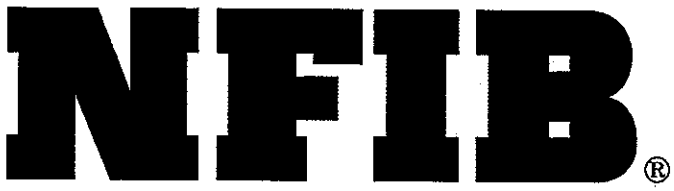

**The Voice of Small Business**

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## Testimony on the Exempting of Light Trucks from DOT Number Requirements Before the Senate Transportation Committee Tuesday, April 24, 2012

My name is Charlie Owens and I am the State Director for the National Federation of Independent Business, an advocate for Michigan small businesses owners since 1943. We are here today to support House Bill 5228 that would exempt smaller commercial vehicles from the requirements of the Motor Carrier Safety Act.

Some have suggested that it is a requirement under federal law that Michigan regulate lighter intrastate commercial vehicles under this Act and require them to obtain USDOT (Federal Department of Transportation) numbers. Often it is stated that Michigan would be at risk of losing federal road funding dollars if we do not regulate these lighter commercial vehicles. A visit to the Federal Motor Carrier Safety Act site at http://www.fmcsa.dot.gov/registration-licensing/registration-usdot.htm indicates that this is an optional state requirement and lists the states that do and do not require intrastate light truck USDOT numbers.

NFIB members have reported to us that they have been stopped and ticketed for noncompliance with Michigan's state requirement that trucks over 10,000 lbs. have USDOT numbers and the associated driver qualification files, hours of service records, vehicle maintenance records and files, etc.

This requirement is another example of regulation over-kill when it comes to small business in our state. While obtaining the USDOT number does not involve a fee (yet), the time and hassle for a small business owner to meet the paperwork and other requirements necessary to comply are another diversion from running their business and providing jobs. Small Business Administration studies have shown that the annual cost of compliance with federal regulations is $10,585 per employee for a small business (The Impact of Regulatory Costs on Small Firms by W. Mark Crain - Lafayette College Easton, PA). This does not include state or local regulations.

We urge members of the Committee to support HB 5228 and exempt these smaller commercial vehicles from this unnecessary regulation.

Thank you for your support of small business.