

Colorado Trucking Industry Overview

Opportunities and Challenges

Presented by
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Colorado Motor Carriers Association
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Overview of Presentation

- Overview and Status of Trucking in Colorado in 2019
- Discussion of Industry Concerns
- Discussion of Industry Efforts Related to the Environment and Strategies to Reduce Emission
- Proposed Measures for Consideration by the TLRC

Facts About Trucking in Colorado

- *84% of the manufactured freight commodities are transported by truck*
- *79% of the communities in the Colorado are exclusively served by truck*
- *Trucking has a multiplier effect of three to four times*



Economic Impact of Trucking in Colorado



- Trucking employed almost 110,200 people
- 1 out of 20 workers work in trucking related businesses
- Trucking pays almost \$5.7 billion in wages
- There are 13,180 trucking companies located in Colorado, most of them small, locally owned businesses. (most have less than 10 employees)

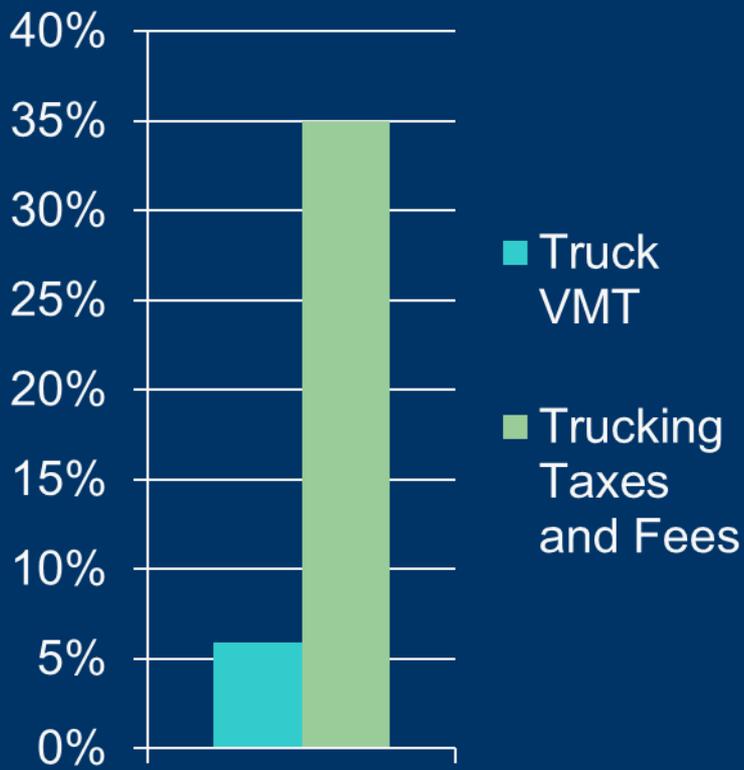


Trucking and Warehousing Good Jobs for Colorado Residents and Colorado Communities

- Avg. salary for trucking jobs in Colorado is over \$51,000 which is significantly higher than the state average.
- Wages are rising due to a shortage of qualified drivers, many truckdrivers may earn up to \$100,000 annually
- Most trucking companies provide good benefits for their employees including health insurance, disability, and retirement options
- Trucking companies can significantly benefit economically disadvantaged areas – (Many small towns in Utah, Nebraska, and Kansas are homes to some of the nation’s largest trucking companies
- Trucking is a base industry that helps to mitigate economic swings
- Unlike some industries, trucking can’t be moved off-shore or out of the country

Trucking Pays Its Fair Share and Then Some

Comparison of Colo. Trucking Industry's Contributions to HUTF vs. Truck VMT in Colo.



•Trucking industry pays 35% of Colorado's federal and state roadway taxes and fees while only representing 6% of vehicle miles traveled in Colorado.

State, Local, and Federal Taxes and Fees for 1st Year on New Truck Tractor

Based on \$150,000 new tractor operating approx. 100,000 miles/yr. within Colorado
(Note that this does not include taxes and fees on trailers)

Taxes and Fees	\$ Amount
State Fuel Tax – 20,870 Gallons - ann.)	\$4,278
State Registration Fees	\$2,350
State Sales Tax	\$4,350
Specific Ownership Tax (SOT)	\$3,250
Colorado Bridge Safety Fee	\$32
Colorado Road Safety Fee	\$39
Other State Fees (permits, emissions, title fee, etc.)	\$500 to \$1,000
Local Sales Tax .5% to 3%	\$750 - \$4500
Subtotal – State and Local Taxes/Fees	\$15,550 to \$19,800
Fed. Excise Tax - 12%	\$18,000
Fed. HVUT	\$ 550
Total - (State, Local, and Federal taxes and fees)	\$34,100 to \$38,350

Truck Safety Good and Getting Better

- The truck fatality has decreased by 71% since 1975, the first year the USDOT began keeping records.
- Since 1982, alcohol involvement for large truck drivers in fatal crashes has declined by 85 percent.
- A recent study by Virginia Tech conducted for the USDOT found that 78% of crashes involving trucks were caused by passenger car drivers.

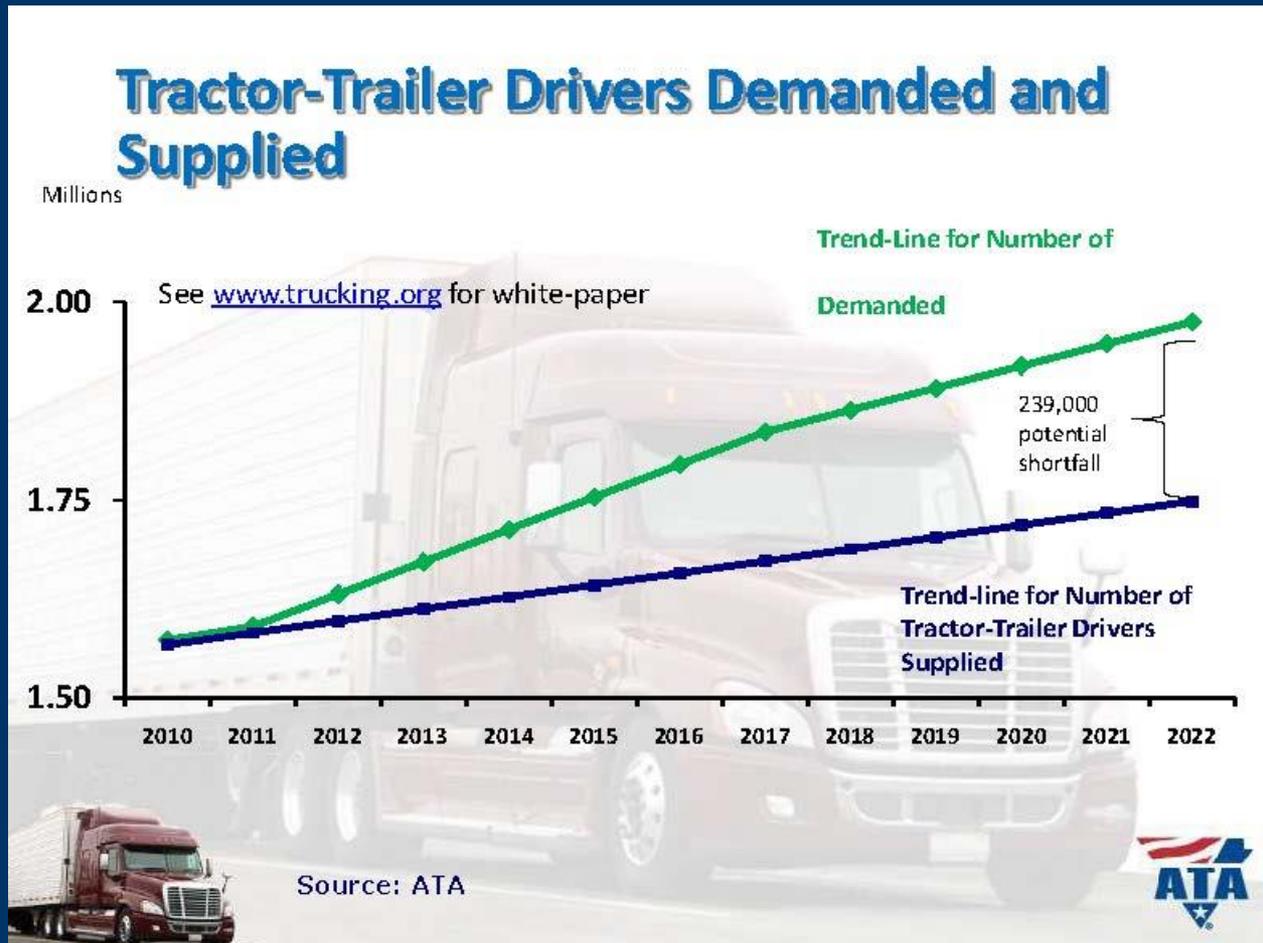
Key Issues and Concerns at the State Level

- ❑ Traffic Congestion and Other Problems Associated with Inadequate Funding of State Infrastructure
- ❑ Shortage of Drivers and Mechanics – Need for Outreach Program, Apprenticeship Effort, Training, etc.
- ❑ Truck Parking - Inadequate spaces for drivers
- ❑ Last Mile Issues
- ❑ Highway Safety – Distracted Driving and Lack of Primary Seatbelt Law
- ❑ **Truck Insurance**

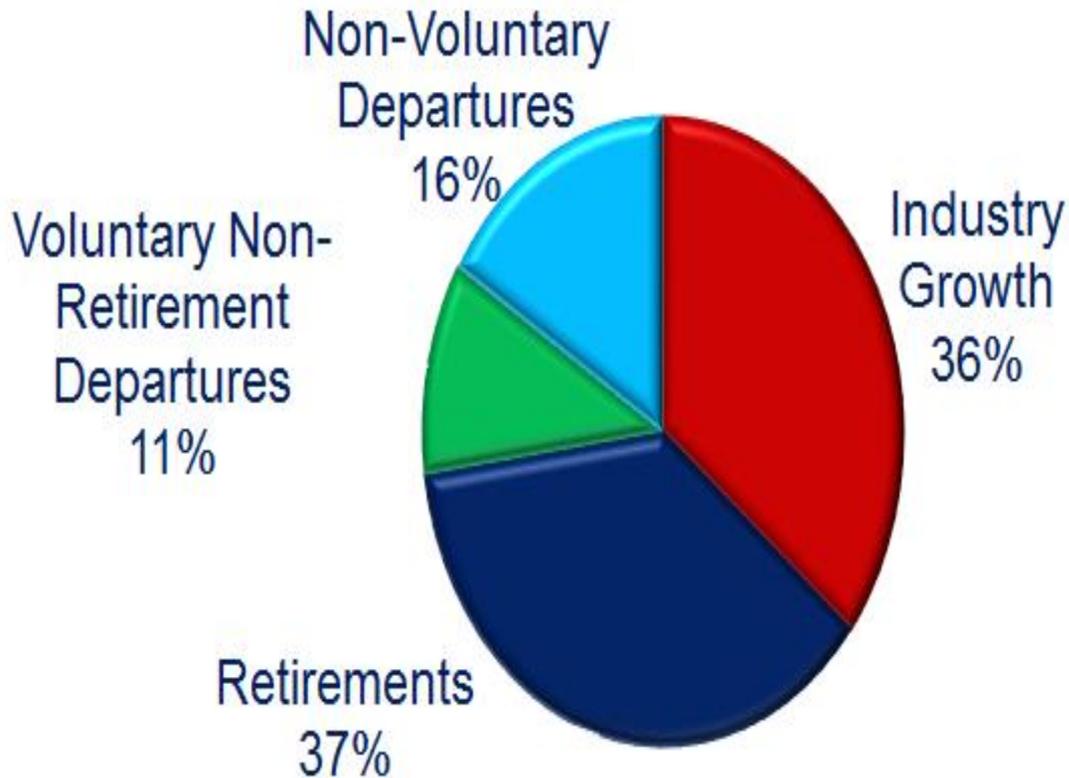
Increasing Congestion Posing Greater Problems for Freight Community

	Speed Drops	Time of Day
Boston	40%	4-5pm
New York	38%	5-6pm
Miami	37%	5-6pm
Washington D.C.	35%	5-6pm
San Francisco	34%	5-6pm
Chicago	33%	4-5pm
Los Angeles	32%	5-6pm
Seattle	31%	4-5pm
Denver	29%	4-5pm
Philadelphia	27%	5-6pm

Growing Truckdriver Shortage



Average Number of New Drivers Needed Per Year Over the Next 10 Years: 96,178



Source: *ATA Benchmarking Guide for Driver Recruitment & Retention*

Trucking and the Environment

98% Reduction in PM and NOx since 1988

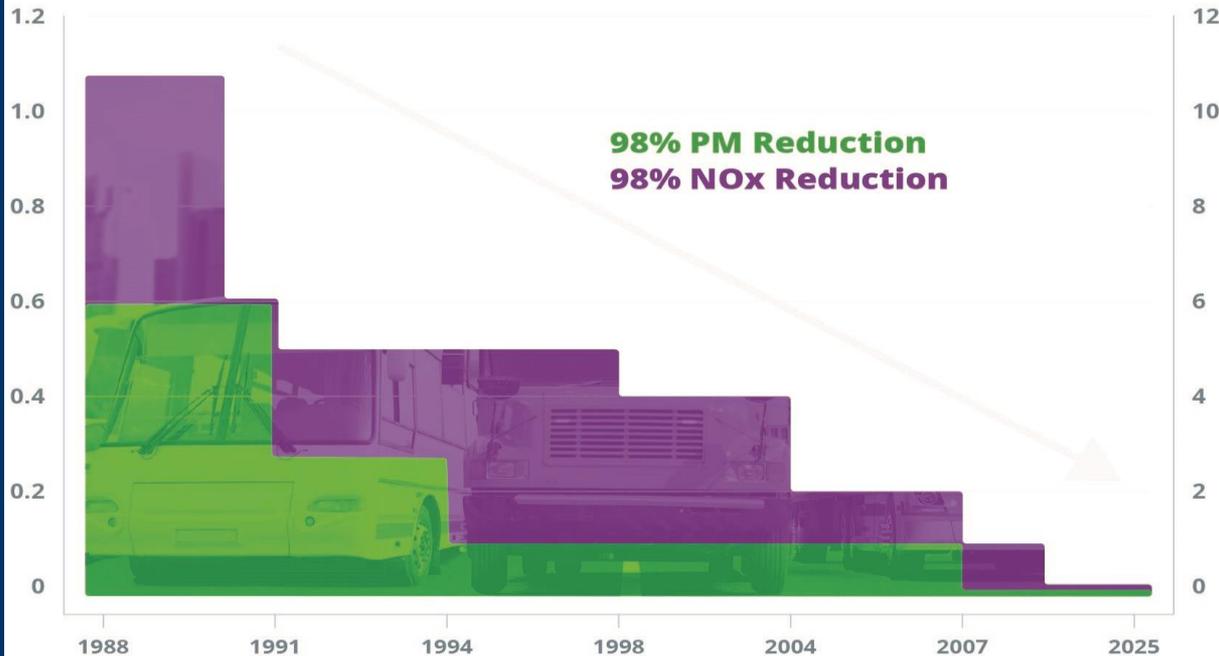
CLEAN DIESEL PROGRESS

Heavy-Duty On-Highway



PM (g/bhp-hr)

NOx (g/bhp-hr)



Source: U.S. EPA Office of Transportation and Air Quality (OTAQ)

New Diesel Trucks Translate into Much Less CO₂ than (Pre-2007)

New technology diesel trucks reduced **126 million tonnes of CO₂** emissions since 2007



Equal to removing CO₂ emissions from **26M** passenger vehicles from the road for one year or making them **zero emission** electric vehicles



Source - July 2019 U.S. Vehicles in Operation Data (Class 3-8 vehicles, Model Year 2010 and newer) provided by IHS Markit

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Colorado Heavy Duty Cleaner Truck Population versus Other States

Percentage of Newest Generation Heavy-Duty Trucks



Ranking

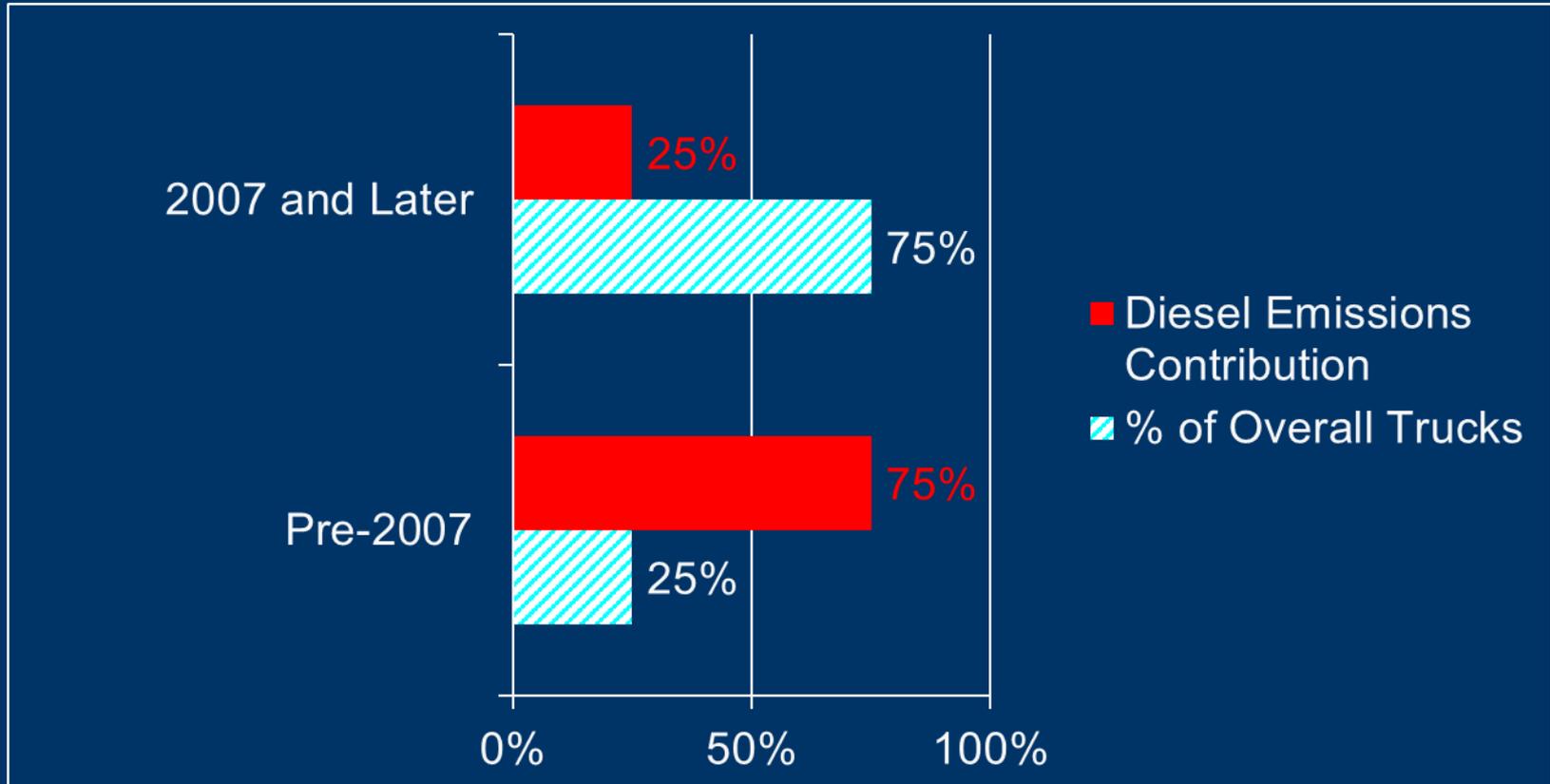
1	Indiana	65%	6	Tennessee	47%
2	Oklahoma	56%	7	Maryland	47%
3	Utah	55%	8	Illinois	46%
4	Texas	50%	9	D.C.	46%
5	Pennsylvania	48%	10	Wyoming	45%



Indiana is #1 for 7 years in a row
at 65% for MY 2010+ heavy-duty trucks

Colorado Ranks **22nd** with **41%** of its Heavy Duty Trucks Newer than 2010

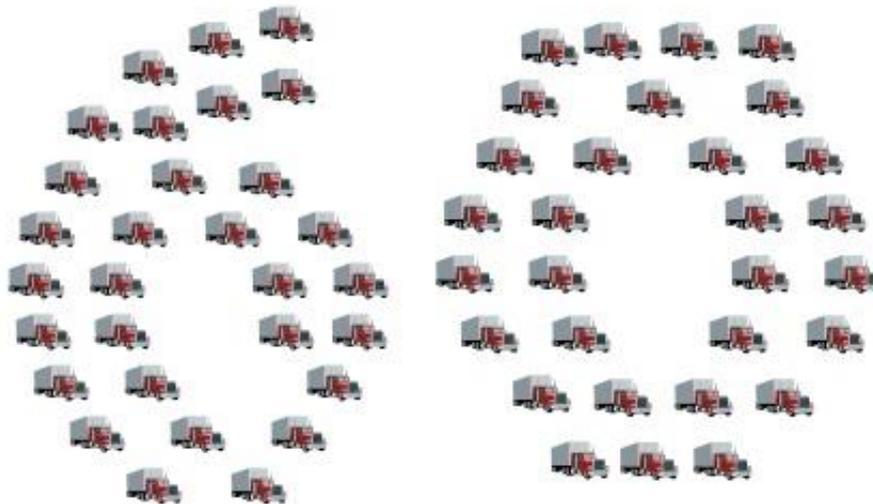
Highlighting Where the Problem Lies for On-Highway Diesel Emissions



Comparison of Diesel Emissions of 1988 vs. 2010 and Newer Truck

It will take 60 clean diesel trucks
to equal the soot emissions...

2010



...of one truck
sold in 1988.

Key Strategies for Diesel Emission Reduction

- Replace Pre-2007 Heavy Duty Diesel Trucks with Cleaner 2010 or Newer Diesel Trucks or Alternative Energy Vehicles
- Require and Monitor that Trucks on State and Local Project Sites Meet Emission and Safety.
Promote/Incentivize Use of 2010 or Newer Trucks on those Sites (or seek/provide funds to add equipment to reduce emissions)
- Promote/incentivize fleets to Join EPA SmartWay

SmartWay Tractors and Trailers

SmartWay Tractors:

- Model Year 2010 or later engine
- Integrated cab-high roof fairing
- Tractor-mounted side fairing gap reducers
- Tractor fuel-tank side fairings
- No idling
- Low-rolling resistance tires (single wide or dual)



SmartWay Trailers:

- Side skirts;
- Weight-saving technologies;
- Gap reducer on the front or trailer tails (extenders)
- Low-rolling resistance tires (single wide or dual)

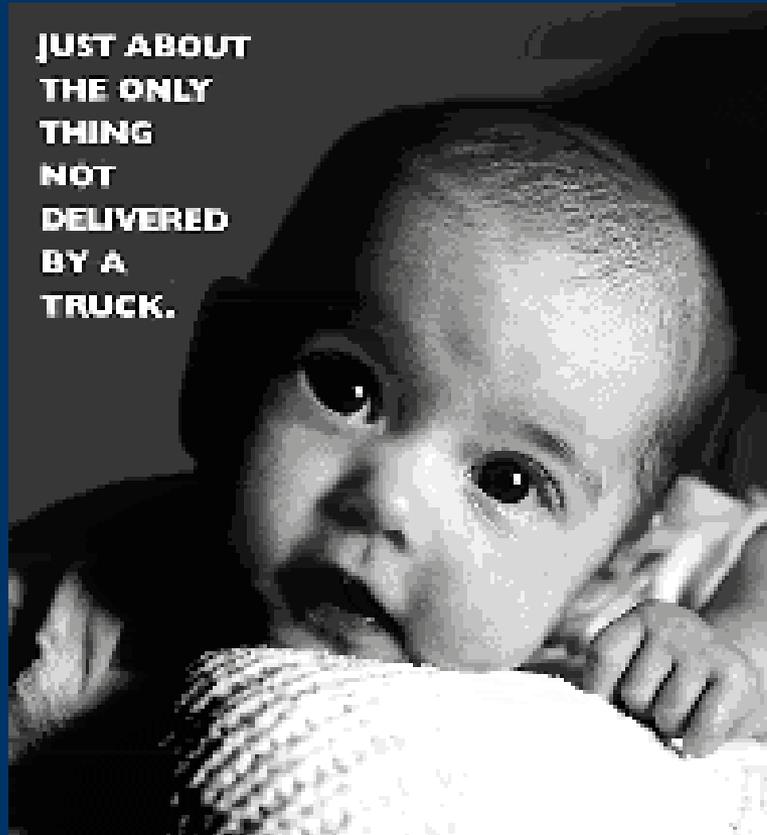


Proposed Measures for TLRC Consideration

- **Creation of a Single Annual Fleet Overweight Divisible Load Permit for a Commercial Motor Vehicle**
- **Commercial Vehicle VIN Verification Inspections**
- **Transfer of HAZMAT Permitting from PUC to CDOT – REQUEST DEFERRAL for additional work with all parties**

If you got it, a truck brought it.

**JUST ABOUT
THE ONLY
THING
NOT
DELIVERED
BY A
TRUCK.**



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