Minnesota Charter Bus Operators Assn.

News-Views & Blogs

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UMA Expo 2019 at Fort Lauderdale

The UMA Expo was held in early January at Fort Lauderdale, Florida and association officials estimated over 2000 operators, mechanics and Vendors attended the event. There were plenty of buses, parts, services and suppliers available to offer their wares to operators. The weather was perfect with daytime temps in the 80s under mostly cloudless skies and night temps in the 70s. It was a great turnout as we all got to re-connect with vendors and fellow operator buddies.

State Summit: Expo started out on Sunday afternoon with the State Association Summit where state associations report the happenings and legislation going on in their individual states. Minnesota was represented by MCBOA President Troy Voigt and board member Rick Thielen. We reported about the situation in Leroy Minnesota where the city obtained a D.O.T. number, started their own transit/shuttle service for workers commuting to Rochester. The 'Rub' comes in when the city transit service started offering charter services for weekend weddings, sports teams and even interstate charters.

Board Members, Rob Wicklund & Rick Thielen met with Mn D.O.T. Commissioner Charlie Zelle and other state officials and the end result was that nothing could be done. The Transit was not using Federal Transit Administration (FTA) capital funds and therefore, not falling under FTA prohibitions against competition against private operators.

Chicago Party Bus Ordinance: Cherie Hime of the Midwest Bus & Motor Coach Assn. (MBMCA) reported on progress toward the Chicago Party Bus ordinance. Chicago and MBMCA operators hired legal counsel to attempt to minimize the effects of this ordinance on legal & authorized charter carriers. The city of Chicago is beginning to realize that legal operators are not the problems when it comes to Party Bus Operators and the associated problems in Chicago. It has been a slow process and has caused several violations to be written against local Chicago operators. The vast majority of tickets have been dismissed but it still required an appearance in court and the hiring of legal counsel to represent operators.

Other State Association Issues: Other issues at the State Association Summit included California Airport inspections for motor coaches, additional inspections in New York State after the limo accident in which 17 passengers were killed, parking in New York City and congestion pricing in other cities.

Bottom Line: There is never a shortage of regulatory issues that we need to be aware of and to deal with. There are too many to deal with in this newsletter.

Minnesota Operator Wins Achievement Award

Tim and Bethany Schubert, owners of Trobec's Bus Service of St Stephen Minnesota received the Bus Ride Magazine Achievement award at UMA Expo Trobecs operate a mixed fleet of over 75 vehicles in the St Cloud and Sartell school districts. They also operate a inter-campus shuttle between St Johns and St Benedict campus that has continued for 45 years.
Trobec Bus Service was started with one bus in 1938. It was operated by Tony and Frances until 1982 when their three children ran the business until 2016 when their daughter Betty passed away.

Tim Schubert started working for the Trobec family in 1985 as a driver & mechanic. Tim bought into the business after Tom Trobec retired in 2006. Today, Tim Schubert is the CEO and President of Trobec Bus Service.

Tim serves on the Board of the Minnesota Charter Bus Operators Assn. Tim's Daughter, Bethany Schubert joined Tim in 2009 as Vice-President and together, run Trobec's Bus Service. Bethany also serves on the MSBOA Board and was just elected to the Board of directors of the UMA.

As a side note, during Super Bowl 2018 in Minneapolis, Tim, Bethany and Trobecs Bus Service provided and coordinated up to 95 coaches providing charter and shuttle services to Super Bowl fans during the national event.

Unified Carrier Registration Fees Reduced

The time to renew your UCR Registration opened on December 27, 2018. It was delayed for a time while the UCR board was deciding where the fee level was to be set. For a fleet of 6-20 buses, the fees has been lowered from $ 431 down to $418 last year to $368 this year. Carriers with 3-5 applicable vehicles will pay $185, those with 21-100 vehicles will pay $1,283 and those with 101-1,000 vehicles will pay $6,112. **The implementation date for the UCR has been moved to May 1.**

The biggest change is an action taken by the UCR Board of Directors to not include school buses in the total count that are not used in interstate commerce. There were operators in the last year who underwent audits and were charged for the school buses because they were not included in the total vehicle count. Some operators paid thousands of dollars in back pay because of these audits. Having separate corporations for school bus and for charter operations was not any protection from the additional fees through audit. The good news is that school buses will no longer be included in the counts for the determination of fees. The bad news for these operators who were charged the back fees, they will not get their money back.

Now the UCR board did not exempt Intra-state school buses from the total count because of their magnanimous, warm, fuzzy feelings to bus operators. National and state organizations, including UMA, ABA, NSTA and many other state organizations lobbied the UCR board to exempt these school buses and their arguments highlighted the unfairness of charging for buses that do not cross state lines and are not used in charter operations.

Remember that you MCS-150 needs to be up to date to pay your UCR fees. Also remember that if you go through a on-road inspection and your UCR fees are not paid, FMCSA considers this as grounds for an Out-of-Service Violation. I will let the readers draw their own conclusion about the seriousness of this violation that it requires an Out-of-Service citation.

Uncle Sam may be our biggest Competitor

At one time or another, most bus and motor coach companies know the pain of competing with a competitor that uses taxpayer dollars to compete against them. After all, there are 6,730 public transit systems in the U.S. today, more than double the number of private bus & motor coach companies. Not too long ago, all public transit systems were owned and operated by private companies.

The federal government seems to be in everyone's business today, from printing to transportation to meeting space. Using taxpayer subsidies, they often attract your best employees, steal business opportunities and stifle economic growth and wealth.

The Freedom from Government Competition Act, H.R. 1339 was designed to halt these practices and reverse the trend. The bill states that unfair government competition with the private sector of the economy is detrimental to the United States economic system and that unfair government competition with the private sector ……. is at an unacceptably high level, both in scope and in dollar volume.

If passed, the bill would require each executive or military department or independent establishment to obtain all goods and services necessary for or beneficial to the accomplishment of it's authorized functions by procurement from private sources. That is the case unless such goods or services are required by law to be produced or performed by such agency; or the agency determines and certifies the federal production, manufacture or provision of a good or service is necessary for the national defense or homeland security; that a good or service is so critical to the agency's mission or so inherently governmental in nature that it is in the public interest to require production or performance by government employees; or that there is no private source capable of providing the good or service.

This bill requires such private sector provision of good and services to be performed through; (1) the divestiture of federal involvement, (2) the award of a contract using competitive procedures, or (3) conducting a public-private competitive sourcing analysis in accordance with Office of Management and Budget (OMB) procedures and determining that using the private sector is in the best interest of the United States and provides the best value to the taxpayer.

By giving private companies a level playing field in providing goods and services that are unnecessarily duplicated by the federal government, the bill will spur private job creation and protect taxpayer interests.

This bill gets the UMA's "Green Light", so let your Congressional representative know you want their support for passage of H.R. 1339, The Freedom from Government Competition Act. (Article from Bus & Motorcoach News / Ken Presley 10/18/18)

Editor's BLOG: These Transit systems tend to not follow the notification rules set up by the Federal Transit Authority. These agencies who get federal funding for bus purchases are required to notify private carriers of the request and offer that business to them. Strangely, that almost never happens. Another matter is what has happened at the city of Le Roy, Mn. Where the city has purchased buses for work related shuttle transport to Rochester for workers. Suddenly, they are offering their mini-buses for charter work and have even taking an interstate trip to the Creation Museum & Ark Encounter. One can see how quickly these good intentions can get out of control.

Fuel Tax, Fuel Tax & More Fuel Tax

This is a constant subject in the news when it comes to politicians, funding and condition of our roads & bridges. It is very evident that our basic infrastructure is deteriorating and needs work. Politicians all over America and in Washington are looking for new funding sources to rebuild this infrastructure.

The conflict to raise these funds balances between the Democrats, who want to toll, raise fuel taxes, use the Vehicle Mileage Tax (VMT), or all the above methods to raise the funds, and the Republicans who are reluctant to raise taxes. President Trump advocated tolling the interstates that have already been paid for by the Fuel Tax Trust Fund.

In regards to the Tolling question, I personally have a problem with it. We have seen states like Indiana 'Lease' their Indiana Turnpike to a consortium of foreign investment companies for 75 years in order to gain Billions of dollars to help build their infrastructure. Their plan to rebuilt their infrastructure includes 'investing' in transit, building a new interstate and to expand broadband. I find this a bit of a stretch for all of us to pay for this every time we run the Indiana Turnpike. Incidentally, fees on the Indiana Turnpike have just increased over 30% for commercial vehicles with three or more axles. This effectively puts the entire increase on the commercial vehicles (Buses and Trucks) and totally exempts automobiles from any increase in tolls. In visiting with a Indiana based operator recently, he stated that his trips into Chicago now cost him $60 in Round-Trip tolls to run the turnpike. As the old saying goes: **(How do you like them Apples??)**

In terms of tolling, directing the increases at commercial vehicles only is also happening in Connecticut and Rhode Island, SO FAR. We can rest assured that more and more states are going to use buses and trucks as their private "Piggy Banks". By exempting automobiles, politicians escape the wrath of the much more numerous local voter, particularly when they can extort money from non-voting CMVs who are traversing the their states and are not able to vote their displeasure.

Another problem with tolling is "Accountability". Much like Indiana using the increase in tolls on CMVs only, including buses, the Pennsylvania Turnpike Authority is currently being sued by the Owner-Operators Independent Drivers Association (OOIDA) for their large annual increase in tolls on the Penna Turnpike and then transferring this money to transit projects that have nothing to do with the Turnpike. Again, it is another example of Pennsylvania's Piggy-Bank.

For those of us 'Dinosaurs' who have been in the business for many decades, remember when we used to file our fuel reports and we received a 'Credit' on our fuel taxes for those miles we ran on toll roads. At that time, the states were trying to NOT double tax CMVs by charging the fuel tax and tolls for the same miles. They certainly do not have any trouble doing the double taxation now.

Remember these are only a few states putting CMV's in the cross-hairs of 'Revenue Enhancement'. There are 47 more waiting for their turn to do the same thing.

In Regards to Vehicle Mileage Traveled (VMT) , many people have an issue with 'Privacy'. Many do not want to have a 'black box' in their vehicles so they can be tracked wherever they go and how may miles they travel. Oregon and Washington State are experimenting with VMT already. This privacy issue must not bother many Americans when they allow insurance companies that advertise cheap rates on television to put a 'Black Box' in their vehicles to monitor their speed and driving habits. Drivers experimenting with the VMT need to report their mileage to the state and pay accordingly.

The reason given for VMT is that there are so many electric vehicles like Tesla and hybrid vehicles who are not paying their 'Fair Share' to use the roads & infrastructure of this country. If this is government's huge concern, why not increase the registration fees on these electric & hybrid vehicles to compensate for the lack of gasoline and fuel being used. After all, the State of Minnesota has no problem charging me $700 plus for my chevy suburban license tabs every year.

Probably the biggest argument against VMT is the cost of collecting it. It is estimated that in order to collect the VMT, a new government bureaucracy would need to be set up and would take an estimated 10-13% of revenue. Just what we need, another government bureaucracy at the trough. While 10-13 % of revenue from VNT would be burned up collecting it, raising the Fuel Tax is taking approximately 2-3% of revenue.

Many organizations feel that the Fuel tax is still the most efficient method to pay for our infrastructure. It is already in place and the cost of collecting it would not increase as it would with Tolling and VMT. Many states have been raising their fuel tax in order to upgrade the infrastructure and some of these state tax fuel increases have been substantial.

Minnesota has not raised it's fuel taxes for over 20 years. During that 20 year period, demands for more roads, bridges, more lanes on existing highways and interstates have steadily increased. The cost of construction certainly has not diminished. Now lets add in the demands of Transit and beautification projects, along with bike & walking trails and sound-walls that all come out of the Fuel Tax Trust Fund. I recently read that these beautification projects, biking & walking paths, sound walls, etc take over 30% of the project cost. I think this is wrong. The Trust Fund should finance Road & bridge infrastructure only. Beautification projects mentioned above should be paid by the 'Legacy Fund'.

Governor Walz is proposing to increase the Minnesota state fuel & gas tax by 20 cents per gallon. I have not seen the actual proposal but it sounds like it could be over a period of four years.

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With the benefit of 'Hindsight', it would behoove us if over that 20 year period, to raise the state gas tax even 1 cent/gallon and we would have our 20 cent increase and we would be able to work it into our cost structure. Small, measured increases are palpable and acceptable, huge increases that we are not able to pass onto our customers are not.

Minnesota Republicans are adamant to not increase the fuel taxes or any taxes when the state has an estimated $500-$1 billion dollar surplus. Governor Walz is proposing to raise taxes by $3 Billion dollars per year. Unfortunately my memory is too good when I recall that Governor Dayton raised the taxes on Minnesotans by $2.8 Billion per year.

Putting this all in perspective, 27 states have already raised their fuel taxes and should Minnesota follow suit, plus, if the federal government raises fuel taxes by an estimated 20 cents/gallon, and we lose our uphill battle to maintain our motor coach and school bus fuel tax exemption, we could see a fuel tax increases in the 60-65 cent/gallon range.

Here are some examples of states who have raised fuel taxes: Pennsylvania has the highest state fuel tax in the nation at 58.7 cents/gallon. Michigan is requesting a 45 cent hike in state fuel tax & if approved, would be the highest state fuel tax in the nation at 71.3 cents/gallon. These are serious cost increases that, in it's entirety, will be difficult to pass onto our customers. The fuel tax exemption that we now enjoy is at risk. At the April 3rd UMA Capitol Fly-in, this exemption was one of the main subjects that 75 operators from around the country fought to maintain. Our argument is that the transit industry enjoys a 100% exemption of fuel taxes. Meanwhile 80% of their capital spent for buses and infrastructure is paid from the Federal Transit Administration, our tax dollars.

Private Operators do not get any capital funding and costs for motor coaches must be paid entirely by the operator. The motor coach industry used to have that same full exemption but it has been raised over the years. We presented the argument that the transit industry and the motor coach industry should have 'Parity'. We argued that motor coaches are NOT the problem, but we are the Solution and the fuel tax exemption is important to our operations.

When the time comes for legislation to be considered, all of you must be prepared to contact your respective Congressional legislators and Senators to fight for this exemption to continue. Be Prepared!!

Keep this in mind when you are bidding trips down the road. Be sure you are not negatively impacting your revenue by absorbing these additional costs.

ELDs have Not Reduced Crash Rates

The hard enforcement of Electronic Logging Devices has been in effect for over a year. A group of researchers issued a report that reached two main conclusions**: # 1: The use of ELDs has NOT reduced the rate of truck crashes. # 2: Speeding violations have increased, particularly among small carriers and owner-operators.** The report concludes that drivers are trying to make up for productivity losses caused by the ELD.

Smaller carriers and Owner-Operators are most impacted by the ELD mandate because the large legacy carriers have been using the ELDs or AOBRDs for several years and most all of these legacy carriers have speed limited trucks already.

The report concludes that the mandate was effective in increasing the compliance with the Hours of Service but there was no evidence to suggest that accidents decreased. The increase in Hours of Service compliance was most pronounced among smaller carriers and owner-operators but even with the increased compliance, there was little difference in crash rates among these carriers.

For the industry, Prior to the ELD mandate, truck crashes averaged 1,717 per week. During the 'Soft Enforcement' period, truck crashes jumped to 1,912 crashes per week. After the 'Soft Enforcement' period ended on April 1, 2018, truck crashes dropped to an average of 1,703, only 14 less crashes per average week or a 'Statistically Zero' difference.

Statistically speaking, the larger the carrier, the more truck crashes they had. Carriers with 101-1,000 trucks averaged 374 crashes per week before the ELD mandate and 361 weekly crashes after the mandate. Carriers with over 1,000 trucks averaged 244 per week prior to the enforcement and 240 after enforcement of the mandate.

The study showed that the Independent Owner-Operators collected the highest rate of H.O.S. violations, collected the most Speeding Violations (Speeding jumped from 268 per week average to 362 per week) or a 35% increase in the speeding violations. Yet, these Independent Owner-Operators had the lowest crash rate.

Conclusion: "We find that the ELD mandate unequivocally enhanced HOS compliance" "However, the ELD mandate did not noticeably improve safety, and we are able to produce no statistically significant evidence to ELD adoption by the smaller firms corresponded to any reduction in accident rates."

(article compliment of CCJ Magazine Feb 4, 2019)

Editor's Blog: Well Sherlock, that is quite a conclusion. So the FMCSA could be wrong in assuming that most truck accidents are caused by fatigue. Will the agency change the Hours of Service for truck drivers that will allow them to split their day up to go 'Off Duty' during the day?? Will they change the H.O.S. to allow these drivers to sleep when they are tired and drive when they are fresh?? Will they change the H.O.S. to allow drivers to take 'Off Duty' rest breaks to avoid heavy traffic in metropolitan areas and avoid rush hour times?? A change in the HOS is due from FMCSA soon.

ELD Exemption for Small Fleet Operators

In May 2018, Representatives Collin Peterson (D-MN), Greg Gianforte (R-MT) and Steve King (R-IA) introduced a bill to exempt carriers with less than 10 vehicles from the Electronic Logging Mandate. The bill failed to make it out of committee and stalled in the 115th Congress.

The bill was reintroduced (HF-1697) this year and has 36 bi-partisan co-sponsors. The ELD mandate for all commercial vehicles was part of the MAP-21 Surface Transportation Reauthorization Bill. It was heavily supported in the Senate and less so in the House but according to Ken Presley of the UMA, this exemption is "Possible but not Probable".

If this bill passed through the Congress, it would mean that an estimated 85% of trucking companies would become exempt from the ELD mandate and nearly 95% of passenger carrier would become exempt. This would mean a near complete congressional reversal of their original intent. There is a regulatory relief feeling in the administration but this may be a too big a pill to swallow.

The original ELD mandate was pushed by Congress, who, in turn, was pushed by safety advocates and by large trucking firms & their organizations. These large firms felt that because they were running Electronic logging and small carriers were cheating on their paper logs, it placed the large firms at a competitive disadvantage. They wanted to 'level the playing field'. Any action to reverse the ELD mandate will find plenty of opposition from these same large trucking groups and Safety Advocates but anything can happen in Congress.

Congressman Peterson (D-MN) is a huge farm advocate and also a friend to small business. He co-sponsored the bill to stop the increase in insurance requirements and also was the only Democrat to co-sponsor Congressman Bruce Babin's (R-TX) Bus Regs bill to remove regulations from our industry. He also introduced a bill (HR 1698) to exempt drivers who haul agricultural commodities, including livestock, from the ELD mandate.

Editor's Blog: **From reading my past newsletters, it was very evident that I was not in favor of the ELD mandate from the very beginning. I felt that drivers were being held to a 'Standard' of minutes and seconds in driving, and meanwhile had no control over the environment we traveled through. We can plan an adequate and acceptable number of miles to travel in a day in order to comply with the H.O.S. But I challenge anyone to accurately plan how long one needs to get through the city of Chicago, or Atlanta, or Los Angeles, or any other large metropolitan area, depending on the day of the week and the time of any given day. We have had buses arrive at their evening destination with as little as one-minute to spare because of traffic. Traffic, according to FMCSA, is not a reason to invoke the 2-hour emergency rule. Now that is stressful for the driver watching your minutes tick down and worrying if you will make your destination in time.**

Shock: I am not in favor of this bill and not in favor of an exemption for the small carriers, for which I am one. From the beginning, I felt that if the legacy carriers want to run ELDs, that is their choice. It should also my choice if I want to run ELDs or not to. I simply disagreed with the mandate.

The vast majority of my drivers actually like the ELDs, When they work!! When they don't work, They Suck!! Now the driver has to come up with 7 days of paper logs to be legal and it is usually when the group is waiting and they don't really have the time to do so. More Stress!!

So how did this ELD mandate work out?? Re-read my previous article about how it did nothing to reduce accidents. The FMCSA stated that ELDs increased Hours of Service compliance. Yet, accidents did not decrease. Does this not throw a challenge at the agency's theory that fatigue is a major cause of accidents?? It's looking more like the ELD mandate was a solution searching for the problem.

Getting Ready for New Driver Training Rule

The clock is ticking for the next FMCSA mandate which is the ELDT, or the Entry Level Driver Training rule. This rule takes effect on February 7, 2020, a short 9 months away. The new ELDT will attempt to standardize CDL training programs for both CDL training schools and for operators who do their own training, which covers almost all small operators.

It appears that the new training rule will try to mirror the National Registry of Medical Examiners. This means trainers, whether in school or in private fleets will need to train new drivers to FMCSA standards and will need to 'Self Certify' in the "Training Provider Registry (TRP)

At this time, the U.S. DOT requires training in four topics for CDL Training providers: Hours of Service, Driver Qualification and Disqualification, Health & Wellness and Whistle blower protection. Say goodbye to simplicity. The new training rule will require 31 specific theory courses as well as 19 behind the wheel skills courses. Potential drivers will need to pass all these courses with an 80 % pass rate.

The challenge will be primarily for smaller, outstate operators, whether truck or bus, to comply with these requirements. After all, How many driving schools do you know of in your area?? Since much of our businesses utilize 'Part-Time' employees, how difficult will it be to hire these drivers with what many claim, to be excessive requirements. (Continued)

(ELDT Continued from Page 5.)

This new ELDT rule will have minimum new standards for trainers, both in theory and behind the wheel. At this time it is unknown how it will affect 'in-house' training programs. After all, we as smaller, outstate & rural operators will most likely have to be certified as trainers in order to train our own drivers.

No one can debate the need and advantage of driver training. But it is debatable that the new requirements will likely be so onerous that it will only exacerbate the driver shortage more so than it already is.

We all in the business will need to keep our eye on this additional mandate to determine how we will be able to comply with it.

Long Time Bus Operator Passes Away

Joe Ready, founder of Ready Bus Lines of La Crescent Minnesota passed away on April 23rd at age 95. Born on December 10, 1923, Joe lived and worked his entire life in the La Crescent area. He, along with is wife Arlene, founded and operated Ready Bus Line throughout their working years.

Joe Ready was one of the founding board members of the United Bus Owners of America (UBOA). UBOA started in 1971 as an association of small motor coach operators. Their goal was to influence lawmakers and regulators in Washington to advance their interests. The United Bus Owners of America changed it's name to the United Motorcoach Assn. in 1996.

In retirement, Joe & Arlene lived at the Ready Farm and continued their support of the community, schools and the La Crescent area. Prior to starting Ready Bus Line, Joe served in the U.S. Army, was a butter maker, construction worker and a farmer. Joe is survived by two sons: John of Brownsville, Mn And Tom (Kathy) Ready of La Crescent. After Joe's retirement, Tom Ready took over Ready Bus Line and ran it for many years.

Insurance Rates Continue to Climb

Increasing accident exposures and higher costs of claim settlements have kept insurers of commercial auto liability, including the motor coach industry from breaking even since the beginning of this decade. Industry rating services predict that some insurers may need further premium increases to passenger transportation coverage.

Despite rate increases in 23 or the last 25 quarters, the combined ratio topped 111 % in 2017. This line has been a weak spot for many insurers, forcing them to reduce writings, trim their portfolio and in some cases, exit writing monoline auto altogether.

Despite continuing premium increases, the industry experienced only a slight improvement in 2018 in combined ration, which is calculated by dividing total claim losses by paid premiums. Claims in 2017 totaled 111% of premiums paid…….. across the industry.

Losses in the bus and motor coach segments may be leading the trend, said Michelle Wiltgen, of National Interstate Insurance Company of Richfield, Ohio. "The auto liability line has been running at a loss for the better part of the last 10 years with the unprofitable results beginning with a 103 % combined ration in 2011

"With respect to the insurance companies that write auto liability for the passenger transportation industry, my sense is that many of them are doing much worse than 111%. We are seeing this as companies are having their A.M. Best ratings downgraded and some insurance companies are making the decision to not write passenger business at all because they can't do so profitably".

"Unrelenting Forces:" Insurers are facing increases in loss severity and higher claims for medical costs and property damage, particularly for more expensive parts and labor for vehicle repairs. Auto liability underwriters face "unrelenting economic and social forces that negatively impact our business", said Tom Hathy, VP of public transportation for RLI Corp, a specialty insurance company in Peoria Illinois.

"Several years ago we recognized some of the same changes experienced by the general commercial auto insurance market. Growing frequency and severity trends and time to settle liability claims, increased litigation of claims and increased vehicle utilization," he said: "Our specific niche, passenger transportation is particularly impacted by growing attorney involvement and soft-tissue claims."

Also, the industry faces increased reinsurance costs as our motor coach customers are often targeted due to the $5 million dollar minimum auto liability limit they are required to carry.

Wiltgen said total claims are increasing due to road density, more vehicles traveling more miles, driver shortages pushing less experienced driver onto the road and keeping some older drivers on the road too long, lack of driver training and distracted driving. These factors will continue to mean increases in pricing and/or lack of availability of coverage as insurance companies exit the market.

(Insurance continued on page 7)

Operators must focus on robust risk management programs and consistently follow realistic policies and procedures. "RLI Transportation has addressed these conditions the past several years through several initiatives: exiting riskier classes of business, limiting writings in regions with problematic litigation climates and maintaining adequate auto liability rates". Hatly said. "We have also invested heavily in our claims and loss control departments, who efforts have helped our customers develop an improved safety culture and reduce frequency and severity of claims". ……….

The 2019 A.M. Best Auto Liability Market" report predicts still higher medical expenses and more expensive repairs of increasingly sophisticated vehicles. "Commercial auto losses will continue to drag on the industry's profitability, even after years of significant rate increases". (Article compliments of Bus & Motor Coach News. Rick Stoff. 4/22/2019

Editors Blog: **The Synopsis of this article is that we are and will continue to experience higher insurance premiums. Consider the distracted driving and aggressive driving we see from the motoring public, it seems that the CMV is always blamed for any incidents that happen. Couple this with a minimum $5 insurance policy that lawyers salivate to sue. Add in the public's attitude that : 'Not me, some else is always to blame" and ridiculous amounts of damages granted by juries, and we have an untenable situation that will not change anytime soon.**

We have been through insurance crisis before where the premiums continually escalated and many insurance companies exited the passenger transportation marketplace. We are just starting to go down that same road again.

MCBOA Membership

What does Membership in MCBOA Provide??

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Serving the Charter Bus Industry in Minnesota since 1985

FULL MEMBERSHIP:

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2019 Memberships are due in full by June 1, 2019

PLEASE JOIN US FOR OUR ANNUAL CONFERENCE IN ST CLOUD November 19-20, 2019

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November 19-20 **(1:00 pm on Nov. 19 to 12:00 Noon on Nov. 20th)**

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