

#### Dr. Tara Wade and Dr. Fritz Roka

University of Florida, Southwest FL Research and Education Center

Presentation at the Florida Tomato Institute September 5, 2018



#### Introduction

- Electronic Logging Devices (ELDs) became mandatory for commercial motor carriers (CMV) on December 18, 2017.
- On June 18, 2018, ELDs became mandatory for produce haulers.
- Hours of service laws (HOS) have not changed.
- The primary purpose:
  - To ensure better compliance with existing hours of service (HOS) requirements.

#### Introduction

The new mandate and the agriculture exemption may provide an advantage to Florida producers relative to other states.

#### We will:

- 1. Describe the mandate
- 2. Review HOS rules
- 3. Clarify agricultural exceptions to the HOS rules
- 4. Offer a preliminary discussion as to how ELDs could affect South Florida produce growers.



#### Electronic Logging Devices (ELDs)

1980s—ELDs where introduced



2012—Congress required that all CMV hauling freight be



2015—Final ELD rule was published in December 2015

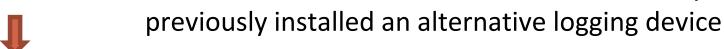


**Implementation** 

2015-2017—Phase 1: transition period; ELDs were voluntary



2017-2019—Phase 2: all trucks must install ELDs unless they





2019—Phase 3: Begins after December 16, 2019; requires all drivers and carriers to use self-certified ELDs that are registered with FMCSA

## Hours of Service (HOS) Rules



- 11-Hour Driving Limit: CMVs may drive a maximum of 11 hours after 10 consecutive hours off duty
- **14-Hour Limit**: CMVs may not drive beyond the 14<sup>th</sup> consecutive hour following 10 consecutive hours off duty
- On duty includes loading
- Rest Breaks: A 30-minute rest break after 8 hours of driving is required
- **60/70-Hour Limit**: May not drive after 60/70 hours on duty in 7/8 consecutive days.

#### **AGRICULTURAL EXEMPTIONS**

CMV drivers can haul agricultural products within 150 airmiles (173 ground miles) of the agricultural source

**Crop and Livestock Commodities** 

Equipment

**Agricultural Products** 

Seed

Fertilizer

Other Production Material

Records are important: Drivers must maintain records of duty status for seven consecutive days plus the current day.

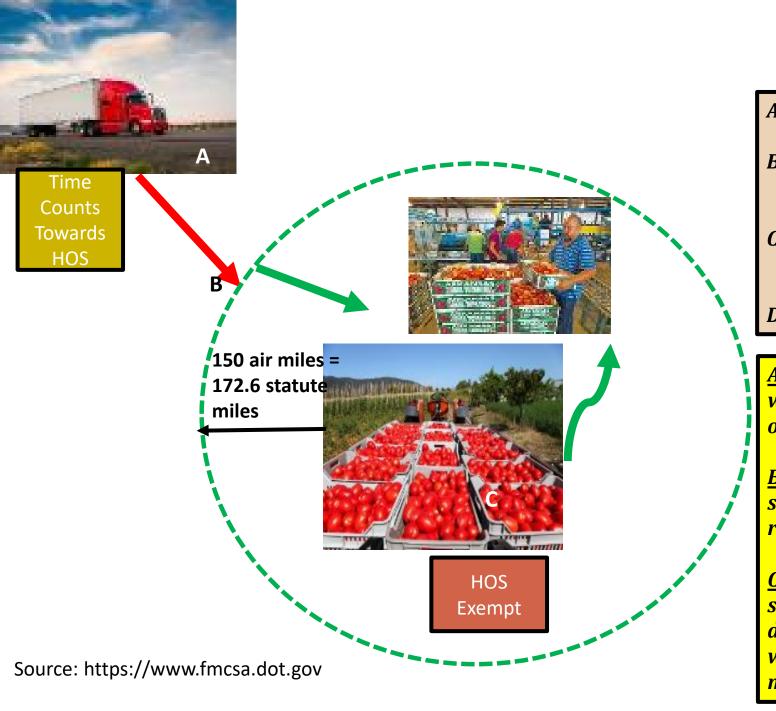
Logbooks or ELDs must be annotated "agricultural exemption"

#### Agricultural Source

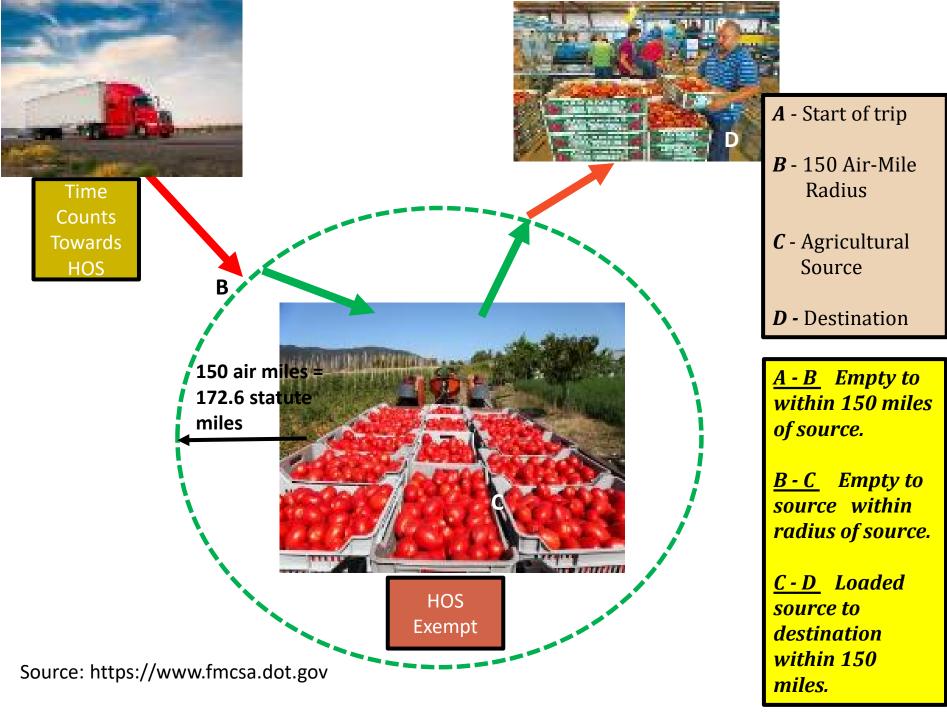
# The *originating location* from where agricultural products are hauled

- ☐ The agricultural source depends on what is being shipped and when the shipment occurs
- Nursery: Moving plants from a transplant house to the field makes the nursery an "agricultural source"
- > Field: Hauling harvested fruit to the packinghouse
- Packinghouse: Moving commodities between packinghouses and other destinations within the supply chain

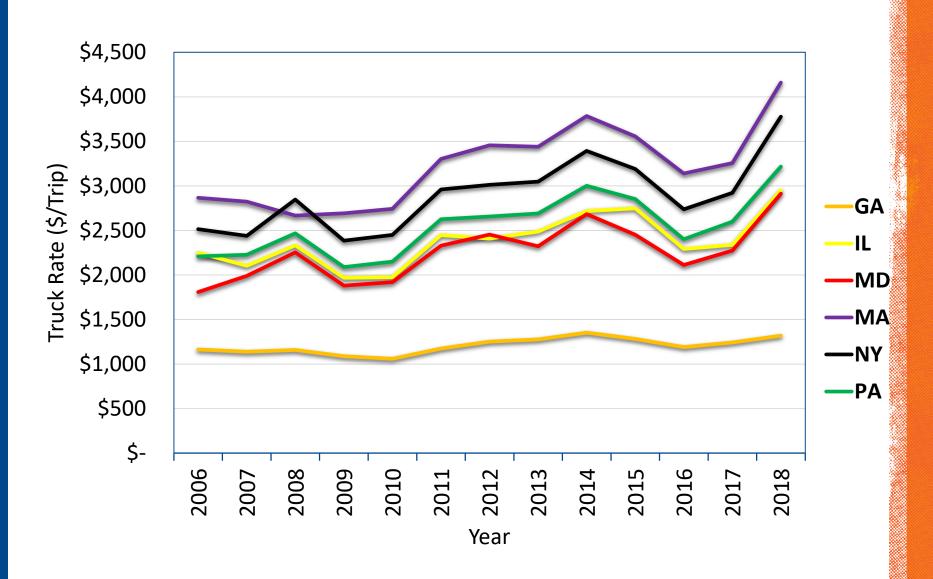
The commodity CANNOT be altered through processing, e.g., juice, canning



- A Start of trip
- **B** 150 Air-Mile Radius
- **C** Agricultural Source
- **D** Destination
- <u>A B</u> Empty to within 150 miles of source.
- <u>B-C</u> Empty to source within radius of source.
- <u>C-D</u> Loaded source to destination within 150 miles.



## Truck Costs Originating From Florida



# Implications of ELDs for Produce Haulers

#### Additional Costs of Shipping to Hunts Point, NY

- **Destination**: Hunts Point, NY
- Trailer capacity: 1,700 25-pound cartons of round, mature-green tomatoes
- Driver income: \$80,000/year; 250 driving days per year; or \$320/day
- **Driving speed**: 60 miles per hour
- **HOS with ELD**: 11 hours per day; 660 miles per day
- HOS without ELD: 15 hours per day; 900 miles per day
- Starting points: Immokalee, FL, McAllen, TX, and Nogales, AZ

# Additional Costs of Shipping to Hunts Point, NY

1.4

2.2

2.8

1,253

2,003

2,497

Immokalee, FL

McAllen, TX

Nogales, AZ



\$160

\$256

\$320

\$0.09

\$0.15

\$0.19

Mileage	Days to complete trip	ELD extra time	Added cost in driver income	Added cost per carton

	Ivilleage Days to complete trip			time	income	carton
Chautin - Daint	Miles	ELD	ELD			
Starting Point		Non-	Complaint	Days	\$/Trip	\$/CTN

1.9

3.0

3.8

0.5

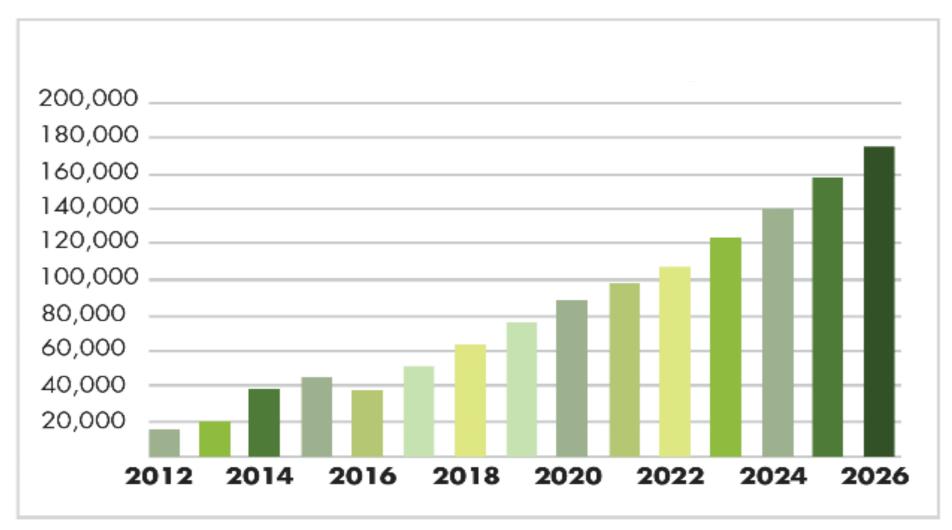
8.0

1.0

	Mileage	Days to con	iplete trip	time	in driver income	cost per carton
Starting Point	Miles	ELD Non-	ELD Complaint	Days	\$/Trip	\$/CTN
		Compliant		2 3 7 6	<i>*,</i> <b> </b>	7, 5

Mileage	Days to com	iplete trip	ELD extra time	Added cost in driver income	Ad cost car
Miles	ELD	ELD			

#### **Truck Driver Shortage**



Source: Driver Shortage Analysis 2017, American Trucking Association

## Summary

- ELDs are mandated across a large portion of the freight industry, including trucks hauling fresh produce.
- The primary purpose of ELDs are to ensure that motor carriers and their drivers follow HOS rules.
- The agricultural exemption provides agricultural producers and haulers a radius of 150 air-miles in which HOS and ELDs are not required.
- For South Florida growers, increased compliance with HOS rules may provide a competitive advantage.
- There is an argument that the information ELDs provide could improve overall freight logistics and hauling efficiencies

### Acknowledgements

Many thanks to:

**Shelly Goodwin** 

**Chuck Obern** 

#### **QUESTIONS**



Please feel free to contact me:

Tara Wade tara.wade@ufl.edu (239) 658-3444

