

Transportation Supply Chain Challenges

America's agricultural industry and their rural communities play an important role in our nation's economy. An economically efficient and effective intermodal transportation system is important for the financial well-being of agribusinesses and rural communities throughout the United States.

Congress and the Administration need to support federal policies that build upon the strengths of each mode of transportation. Such a system will enhance the competitiveness of the United States in an increasingly global economy.



Commercial Trucking

Agricultural retailers rely heavily on commercial drivers to provide just-in-time delivery of essential farm supplies, products, and services to farmers and ranchers. Commercial truck traffic is a critical part of the nation's economic health, especially in rural America. Like many industries, agricultural retail is facing a growing shortage of qualified drivers and rising transportation costs. These challenges are being made worse by regulatory burdens, including existing Hours of Service (HOS) rules and Electronic Logging Devices (ELD) requirements. While well-intentioned, these regulations do not reflect the seasonal, time-sensitive, and weather-dependent realities of today's agricultural supply chain.



Freight Rail

The U.S. agricultural industry heavily depends on a healthy, efficient and competitive freight rail system to support food production and economic growth. Rail service is essential for moving fertilizers, other crop nutrients, and crop protection products, many of which cannot be easily shifted to other modes of transportation. Yet, over the past 40 years, rail consolidation has left just four Class 1 railroads controlling over 90 percent of the U.S. freight rail traffic, leaving many agricultural shippers captive to a single carrier with limited competitive options. This consolidation has coincided with persistent service failures documented by federal data.



Inland Waterways

The U.S. inland waterways system is one of the most cost-effective, fuel-efficient, and environmentally efficient freight transportation networks in the nation. Barges move freight nearly three times more efficiently than rail and more than four times more efficiently than trucks, measured in ton-miles per gallon of fuel. The system plays a critical role in U.S. agriculture. On average, the United States exports about 20 percent of its agricultural production, making exports a key driver of farm income and rural economic stability. Inland waterways are especially important for bulk commodities such as corn, soybeans, wheat, and fertilizer, helping farmers remain competitive in global markets and it has been estimated that it saves \$7-\$9 billion annually in transportation costs compared to other modes.



Surface Transportation Reauthorization Act

The Surface Transportation Reauthorization Act has far-reaching implications for various sectors of the economy, including the agricultural industry. This comprehensive legislation aims to address the nation's transportation infrastructure needs and ensure the smooth functioning of the supply chain. For the agricultural industry, which relies heavily on efficient transportation systems to move goods from farms to markets, the Act represents both opportunities and challenges.

For the agricultural industry, this legislation offers numerous benefits that can enhance efficiency, reduce costs, and improve connectivity. Building a resilient and adaptable transportation network is essential for the agricultural industry to thrive in an ever-changing global market. The Surface Transportation Reauthorization Act sets the stage for a future where the agricultural industry can leverage improved infrastructure to enhance productivity and competitiveness.

Request to Congress



- ✓ Support the reauthorization of the Surface Transportation Act.
- ✓ Work with Congress and other industry organizations to ensure the Highway Trust Fund is equitably funded by all types of vehicles (gas, diesel, bio-diesel, ethanol, natural gas, electric, etc.) with dedicated funding for rural roads, highways, and bridges, without imposing a vehicle miles traveled tax. H.R. 4585, Agricultural and Rural Road Improvement Program Act.
- ✓ Support legislation establishing a 10 percent axle weight variance for dry bulk. H.R. 2940, the "Variance Act".
- ✓ Support legislation sponsored establishing a safety data collection program for 6-axle vehicles through a multi-year pilot program for states to increase truck weights on federal interstates up to 91,000 lbs on six axles.
- ✓ Support legislation that directs the U.S. Department of Transportation (DOT) to move forward with regulations to allow 18- to 20-year-old CMV drivers to operate across state lines. H.R. 5563, the "DRIVE Safe Act". H.R. 6642, the "ROUTE Act".
- ✓ Support the reauthorization of the Water Resources Development Act (WRDA).
- ✓ Support additional reforms to the Farm-Related Restricted CDL program, including on-line renewals and authorizing the use of certain Class A commercial vehicles for eligible agribusinesses. H.R. 4601 / S. 2909, the "Seasonal Ag CDL Modernization Act".
- ✓ Support Hours of Service (HOS) legislation to eliminate "planting and harvesting" from seasonal provisions.
- ✓ Support legislation that prevents the elimination of the sale of motor vehicles with internal combustion engines and maintains consumer vehicle choice.
- ✓ Support legislation that better defines Class 1 rail carriers' common carrier obligation and provides regulators with clearer oversight rules. S. 2104, the "Reliable Rail Service Act".
- ✓ Support legislative efforts that include increased transparency in rail pricing, promoting competition within the rail industry, and infrastructure improvements that could enhance the efficiency and capacity of the transportation network.

H.R. 4601 / S. 2909 - The Seasonal Ag CDL Modernization Act



Online Renewal of Restricted Licenses and Exemptions for Implements of Husbandry

Introduction

HR 4601 / S 2909, the Seasonal Ag CDL Modernization Act, aims to modernize and simplify regulations for farm-related service industries by authorizing online renewal of restricted commercial driver's licenses (CDLs). Additionally, it seeks to provide necessary regulatory clarity with a federal definition for implements of husbandry and codifying long-standing Federal Motor Carrier Safety Administration policies that they are not classified as commercial motor vehicles and do not contribute to the Gross Combination Weight Rating (GCWR) or Gross Weight Rating (GWR).



Key Provisions

Online Renewal of Restricted Commercial Driver's Licenses

The bill proposes the authorization of online renewal for restricted CDLs specific to farm-related service industries. This initiative is designed to:

- Streamline the renewal process, saving time and resources for drivers and state agencies.
- Enhance accessibility, particularly for individuals in rural areas who may face challenges visiting renewal centers physically.
- Support the agricultural sector by reducing administrative burdens, allowing drivers to focus on essential farming and transportation activities.

Exemption for Implements of Husbandry

Under the legislation, implements of husbandry—agricultural tools and vehicles specifically designed for farm use—will not be classified as commercial motor vehicles. This codification aims to:

- Ensure that such equipment does not contribute to GCWR or GWR calculations, simplifying compliance with vehicle weight regulations.
- Protect farm-related service industries from unnecessary restrictions or penalties related to the transportation of agricultural-related equipment.
- Encourage the efficient operation and mobility of agricultural implements, supporting productivity in farm operations.



Benefits of the Legislation



Economic Impact

The proposed changes would provide financial relief to farmers and farm-related service industries by reducing compliance costs and administrative burdens. These measures could lead to increased efficiency and productivity, as farm-related service industries will be able to focus more on operations rather than navigating complex licensing and weight regulations.



Improved Accessibility

The ability to renew restricted CDLs online will be particularly beneficial for seasonal Ag CDL drivers working in remote, rural areas. By reducing the need for in-person visits, the legislation aims to make the renewal process more convenient and accessible, fostering greater participation in the sector.



Providing Necessary Regulatory Clarity

By establishing a federal definition for implements of husbandry and codifying their long-standing exemption from being classified as commercial motor vehicles or subject to gross combination weight ratings or gross weight ratings, the law provides regulatory clarity.

It reflects the unique needs of the modern agricultural industry and ensures regulations align with practical farm-related service operations.



Conclusion

This much-needed legislation represents a significant step forward in supporting farm-related service industries. By modernizing the renewal process for restricted CDLs and providing clear exemptions for agricultural implements, it seeks to reduce regulatory burdens, improve accessibility, and enhance the efficiency of farming operations. Together, these provisions demonstrate a commitment to bolstering the agricultural sector while addressing its unique challenges and requirements.

