

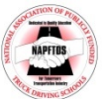
Where's My Next Driver: New Regs, New Demographics, New Sources

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About CVTA and NAPFTDS

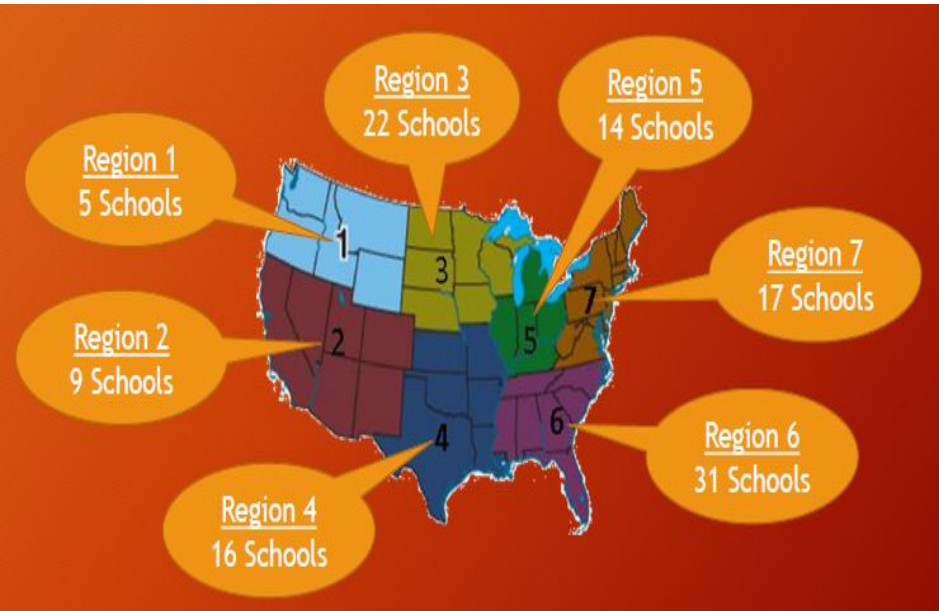
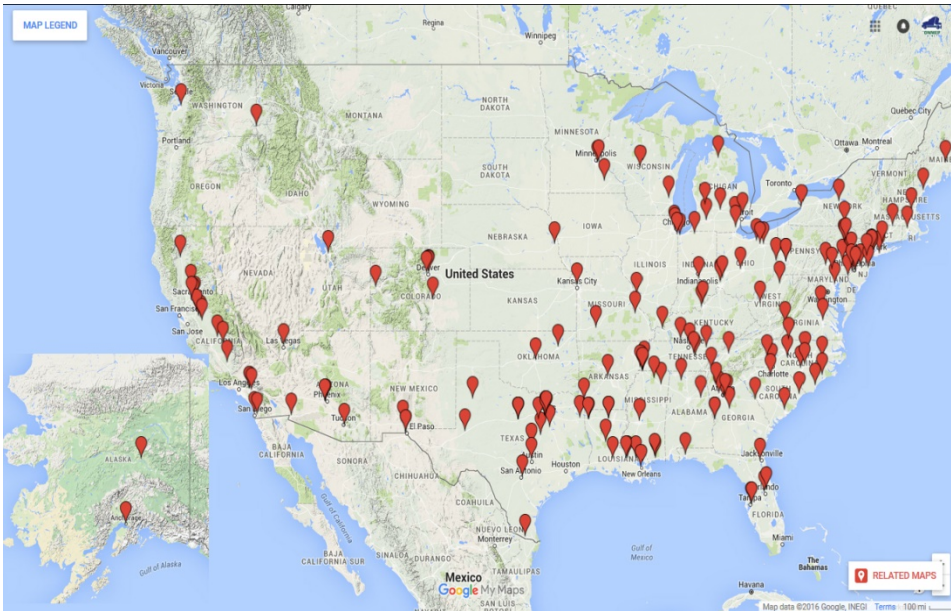
- CVTA and NAPFTDS are the two largest trade associations representing the interests of truck driving schools, students, motor carriers, and the businesses that depend on their services.
- CVTA and NAPFTDS are the voice of commercial vehicle education in Washington, D.C. and throughout the United States on driver training issues.
- CVTA and NAPFTDS collectively represent:
 - 330 member schools who train approximately 75,000-80,000 drivers each year.
 - CVTA-50,000 (190+ school locations)
 - NAPFTDS-25,000 (140+ school locations)
 - 25+ motor carrier members.
 - 30+ associate members.
- CVTA and NAPFTDS member schools operate both accredited and state licensed (non-accredited) schools in 45 States.
- A majority of schools have very high placement rates of 90% or better.
- Both CVTA and NAPFTDS are committed to promoting the highest quality standards for commercial driving training schools and the students they help graduate.



Where We Operate

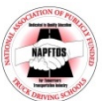
CVTA – 190+ SCHOOLS

NAPFTDS – 140 SCHOOLS



IN 41 STATES

IN 35 STATES



What We Do

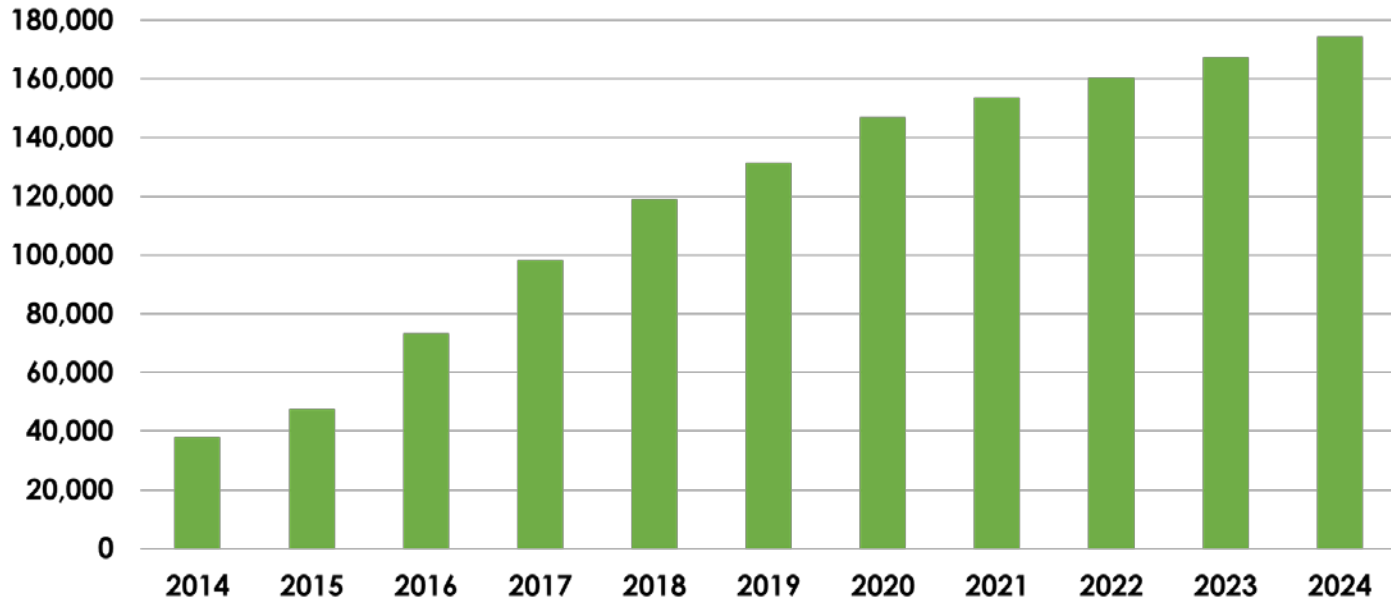
- Focus on Safety and Training
 - Promote quality education
 - We train entry level drivers to be proficient, but more training is necessary
- Educational Programs for School, Carriers, and Associate Members
- Educate and lobby policymakers on our issues
 - We are focused on all issues of getting a student into school and placed in the industry to carriers with finishing programs (most of the time)
- Educate Trucking Companies and Associations on our issues

Driver Demographics

The Shortage is Here

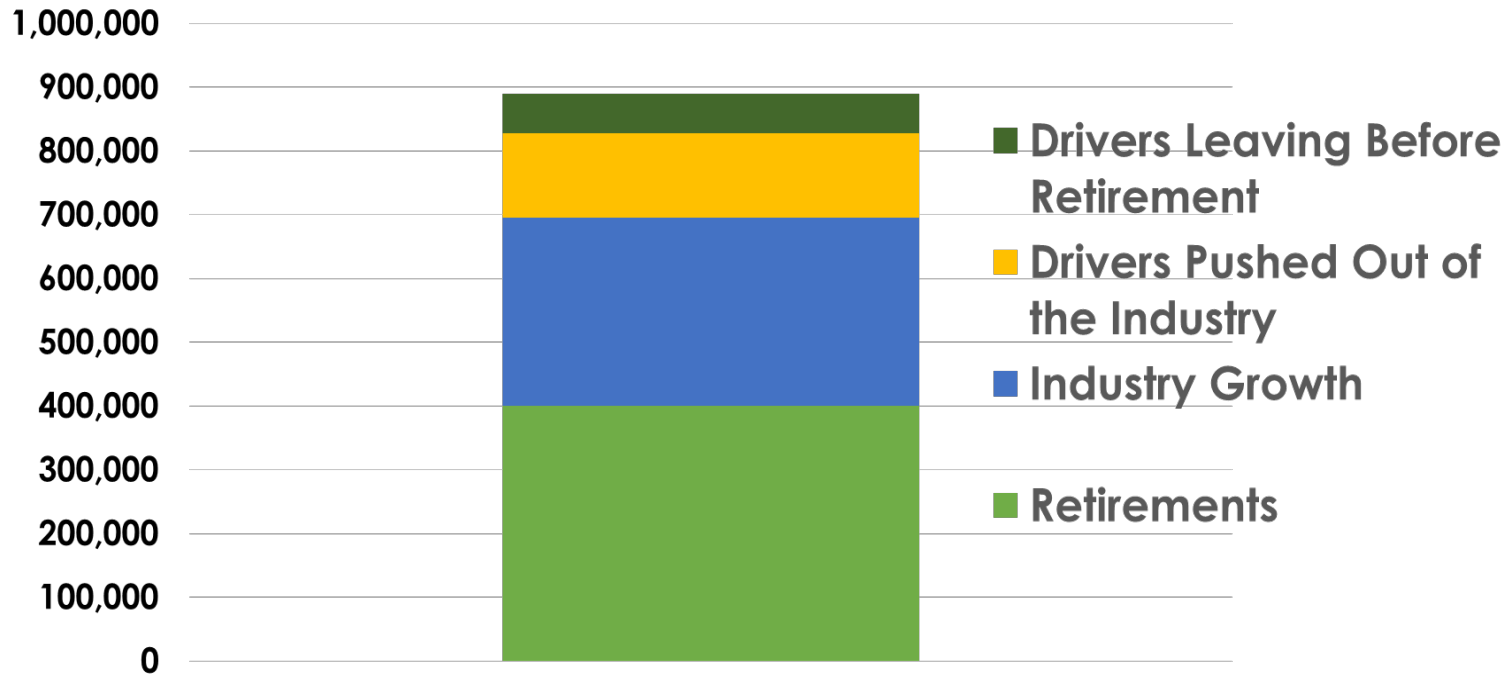
The Driver Shortage

Shortage was 48,000 in 2015. At current trends, it would balloon to 175,000 in 2024.



Source: ATA's *Truck Driver Shortage Analysis 2015*

New Drivers Needed by Reason 2015-2024



Source: ATA's *Truck Driver Shortage Analysis 2015*

Understanding the Driver Shortage?

- The driver shortage is predominantly an Over The Road TL problem (OTR), but spreading to other areas
- Causes of the Shortage:
 - Driver Retirements
 - Have to be 21 to get an Interstate CDL
 - Physical & Medical Requirements, DOT Regulations (HOS), Lifestyle, Competing Industries may restrict the driver pool
 - ELDs
 - We are seeing a lot more interest from non-OTR carriers
 - Many looking to open schools, but not efficient

Student Demographics

- Average Age of Student is 36.5
 - 36.4 (men)
 - 38.6 (women)
- 8-11% of CVTA participants are WIA/WIOA (Workforce Grants) on average, varies based upon location
- 5-6% on average are former military using GI Bill benefits
- 5-6% are women

New Regulations

Entry Level Driver Training

Driver Training: Mandatory Entry Level Driver Training

- History of ELDT (brief)
 - 25 Years in the making
 - 2004 lawsuit (Court of Appeals, D.C. Circuit)
 - *Arbitrary and Capricious*
 - 2007 Proposed Rule
 - 120 Hours
 - All schools need to be accredited
 - 2011--MAP 21 mandates FMCSA to issue an ELDT rule to address
 - Class A & B CDL,
 - Passenger Bus Endorsement, School Bus Endorsement, Hazmat Endorsement, and FMCSA added refresher course.
 - 2013—2007 Proposed Rule withdrawn
 - 2015--Negotiated Rule Making

Who Does ELDT Apply To?

- Anyone who is:
 - seeking a Class A, B, or C CDL
 - moving from one class of license to another
 - certain endorsements:
 - HazMat
 - Passenger
 - School Bus
 - *Refresher Course*

ELDT Specifics

- **Curriculum**
 - Classroom
 - 35+ Subjects
 - No Min or Max hours
- **Class A minimum 30 hours BTW**
 - Minimum of 10 hours on the range
 - Minimum of 10 hours on the public road
 - Remaining 10 hours any combination of range or road
- **Class B Minimum 15 Hours BTW**
 - Minimum of 7 hours on public road
 - Remaining 8 hours can be combination of range or road

Other Requirements

- **ELDT applies to interstate and intrastate CDLs**
- **All Training Providers must register with FMCSA**
 - FMCSA to create a Training provider registry
 - Similar to MedCert
 - Disclosure of program specifics
 - Applies to any training provider
 - Certain exemptions to less than 3 trainees per year (Range)
 - Training Providers will Self-Certify Students based on:
 - Performance
 - Meeting all requirements
 - Third Party Quality Certifiers
 - Organizations (NAFPTDS, CVTA, PTDI, Accreditors, Unions)

Timeline

- ELDT Final Rule out this fall
- 3 Year implementation period
 - Assuming no lawsuit
 - Some states may look to adopt early

How Do We Recruit The Next Generation of Drivers?

- **We need younger drivers**
 - Change the age to 18
 - FAST Act is beginning the conversation
- **We need to start getting kids excited about driving**
 - Millennials are not as interested in Driving as a career
- **Professionalize the Industry**
 - Image
 - Pay
 - Lifestyle
 - Career Path
- **More home time**

“I need drivers, how do I get them?”

- Partnerships with schools work and relationships matter
- School business is different than the Trucking business
- Work with CVTA and NAFPTDS moving forward and give your feedback
- Support the school sector

Challenges Ahead

- Skills testing delays
- Testing Inconsistencies
- Health and Wellness
- Tuition Funding
- Driver Demographics
- Industry Recognition of the Entry Level Driver issues

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