



F4A Federal Motor Carrier Safety Preemption

In 1994, Congress enacted the Federal Aviation Administration Authorization Act (F4A), which prevents states from undermining federal deregulation of interstate commerce through a patchwork of state laws. TCA actively fights to maintain this federal preemption, particularly as it relates to state meal and rest break requirements.

- 26 states have adopted separate and disparate rules which are more stringent than the federal safety standards enforced by the Federal Motor Carrier Safety Administration (FMCSA).
- Of these states, California has presented the biggest threat to the trucking industry.
 - California's Wage Order 9 holds that drivers must take a 30-minute meal break every 5 hours and a 10-minute rest break every 4 hours, as well as additional meal and rest breaks for longer shifts.
 - If an employer does not authorize and permit employees to take these breaks, the employers must pay the employees a "premium" equal to one hour of pay at the employee's regular rate of pay.
- California's meal and rest break laws impose substantive standards related to the price, route or service of a motor carrier, and therefore should be preempted F4A.
- After California enacted Wage Order 9, resource-consuming litigation began taking advantage of carriers that were complying with federal standards but not those specifically for California.
 - Aggressive plaintiff's attorneys capitalize on the confusion between federal and state laws and aim to catch carriers off guard in order to retain large settlements.
- Trucking interests challenged the regulation in the courts, and initially won the case (*Penske Logistics, LLC v. Dilts*) in favor of federal preemption at the District Court level.
 - But in 2014, the Ninth Circuit Court of Appeals reversed the District Court's decision.
 - In January 2015, Penske Logistics petitioned the U.S. Supreme Court to take up the case, but the petition was denied and the Ninth Circuit's ruling stands today.
 - In 2018, the American Trucking Associations (ATA) petitioned FMCSA to preempt the California law due to its hindering of interstate commerce.
 - TCA filed public comments in support of ATA's petition, and on December 21, 2018, FMCSA granted the petition in a win for our industry.
 - However, FMCSA's preemption is currently being challenged in court.
- The Ninth Circuit has defined the law in a way that is irreconcilable with F4A's broad deregulatory purpose.
 - If not addressed, the result will be further reregulation of the motor carrier industry using state employment laws.
 - If this state-level regulation continues to grow, the impact on competitive forces would multiply exponentially, undoing the very positive impacts of competition that have been fostered by F4A.