

Implicit Assistance: How the IIJA's Programs Could Indirectly Save the Trucking Industry

January 24, 2024

It is no secret that the trucking industry is feeling the effects of the global COVID-19 pandemic. The slow return to work has hindered the industry's ability to ensure the supply chain meets the demand, driver shortages have led to cargo sitting idly at ports waiting to be used and unloaded, and now truckers are moving more with fewer people, and "even less equipment in many instances."¹ According to Chris Spear, President and CEO of the American Trucking Association, the industry is "at the edge of a cliff right now."²

However, there is hope for the industry—especially in Connecticut. On December 21, 2021, the Connecticut State Bond Commission approved \$839 Million in transportation projects across the state to address the states most pressing concerns in relation to infrastructure and public works, including \$51.7 Million allocated to the "Local Transportation Capital Improvement Program (LOTICIP) revolving fund to continue providing support for close to 100 local roadway projects in coordination with Councils of Governments."³ All of these projects seek to bolster infrastructure in the state of Connecticut, which represents a symptom of the whole— The United States' poor nationwide infrastructure. However, such projects may have another—more indirect—way of solving on of the United State's issues.

States receiving federal funds from the IIJA, like Connecticut, should use these initiatives as a means to recruit drivers. First, Connecticut can advertise the infrastructure initiative as a way to recruit newly eligible drivers in order to remedy the nationwide driver shortage plaguing the industry. The Safe Driver Apprenticeship Pilot Program is an initiative under the umbrella of the IIJA, which allows for 3,000 drivers between the ages of 18 and 20 to apprentice under another driver, and move freight both intrastate, **and** across state lines—something previously only available to those drivers who had reached 21 years of age or older.⁴ The implications of improved infrastructure and a lower age threshold provides Connecticut with an opportunity to incentivize a new pipeline of drivers, all while targeting a younger age demographic in the process. This will not only help to remedy the driver shortage in the interim, but also could foster long term career development and help with retention of drivers.

Additionally, trucking companies can work to overcome the driver shortage by looking inward and reassessing company policies such as salary, benefits, and time off. For example, KLLM Transport Services, a large trucking firm in the United States, was able to boost salaries for their over-the-road truckers by 33% because they have been able to charge more to shippers.⁵ While every company's situation is different, Connecticut firms may be well-advised to look into how the new federal initiatives are affecting their balance sheets, and how they can pass on that savings to their drivers. Moreover, firms can use this initiative another means to recruit new drivers, and through continued implementation of the program, can retain them as well.

As stated, every firm's situation is different. MG+M continues to monitor the progress of the IIJA initiatives, and is eager to work with you to implement a strategy that will help you to navigate the challenging industry climate. For more information, please contact MG+M.

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(Continued)



¹ Talia Kaplan, *Trucking Association Chief Says Industry at 'Edge of Cliff,'* FOX BUSINESS (Jan. 18, 2022).

² *Id.*

³ Press Release, Ned Lamont, Governor, State of Connecticut, [Governor Lamont Announces State Bond Commission Set To Approve \\$839 Million in Upgrades to Connecticut's Transportation System](#) (Dec. 21, 2021). **(Pulled this from rule 17.5(b)).**

⁴ Christine Chung, [Facing a Shortage of Truck Drivers, Pilot Program Turns to Teenagers](#), New York Times (Jan. 19, 2022).

Sarah Jackson, [One of the Largest Trucking Companies in the US is Giving Raises of Up To 33%, Allowing Drivers to Make up to \\$150,000 in Their First Year, Amid Worker Shortage](#), BUSINESS INSIDER (Jan. 22, 2022).