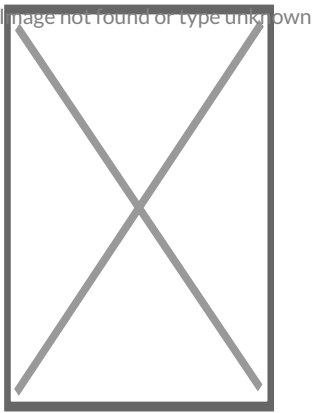


KEENE: Trucking - Driving the logistics industry in Georgia



Business in Savannah

KeeneA couple of weeks ago, the seventh annual Georgia Logistics Summit was held in Atlanta at the Georgia World Congress Center. What originally drew 200 participants in 2008 had a record-breaking year with more than 2,000 attendees, proof that logistics is a booming business that drives the Georgia economy.

In his remarks to summit-goers, Gov. Nathan Deal noted that, with the nation's fourth busiest container port (Savannah) and being ranked ninth nationally in terms of commercial truck drivers with 450,000, logistics and infrastructure are critical components to companies deciding to locate or do business here.

In addition, the Georgia Legislature passed one of the most sweeping transportation funding bills ever, the \$900 million House Bill 170. With a combination of new taxes and fees, the bill will raise nearly \$1 billion a year to fund repairs to our state's ailing network of roads and bridges.

This news was most certainly welcome to Russell McMurry, commissioner of the Georgia Department of Transportation, who noted at the summit that Georgia has the 10th largest transportation system in the nation with nearly 18,000 miles of centerline miles of roadways and more than 3,000 miles of interstate and freight corridors.

With all of the positive news, however, motor carriers still face a never-ending stream of regulations, several of which are in the process of being changed, challenged or reconsidered.

These regulations govern every aspect of the trucking business and certainly guide the logistics and transportation agenda. For many motor carriers, the biggest angst is the economic and legal impact of compliance. Here are just a few of the pressing regulatory issues for motor carriers:

Hours of service

Commercial drivers must comply with strict driving limits and keep vigilant records of the time they spend driving and working as a truck driver. The regulations, issued by the Federal Motor Carrier Safety Administration, limit the number of hours drivers can be behind the wheel and regulate the minimum amount of time drivers must spend resting.

However, these regulations are in a state of flux between court challenges to the science behind the limits imposed to legislation suspending one of the rule's key provisions relating to a 34-hour restart period.

E-logs

Many commercial motor vehicle drivers are required to maintain a daily log of their driving activity. For years, the safety administration has been developing a rule on the use of electronic logbooks, or e-logs, and electronic logging devices to comply with the hours-of-safety requirements.

As motor carriers gear up for this anticipated transition from manual to electronic logs (the formal transition period could begin as early as September), there is, naturally, some apprehension.

However, the change could help eliminate violations for incomplete or inaccurate logbooks and will hopefully simplify the task for drivers. Some trade organizations will continue to fight implementation of the rule due, in part, to the costs associated for smaller motor carriers and independent owner operators. Although the safety administration is still grappling with the qualifications for approved logging devices, e-logs appear to be inevitable, and it is advisable to begin moving toward this change.

Data-Q Challenges

The safety administration rates motor carriers in seven categories called "BASICS" to assess everything from vehicle maintenance programs, hours-of-safety compliance and driver fitness. Motor carriers receive scores and are ranked against other carriers based on the scores.

A carrier can challenge the accuracy of the underlying data, and hence the BASIC score, by submitting a request through the Data Quality, or "Data Q," System. Because a motor carrier's score can influence its ability to attract quality drivers, obtain jobs or even stay in business, recent changes to the Data Q system should be reviewed to see if Data Qs should be submitted to ensure the accuracy of their score.

These and many other regulations continue to change, so staying on top of them through an internal compliance department or outside legal counsel is instrumental to remaining a viable part of the booming logistics and transportation arena here in Georgia.

The failure to do so can result in enormous legal and financial implications.

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Practice Areas

- Mediation & ADR
- Products Liability
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