# IS YOUR FLEET READY FOR THE ELD MANDATE?

A federal regulation that could significantly change how your fleet tracks hours-of-service compliance is set to take effect next year.

While a pending lawsuit challenges the Federal Motor Carrier Safety Administration's (FMCSA's) rule requiring most commercial truck drivers to use electronic-logging devices (ELDs) to record driving time and duty status, the 7th U.S. Circuit Court of Appeals could take months to issue a decision. Brandon Wiseman, an attorney with transportation-industry law firm Scopelitis, Garvin, Light, Hanson & Feary, P.C., projected during a webinar hosted by *Commercial Carrier Journal* magazine that the mandate will withstand the legal test.

Implementing ELD technology across an entire fleet without encountering major \operational setbacks takes time and thoughtful planning. Carriers need to start preparing now. To learn more about the electronic-logging device mandate, see FMCSA's <u>final rule</u>. While implementing ELD technology might seem like a hurdle, its use will play a key role in the transportation industry's future. Fleets that leverage the advantages the devices offer will come out ahead. Here are seven questions that can help you determine whether your fleet is ready:



#### **DO YOU KNOW THE REGULATION DEADLINES?**

If your fleet currently uses paper logs or logging software, you'll need to transition to ELDs by Dec. 18, 2017. If you are using or begin using CFR 395.15-compliant automatic onboard recording devices prior to Dec. 18, 2017, you'll have until Dec. 16, 2019, to transition to ELDs.

## **ARE YOU AWARE OF ELDs' POTENTIAL BENFITS?**

According to a study by freight transportation and logistics company C.H. Robinson, more than 58 percent of long-haul trucks are already equipped with onboard telematics. The adoption rate is high, the company states, because many ELDs come with features that help fleets improve productivity. Possible advantages include time savings (from going paperless and using automated International Fuel Tax agreement (IFTA) reporting and auditing); fewer logging violations; easier scheduling and dispatch; reduced idle time, speeding and out-of-route miles; and cheaper insurance plans (since trucks equipped with ELDs have an 11.7-percent-lower crash rate than those without them).

# HAVE YOU EDUCATED YOUR CUSTOMERS AND DO YOU KNOW THEIR CONCERNS?

While it's not an issue with most sophisticated shippers, customers need to know drivers using ELDs can't tweak logs by 10 to 15 minutes to get to another location when they're out of hours. Shippers well-informed about the ELD mandate generally want to know whether their carriers are using ELDs and, if not, when they plan to implement them. They're worried they might have to change carriers and could lose capacity.

## DO YOU KNOW WHAT IT WILL COST?

In 2014, FMCSA estimated an annualized compliance cost per truck of between \$165 and \$832. A <u>comparison chart</u> by *Overdrive* magazine shows the price of more than 25 devices currently on the market. Also consider expenses related to training and operational changes. When computed alongside cost reductions that come with ELD use, FMCSA asserts the long-term savings ELDs deliver are greater than carriers' associated costs. The agency estimates paperwork savings alone of \$705 per driver each year.

# CAN YOU TELL WHETHER A DEVICE MEETS THE FEDERAL-MANDATE REQUIREMENTS?

According to FMCSA, ELD manufacturers must ensure their products conform to certain technical specifications, certify their ELDs and register them with the agency. The only approved devices, per the ELD final rule, are those listed in <u>FMCSA's ELD device registry</u>.

### DO YOU KNOW WHAT TO LOOK FOR WHEN SHOPPING FOR AN ELD?

Wayne Brown, vice president of information technology at Maverick Transport, stresses the need for carriers to implement ELD solutions that give office personnel real-time visibility of vehicle location and driver duty status. Maverick, based in North Little Rock, Arkansas, has 1,550 trucks and fully implemented an electronic-logging application in 2011. Some ELD solutions meet only the minimum requirements of the federal regulation, Brown says, and won't provide data fleets need to manage equipment more efficiently.

#### **DO YOU HAVE A PLAN FOR TRAINING YOUR EMPLOYEES?**

Implementing new technology without explaining why or how it works leads to confusion and frustration. Be transparent and thorough in communicating with employees throughout your organization—safety, operations and logistics teams as well as drivers. And if your fleet utilizes owner-operators, make sure you have an ELD policy for them.

