rental vehicle when handed the rental agreement. That consistency will speed up the process and create less confusion.

For these reasons, NACD respectfully requests FMCSA to grant the TRALA-requested exemption from the ELD requirements for short-term vehicle rentals for five years and allow the drivers of these vehicles to continue to maintain paper logs in order to comply with their hours-of-service (HOS) requirements. This simple exemption for a very small number of affected vehicles would fully address the concerns laid out above without modifying the overall intention of the rule as the short-term rental drivers would still record all required HOS data on paper logs.

Thank you for your consideration of this important exemption request. If you have questions or need additional information about these comments, please do not hesitate to contact me.

Sincerely,



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