MAKING TRACKS

The Periodic Publication of Moseley Marcinak
A Transportation and Logistics Law Firm

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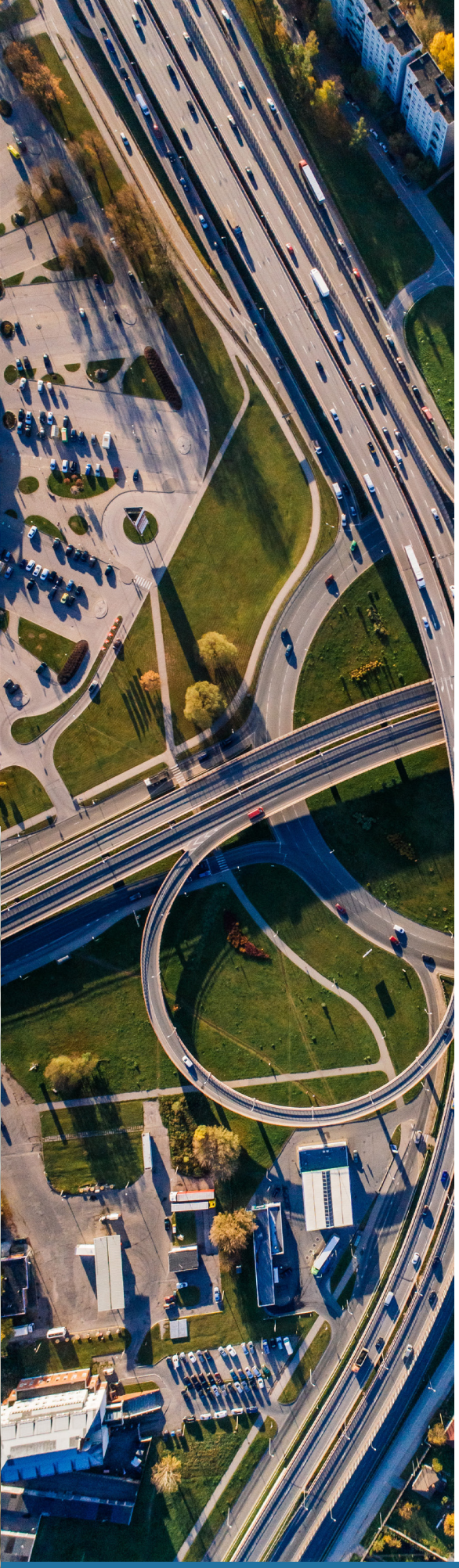
Moseley Marcinak Newsletter Contents

A Note From Rob Moseley and Fred Marcinak

It's hard to believe that April 1 will mark the one-year anniversary of Moseley Marcinak Law Group (or "Momar," as it's affectionately known around the office). In one year, we've expanded to nine lawyers in two offices, and we've added a wonderful staff of seven paralegals, assistants, and administrators. We have indeed been blessed as we embarked on the adventure of starting Momar.

We are thankful that Momar gives us a platform to serve our clients and the transportation industry. Our size and focus enables us to know the industry well. From truck accidents and Carmack to FMCSA audits and contracts, transportation law is what we do every day. While we have many opportunities to speak at conferences and meet with clients, our newsletter lets us provide additional, more frequent updates to our clients and the industry. Additionally, this spring we will celebrate our anniversary by resuming our quarterly webinar series on current topics in the world of transportation.

Finally, we need to say a big word of thanks to our clients. We could not have launched Momar without your support. Thank you for the opportunity to work with you on transportation issues every day (and sometimes in the middle of the night!) We look forward to many more years of serving you as we work together in the industry we love.



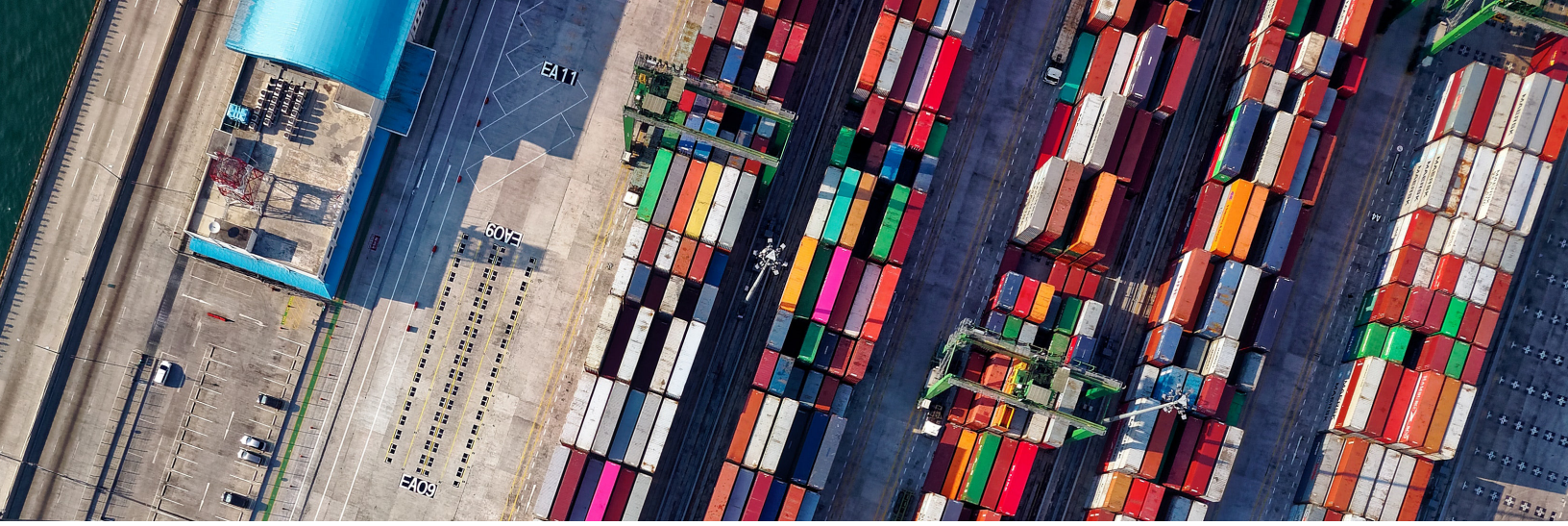
States Abusing Independent Contractor Models

BY LESESNE PHILIPS

Over the past decade, certain states have ramped up scrutiny of the independent contractor model. New York, New Jersey, and California, to name a few, enacted legislation to severely limit the ability of employers to hire independent contractors. These laws, commonly referred to as "ABC" tests, determine whether an independent contractor should be classified as an employee. This standard was established in California through a landmark California Supreme Court case, Dynamex Operations West Inc. v. Superior Court. This case provided the presumption of an employee unless these three provisions could be met to prove independent contractor status: (a) the person is free from control of the hiring entity; (b) the service is performed outside the usual course of business of the hiring entity; and (c) the person is engaged in an independent business or trade of the same nature as the work that is performed. The test's second requirement makes designation of an independent contractor particularly difficult for motor carriers, creating a virtually impossible presumption to overcome because the owner operator hauls freight just like the motor carrier. In fact, he is hired to do precisely what the motor carrier does but on a contractor basis.

In 2014, New York enacted legislation specifically directed at the motor carrier industry. On January 10, 2014, Governor Cuomo signed into law the New York State Commercial Goods Transportation Industry Fair Play Act, effective April 10, 2014. The law created the presumption that a person performing services for a commercial goods transportation contractor is an employee unless it is demonstrated that the person is an independent contractor or a separate business entity. In order to show that the owner-operator is a legal independent contractor, their compensation must be reported on a Federal Income Tax Form 1099 and they must qualify as a separate business entity or pass the ABC test. Even if the hiring motor carrier and the owner-operator agree that the owner-operator is to be treated as an independent contractor, there is still an employee presumption. As shown above, the ABC test virtually eliminates the ability for owner-operators to be classified as independent contractors due to Prong B. The other option is to qualify as a separate business entity, which requires satisfying an 11-part test where all of the parts must be met. Those qualifications are as follows:

1. The owner-operator must be free to determine its own means and manner of providing services, limited by the requirements to meet the desired result or federal rule or regulation;
2. The owner-operator exists without the relationship to the hiring entity;



3. The owner-operator has substantial investment in the business entity beyond ordinary tools and equipment;
4. The owner-operator owns or leases the capital goods and bears the risk of loss and profit;
5. The owner-operator can perform services to the general public on a continuing basis;
6. The owner-operator provides services reported on a 1099;
7. There is a written contract between the owner-operator and the hiring motor carrier specifying the independent contractor relationship or separate business entities;
8. The owner-operator pays for required licenses or permits under its own name, or if allowed by law, pays for reasonable use of the hiring motor carrier's license or permit;
9. The owner-operator may hire its own employees without the hiring motor carrier's approval, and the owner-operator pays its employees directly without reimbursement from the hiring motor carrier;
10. The owner-operator is not required to present itself as an employee of the hiring motor carrier to the hiring motor carrier's customers; and
11. The owner-operator is free to perform similar services for others at any time and however it chooses.

Despite an owner-operator's potential ability to fit within this test, the presumption of an employee makes the future of owner-operators as independent contractors in New York unclear. Additionally, this law provides civil penalties in the amount of an initial $1,500 penalty for a first time violation and then a $5,000 penalty for each additional violation. Willful violations of the law can result in criminal penalties and an increased monetary penalty for those employers that misclassify an employee as an independent contractor. The state of New Jersey also has pending legislation that is similar to the recent bill passed in California discussed below.

Despite all of this, hope is coming. Recently, California codified the "ABC" test held in the Dynamex Operations case through Assembly Bill 5 (AB 5). A lawsuit, filed by the California Trucking Association (CTA), seeks to prevent the application of the "ABC" test to owner-operators as well as challenging California's AB 5 law. The cases are California Trucking Association v. Attorney General Xavier Becerra and California v. Cal Cartage Transportation Express LLC. On December 31, 2019, U.S. District Judge Roger Benitez, following the path trod by the court in Massachusetts Delivery Assoc. v. Coakley (1st Cir. 2014), issued an injunction in the California Trucking Association Case in favor of the CTA, ruling that the Federal Aviation Administration Authorization Act of 1994 (FAAAA), 49 USC 14501(c), preempts AB 5's B prong due to AB 5 essentially requiring motor carriers to treat owner-operators as employees. The FAAAA prevents the economic regulation by the states of motor carriers. The second case comes from the State of California suing Cal Cartage Transportation Express LLC. The judge in that case also provided a ruling relying on the FAAAA as preempting the states from regulating motor carrier services. These cases will likely determine how California treats owner-operators. If the Courts ultimately find that owner-operators must conform with AB 5, then there are potential consequences including fines and criminal penalties that could result in misclassifying owner-operators as independent contractors instead of employees. And motor carriers will have to switch to an all employee fleet or transition their independent contractor work to brokerage operations. As California remains one of the leaders in this area, these cases will likely have effects on how other states view their employee misclassification laws in the context of owner-operators.

Expansion of the Carmack Amendment: A Cut in The Right Direction

BY WILSON JACKSON

When federal law preempts state law it means that Congress found the issue to be so unique that it should be standard across all states and territories subject to United States law. Preemption came into issue in the development of the Carmack Amendment because Congress believed it was necessary for all states to impose the same law as to the freight damages that occur during interstate commerce. To this point, the Carmack Amendment provides the sole and exclusive remedy to shippers for loss or damage in interstate commerce is the value of the goods.

The Southern District of Florida recently issued an order in Sanchez v. UPS, which expanded Carmack's preemption to personal injury cases.[1] In this case, Sanchez ordered a glass lamp from J.C. Penny to be delivered to his home in Florida. J.C. Penny fulfilled this order from a warehouse in North Carolina. After the package containing the glass lamp traveled in interstate commerce, Sanchez suffered a severe laceration when his hand met broken glass while opening the package. Sanchez brought a single negligence claim against UPS asserting his injuries were the result of UPS's failure to handle the package in a reasonably safe manner.

Defense counsel for UPS used the package tracking number to verify that the package was an interstate shipment by ground transportation, from North Carolina to Florida. Then, counsel asserted the defense of complete preemption under the Carmack Amendment. The court held to escape preemption, the plaintiff must allege conduct separate from negligence in delivery of a package through interstate commerce. To emphasize this point, the court stated, "it makes no difference whether Plaintiff alleges a bodily injury rather than an injury to goods."[2] Rather, all claimed injuries occurred due to damage to the goods. Accordingly, the court concluded the plaintiff's state law claims were preempted by Carmack.

This case is beneficial for those operating in the business of transportation and logistics. Traditionally, the scope of the Carmack Amendment's preemption clause has only applied to the loss or damage that occurs to goods during interstate commerce. The court in this case was willing to expand that scope to bodily injury cases. It remains to be seen whether this case is an outlier or will be more widely adopted.

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[1] See Sanchez v. UPS (Case No. 19-23704-CIV-ALTONAGA/Goodman) (November 7, 2019).
[2] Id.

Drug and Alcohol Clearinghouse is Live… Now What?

BY MEGAN M. EARLY-SOPPA

After 3 years of much discussion, the Clearinghouse finally went live. As many recall, the purpose of the Clearinghouse, according to the FMCSA, is to create an online database "that will allow FMCSA employers, State Driver Licensing Agencies, and law enforcement officials to identify – in real time – CDL Drivers who have violated federal drug and alcohol testing program requirements and thereby improve safety on our nation's roads."

Many thought that the Clearinghouse was a result of the need for centralized information, but in reality it dates back to an accident in New Orleans in May 1999 where 22 passengers were killed. It was believed that the accident was a result of a failed medical certification process to detect and remove the driver from service due to his severe medical conditions, as well as a lack of a way to identify drivers who have tested positive for drugs.

Now what?

Now that the Clearinghouse is live (as of January 6, 2020), all FMCSA-regulated employers must register so that they can perform a full query of the site for each driver each year, as well as query the Clearinghouse before allowing a newly hired commercial motor vehicle driver to begin operating a commercial motor vehicle. This will also require driver consent through the driver portal account. Employers can also designate a consortium or third party administrator who can report violations. Employers must report drivers' drug and alcohol program violations to the Clearinghouse within three business days after the employer learns of the information.

Update Your Policies

Along with the launch of the Clearinghouse, FMCSA regulations require employers to add language to their FMCSA drug and alcohol testing policies to notify drivers and driver applicants that the following information will be reported to the Clearinghouse:

- A verified positive, adulterated, or substituted drug test result.
- An alcohol confirmation test with a concentration of 0.04 or higher.
- A refusal to submit to a drug or alcohol test.
- An employer's report of actual knowledge, as defined in the regulations.
- On-duty alcohol use.
- Pre-duty alcohol use
- Alcohol use following an accident.
- Other drug use as defined in the regulations.
- A substance abuse professional's report of the successful completion of the return-to-duty process.
- A negative return-to-duty test.
- An employer's report of completion of follow-up testing.

What If You Don't Comply

Employers who do not comply with the FMCSA Clearinghouse requirements will be subject to the civil and/or criminal penalties set forth in the rules, with civil penalties not to exceed $2,500 for each offense.

So what does all this really mean?

It really means, as an employer, you need to update your policies as soon as possible, notify your employees of the changes, and register for the Clearinghouse. Also, make sure you consult with your owner-operators to ensure they are managing their drug and alcohol testing programs including working with a third-party when necessary. Of course, as the Clearinghouse gets up and running, you will be performing queries and seeing no data because very little has been entered so far. But that will change as the system is populated.

Trustguard Insurance Company v. Collins: The Fourth Circuit's Roadmap to Maintaining a Coverage Action Concurrently with an Underlying Action

BY ROCKY ROGERS

I. Overview

A recent decision by the United States Court of Appeals for the Fourth Circuit may have far-reaching implications on how some insurance coverage cases are litigated. By understanding the scope of the court's ruling and the rationale behind the decision, a savvy litigant may avoid having certain insurance coverage actions dismissed or stayed pending the conclusion of an underlying action.

In Trustguard Insurance Company v. Collins,[1] the Fourth Circuit reversed the federal trial court's grant of summary judgment to an insurer on the grounds that: (1) the insurer may not have Article III standing; (2) the case or controversy may not yet be ripe for adjudication by the federal trial court; and (3) the trial court should have abstained from issuing a ruling in the coverage action in favor of the pending underlying state court tort action. However, the Trustguard decision was driven by unique factual circumstances and therefore opportunities exist to distinguish other coverage actions and avoid the same fate as the insurer in Trustguard.

II. The Underlying Action

In Trustguard, the underlying personal injury action arose from an accident wherein the plaintiff rear-ended a car trailer being towed by a tow-truck ("the Underlying Action"). The plaintiff initiated a state court personal injury action in which she sued: (1) the owner of the tow truck; (2) the owner of the car; and (3) a motor carrier, who did not own any vehicles involved in the accident and who was not present at the scene of the accident, but whose Interstate Commerce Commission Motor Carrier number was allegedly displayed on the side of the involved tow truck. The plaintiff alleged the motor carrier was vicariously liable for the accident and her damages because the owner of the tow truck was transporting the car trailer under the motor carrier's authority at the time of the accident. In the Underlying Action, the motor carrier disputed liability for the accident and the plaintiff's alleged damages.

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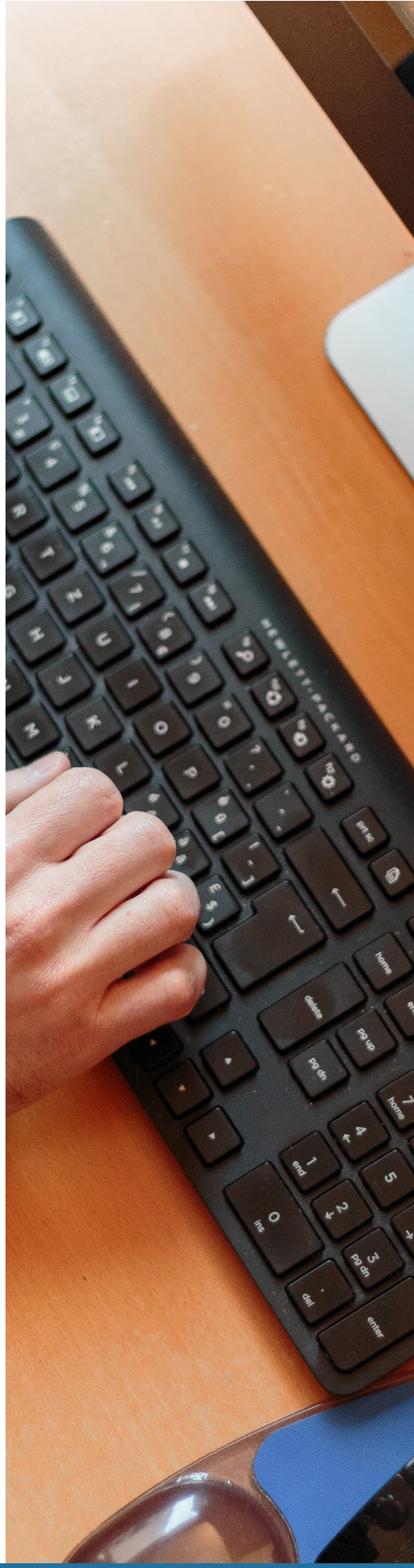
[1] 942 F.3d 195 (4th Cir. 2019).



III. The Coverage Action

While the Underlying Action was pending in state court, the motor carrier's insurer initiated a declaratory judgment action in federal court ("the Coverage Action"). In the Coverage Action, the motor carrier's insurer sought an order finding it had no obligation under the policy or under the MCS-90 endorsement [2] to the policy to pay any judgment obtained in the Underlying Action against the motor carrier. The federal trial court agreed with the insurer, finding there was no coverage under the policy because the accident did not involve any covered autos and the MCS-90 endorsement was not triggered under the circumstances of the accident. The federal trial court therefore granted summary judgment in the insurer's favor, which the plaintiff appealed to the Fourth Circuit.

IV. The Trustguard Decision

On appeal, the Fourth Circuit, prior to addressing whether the federal trial court's judgment in favor of the insurer was legally or factually correct, first undertook an extensive analysis to determine whether the federal trial court could or should have issued any ruling in the Coverage Action. Ultimately, it concluded the federal trial court should not have ruled in the Coverage Action under the circumstances and therefore vacated the judgment.

The Fourth Circuit reasoned that the insurer's alleged injury was merely hypothetical and contingent in nature—the insurer might have to satisfy a final judgment entered against the motor carrier, but only if the jury returned a judgment against the motor carrier in the Underlying Action. Therefore, as a first ground for reversing the federal trial court's ruling, the Fourth Circuit, relying upon longstanding authorities cautioning against advisory opinions, questioned whether the federal trial court lacked Article III jurisdiction over the matter and whether the coverage dispute was even ripe for adjudication.[3]

As a second ground for reversing the lower court's decision, the Fourth Circuit held the federal trial court, even assuming the litigants had Article III standing and the case was ripe for adjudication, should have abstained from exercising jurisdiction over the controversy. The court explained the Declaratory Judgment Act provides a federal district court *may* declare the rights of litigants in an actual case or controversy, but is not required to do so. [4] The federal abstention doctrine further advises a federal court to avoid hearing a case or controversy where doing so interferes with state court proceedings.[5] The appellate court found the federal trial court, in deciding the coverage issues, necessarily had to determine issues shared with the Underlying Action, which in turn would have preclusive effect over those same issues pending in the Underlying Action.[6] The Fourth Circuit advised such issues were better decided by the state court in the Underlying Action, where the record was more fully developed.[7] It also appears the Fourth Circuit took into account federalism concerns and deferred to

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[2] "[A] MCS-90 endorsement creates a suretyship by the insurer to protect the public when the insurance policy to which the MCS-90 endorsement is attached otherwise provides no coverage to the insured." Canal Ins. Co. v. Distribution Services, 320 F.3d 488, 489 (4th Cir. 2003) (emphasis added). It requires an insurer to pay any final judgment obtained against a motor carrier up to the minimum federal financial responsibility limits provided that the motor carrier was operating as a for-hire motor carrier transporting the goods of another for compensation at the time of the event giving rise to the liability of the motor carrier. See, e.g. 49 C.F.R. §387.3; see also Nat'l Specialty Ins. Co. v. Martin-Vegue, 644 Fed. App'x 900, 906–908 (11th Cir. 2016) (per curium). In Trustguard, the insurer for the motor carrier disclaimed any coverage under the policy because the policy was a "scheduled auto" policy and none of the vehicles listed on the declarations page were involved in the accident. See Trustguard Ins. Co. v. Brown et al., 3:17-cv-00807-JMC, Compl. ¶¶ 10, 16–19.

[3] See id. at 199–201 (citations omitted). While arguably the Fourth Circuit did not decide these issues, its analysis raises serious questions as to whether the requirements were met.

[4] See id. at 201 (citing 28 U.S.C. § 2201(a) and Wilton v. Seven Falls Co., 515 U.S. 277, 286 (1995)).

[5] See id. at 201.

[6] See id. at 202–203.

[7] See id. at 203 & n.7.

the state court's interests in deciding some of the factual and legal issues under state law, particularly where, as here, there were serious questions about whether the federal trial court even had jurisdiction over the matter.[8]

Based upon these considerations, the Fourth Circuit vacated the federal trial court's ruling and ordered that the Coverage Action be dismissed without prejudice. The Fourth Circuit's ruling left open the possibility that the insurer could re-institute the Coverage Action if, and when, a final judgment was entered against the motor carrier in the Underlying Action. [9]

V. Takeaways and Recommendations

For the insurer that wants to be proactive in resolving coverage disputes prior to the underlying action being reduced to judgment, Trustguard represents a cautionary tale. However, it also presents a roadmap for how to best position future coverage disputes to enable prompt adjudication of the coverage issues while a parallel underlying action proceeds.

First, it is important to understand what Trustguard does not cover. This ruling should not affect coverage actions seeking a determination of an insurer's obligations under a policy to provide a defense to an insured. The Fourth Circuit was careful to distinguish the long history of cases in which courts have rendered decisions on the duty to defend while the underlying tort action is still pending from those in which an insurer seeks a ruling on whether it has any duty to indemnify the insured against a judgment entered in the underlying action. Therefore, Trustguard should not affect coverage cases in which the insurer simply seeks a ruling from a federal court as to its duty under an insurance policy to defend its insured in a parallel state court proceeding.

Trustguard likewise does not uniformly apply to all coverage actions seeking a declaration as to the insurer's duty to indemnify the insured. Rather, it only applies to cases having specific characteristics. One key factor affecting the Fourth Circuit's ruling in Trustguard was the legitimate question as to whether the motor carrier would even be subject to liability in the Underlying Action. As the Fourth Circuit explained, if the motor carrier successfully defended against liability in the Underlying Action, any ruling by the federal trial court in the Coverage Action on the insurer's duty to indemnify under the policy or the suretyship obligations under MCS-90 endorsement would be rendered meaningless. This potential for an "advisory opinion" in the Coverage Action was disfavored by the Fourth Circuit.

Based upon the foregoing, Trustguard does not affect those situations in which a judgment, by default or otherwise, has already been obtained against the motor carrier. Similarly, Trustguard should not apply in admitted liability situations—i.e. where there is no dispute the motor carrier is liable, and both the plaintiff and the motor carrier agree some judgment will be entered against the motor carrier in the underlying tort action. In such situations, the insurer in a coverage action will be able to argue injury in fact—the insurer may have to indemnify the motor carrier for the judgment depending solely upon the federal court's decision in the coverage action (i.e. liability is not at issue in the state court underlying action). This negates the Fourth Circuit's concerns under Article III and the ripeness doctrine discussed in Trustguard.

In those instances, the only remaining concern under Trustguard is whether a federal court would refuse to exercise discretionary jurisdiction to hear the coverage action. However, the litigants may be able to position the case in a manner that makes it more likely the federal court will exercise jurisdiction over the coverage controversy. For example, to avoid application of Trustguard, in appropriate cases litigants may seek to: (1)

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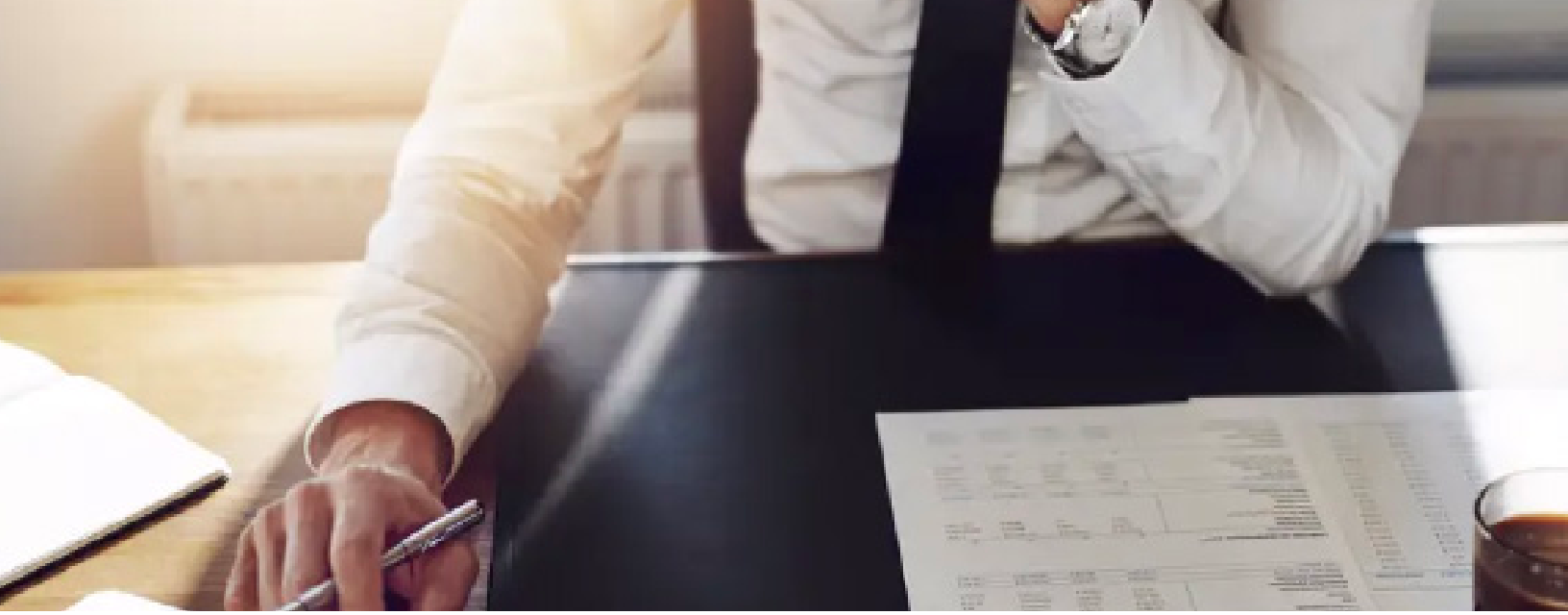
[8] See id. at 202 ("[C]ourts should exercise their discretionary jurisdiction with caution when doing so would raise serious questions about Article III jurisdiction, as this case does.").

[9]Under the doctrine of collateral estoppel the insurer, in any subsequently re-initiated Coverage Action, might be prohibited from re-litigating certain factual and legal issues already decided in the Underlying Action.



stipulate to factual issues pertaining to vicarious liability of the motor carrier; (2) stipulate to facts necessary for resolution of the coverage action;[10] (3) agree to be bound by the federal court's resolution of factual issues implicated in both the underlying state court action and the federal coverage action; (4) stipulate to liability in the underlying tort action in an unspecified amount, thereby leaving to the jury in the underlying action the decision on amount of damages; or (5) enter into a consent judgment against the motor carrier in the underlying tort action. Taking these steps should make it less likely that a federal court, acting pursuant to Trustguard, will either stay or dismiss the federal coverage action in favor of an underlying action pending in state court.

Additionally, there are other options that may reduce the federalism and federal abstention concerns raised by the Fourth Circuit in Trustguard. For one, there remains the possibility of initiating the coverage action in the same *state* court where the underlying action is pending. This option would negate the discretionary role of the court to hear the declaratory judgment action and the concerns of federalism inherent in the abstention doctrine that only apply to federal courts. Another option is to ensure all underlying actions capable of removal are in fact removed to federal court. This would avoid the situation in which there are parallel state court and federal court actions—a federal court would be presiding over both the underlying action and the coverage action, which in turn, should reduce the deference of the federal court to the state court on factual and legal issues.

As the Fourth Circuit recognized, there are practical benefits to all parties understanding how much money is available to ultimately satisfy any judgment.[11] Such knowledge may facilitate resolution of disputes in appropriate circumstances or assist the parties in limiting the issues that must be tried in the underlying action. Therefore, both sides have an interest in having the coverage action decided simultaneously with the underlying action. Trustguard arguably limits the ability of the federal courts to hear certain coverage actions in specific situations. However, there remain options to position a coverage action such that Trustguard does not foreclose the possibility of the coverage action being maintained simultaneously with the underlying action. Litigants may have to be more creative in how they approach the coverage actions, but Trustguard by no means requires all coverage actions wait their turn until the underlying actions are concluded.

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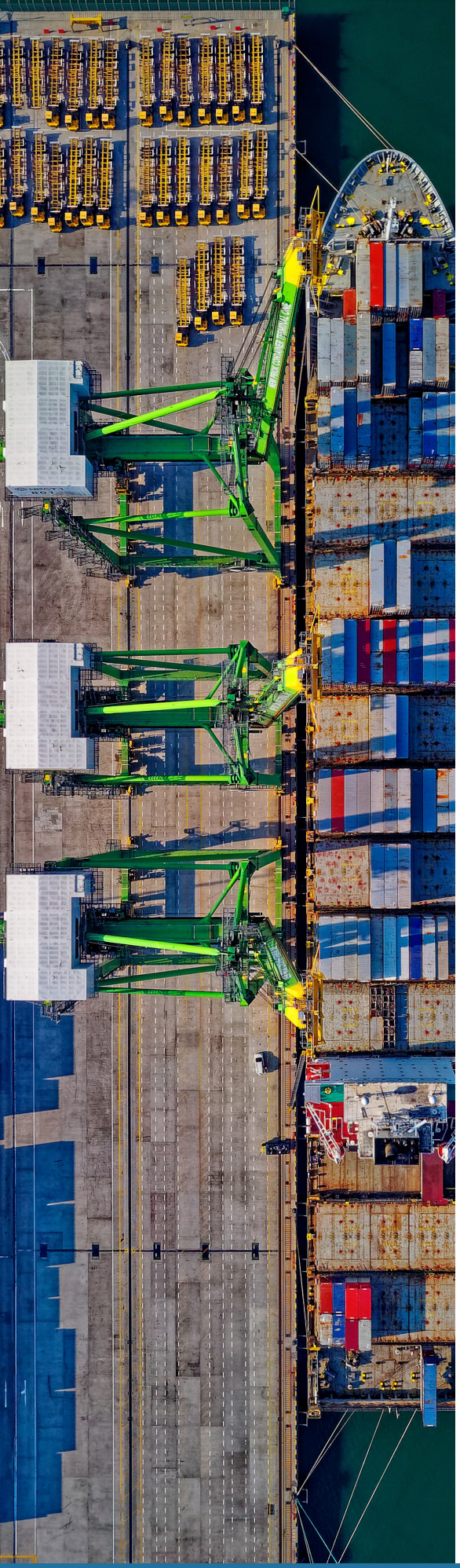
[10] See, e.g. Progressive Northern Insurance Company v. Bryant Jones dba Jones Trucking, 2020 U.S. Dist. LEXIS 6061, C.A. No. 1:18cv00009 at n.4 (W.D.Va. Jan. 14, 2020) (holding that "based upon the uncontested facts, the plain language of the Policy, and the legal standards[,] Trustguard does not require the federal court to abstain from exercising jurisdiction despite liability not yet having been determined in the underlying personal injury action because the federal court's ruling would not "intrude on the prerogatives of the state court in the underlying tort action").

[11] See Trustguard, 942 F.3d at 204.



Georgia Legislature Wants More Emphasis on Rail to Ease Congestion and Reliance Upon Motor Carriers

BY BLAIR CASH

The Georgia Commission on Freight and Logistics was established by the General Assembly in 2019 and tasked with evaluating the state's freight and logistics network, including interstates, roadways, and rail infrastructure. (*See* H.R. 37). Over the course of 2019, the Committee heard hours of testimony from state and industry leaders and other professionals to help Georgia plan for the future. What the Committee found, and what they have left to do, is of great import to the transportation and logistics industry.

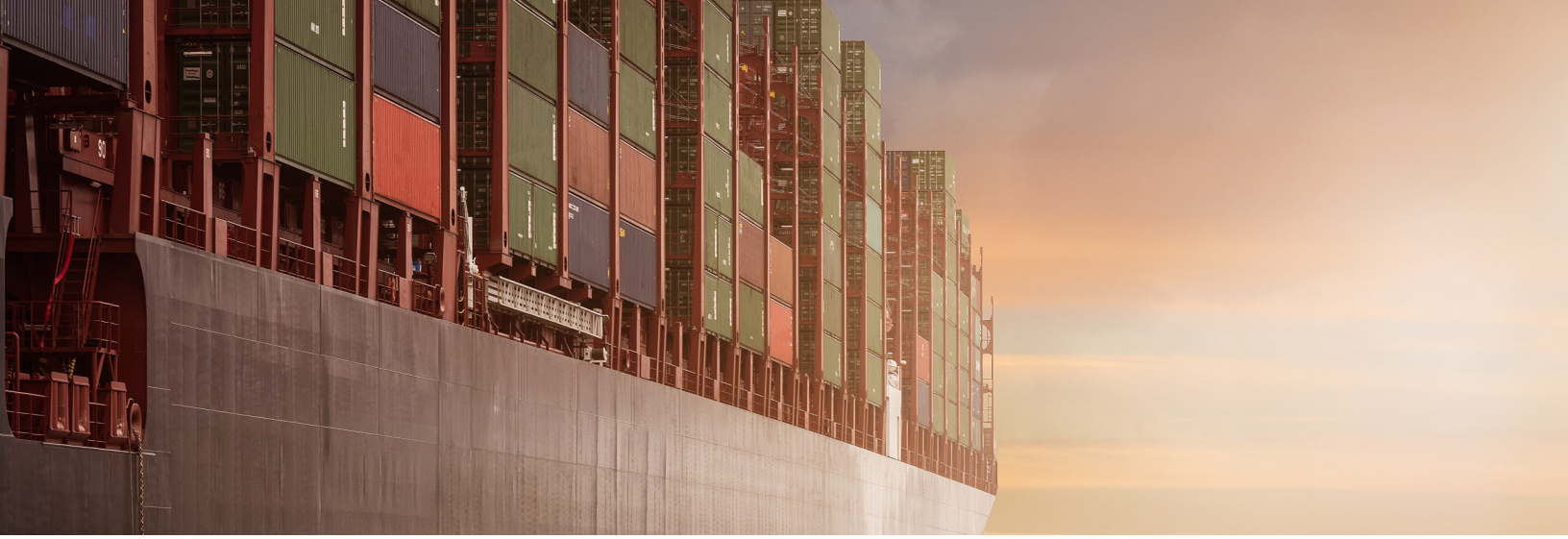
In 2018, the Georgia Department of Transportation updated its freight and logistics plan to be compliant with the FAST (Fixing America's Surface Transportation) Act. Part of this plan included significant additions proposed by the Georgia Ports Authority (GPA). A point of pride, the American Trucking Research Institute found that Georgia had the second best plan in the entire country.

Later that same year, the Georgia Ports Authority (GPA) opened the Appalachian Regional Port in Northwest Georgia, located in Murray County less than one hour away from Chattanooga and less than two hours north of Atlanta. The Appalachian Regional Port has a capacity of 50,000 containers per year. The plan is for the Port's capacity to double in the next ten years.

Also in 2018, the Georgia Ports Authority announced another inland port scheduled to open in Hall County in 2021. This Northeast Georgia Port is a joint project between the Georgia Ports Authority and CSX. The Northeast Georgia Port will have a capacity of 150,000 containers, three times as large as the Appalachian Regional Port. It will provide direct rail access to the GPA's Savannah Port. The Northeast Port will not open for at least another year, but improving Georgia's use of rail is only part of the Commission's task. The Committee has set a placeholder line in the 2020 budget for freight spending, but it remains to be seen what the budget will look like given the near-universal cuts in other areas.

The Commission has the unenviable task of addressing issues like traffic and congestion on Georgia roads, the truck driver shortage, truck parking difficulties, and a growing ecommerce sector. According to a study from the Georgia Department of Transportation (GDOT), only 16% of the total weight of freight traveling through Georgia travels by rail. (H.R. 37). The remainder travels by truck.

The question facing motor carriers is, "What impact, if any, will these inland ports have on motor carriers serving their customers through Georgia's ports, both inland and coastal?"



Shippers and freight forwarders may find the location of North Georgia's inland ports convenient to the largest and busiest airport in the country – Atlanta's Hartsfield-Jackson International Airport. The proximity of these ports to Hartsfield-Jackson will provide shippers and freight forwarders additional flexibility in transporting their international freight through Georgia and onto the final destination. Officials with Hartsfield-Jackson have publicly stated their intentions to increase the facility's air freight capabilities.

The presence and increased usage of Georgia's inland ports will undoubtedly change how Georgia's motor carriers service their customers. The Commission found that 30% of the freight tonnage traveling in Georgia is actually "through" tonnage-freight that merely passes through the state of Georgia on the way to its final destination. Georgia's strategic position as a link between the Southeast, Mid-Atlantic, and Midwest means that the volume of freight passing through Georgia's borders will only increase.

For motor carriers in South Georgia, the presence and increased usage of Georgia's inland ports could mean fewer containers and fewer loads transported in and out of the Savannah and Brunswick ports. However, the Commission makes note of the GPA's plans to dredge and deepen the Savannah harbor in the coming years, increasing the Savannah port's capacity to handle container ships from all over the world. To the extent that a driver shortage is a concern, these carriers can offer drivers living in Southeast Georgia the ability to service ports, make deliveries in Southeast Georgia along the I-16 and I-95 corridors, and be home most nights with their families. Increased quality of life for prospective drivers could lead to higher job satisfaction and retention rates.

For motor carriers located in North Georgia, they now have an opportunity to transport shipping container freight via the Chatsworth and Gainesville ports. Before these ports, these carriers would have to send drivers through Atlanta and Macon in order to transport shipping containers directly from Savannah. Interstates passing through Atlanta provide motor carriers with the opportunity to transport freight to states without easy access to deep water ports such as North Alabama, Tennessee, and Western North Carolina.

To the casual observer, the proposed increased reliance upon rail might harm Georgia's motor carriers. If shippers and freight forwarders moving freight through Georgia are finding new ways to do so without trucks, that hurts your average Georgia motor carrier who prides itself on servicing Georgia's two deep water ports in Savannah and Brunswick. It may ultimately require an increased focus on "end of chain" delivery and, by necessity, an increase in the number of local drivers.

The House Transportation Committee recently voted to extend the Commission's work into 2020 as they continue to examine solutions facing the freight and logistics industry in Georgia. Motor carriers are no strangers to the ever-changing demands placed upon them by the need to operate safely and comply with applicable state and federal regulations, all while meeting the dynamic needs of their customers. Georgia's proposal to increase reliance upon rail is no different and if history has taught us anything, Georgia's motor carriers will find a way to meet the needs of their customers by incorporating these inland ports into their logistical framework.

MOMAR TEAM ON THE ROAD–
PAST TRIPS AND UPCOMING EVENTS

- Sept 30-Oct 1 Rob attended the SCTA Leadership Retreat in Columbia where he moderated a panel of legislators on tort reform
- Oct 3-4 Rob and Fred attended and spoke at Motor Carriers Insurance Education Foundation conference in Orlando, FL
- Oct 10 Rob attended and spoke at Keller Logistics Customer Conference in Defiance, OH
- Nov 1 Fred, Wilson, Rocky and Lesesne attended the SCTA Sporting Clays event in Edgefield, SC
- Nov. 6 Rob presented a True North Client Webinar – Deep Dive into Cargo Claims – Limitations of Liability
- Nov 8 Rob attended SCTA Safety Council Conference, Myrtle Beach, SC
- Nov 21 Rob attended GMTA Leadership Meeting in Atlanta, Hot Topics in Trucking
- Jan 24-25 Lesesne, Wilson and Rob attended TLA Regional Conference in Chicago
- Fred attended and gave a presentation at the Specialized Carriers & Rigging Association in Charlotte Feb. 18-21
- Rob will give presentations at all of the Great West Conferences
    - March 4 – Knoxville, TN
    - March 12 - Omaha, NE
    - March 26 – Indianapolis, IN
    - March 31 – Boise, ID
    - April 8 – Grapevine, TX
- Fred will attend and give a presentation at the Trucking Industry Defense Association in Tempe, AZ April 1
- Fred will attend and moderate a panel and chair the freight claims committee at Transportation Lawyers Association in Amelia Island, FL April 29- May 2
- Fred will attend the Conference of Freight Counsel Dearborn, MI June 13-15

CONGRATULATIONS CORNER

- Congratulations to Blair Cash and his wife Amanda who welcomed baby Amelia Mae Cash into this world on December 16th.
- We are excited to announce that in December, Alex Timmons joined our transportation team as a partner.
- On November 15th we expanded into additional office space in our Greenville location.
- Paralegal Holly Glasgow is proud to announce that her daughter, Laney, graduated from Air Force basic training in January.

Your MoMar Team

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