



May 14, 2019

Honorable William Straus, House Chair  
Honorable Joseph Boncore, Senate Chair  
Joint Committee on Transportation  
State House, Room 134  
Boston, Massachusetts 02133

Dear Chairman Straus, Chairman Boncore and Members of the Committee:

On behalf of the over 250 trucking company members of the Massachusetts Motor Transportation Association (“MMTA”), I am writing in strong support of Senate Bill 2031 / House Bill 3145, An Act Relative to Carriers of Property by Motor Vehicle. This bill seeks to allow for a single permit to be issued to an entire fleet of delivery vehicles for the transportation of alcohol. This measure will reduce the cost of doing business within the Commonwealth, leading to reduced costs for consumers without sacrificing the licensing protections offered by this permitting process.

As you know, Mass. Gen. Laws Ch. 138, §22 regulates the transportation of alcoholic beverages. Specifically, this section requires that every truck have an individual permit for the transportation of alcohol if it operates within the Commonwealth. This requirement creates significant administrative burdens and increased costs for doing business within the Commonwealth. In turn, the current process creates a barrier to competition in the Commonwealth, and increased costs for consumers. Accordingly, Senate Bill 2031 / House Bill 3145 will alleviate these problems by allowing fleet owners to purchase a “fleet permit” for use by their entire fleet. The legislation still requires that every vehicle carry a certified copy of the permit.

Under the current system, trucking companies must choose between three undesirable and costly options. First, a trucking company may choose to purchase permits for every truck in its fleet, recognizing that it is not realistically predictable as to which of its vehicles will be transporting alcohol at any given time. This option, which can be quite costly given the size of one’s fleet, requires extra administrative costs to ensure every truck has a certified copy of the permit and to ensure that every permit in every truck is the correct permit for that truck.<sup>1</sup> Alternatively, a truck company fleet may choose to only permit a select few of their vehicles, requiring the company to ensure that shipments of alcohol are only handled by those MMTA –

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<sup>1</sup> Consider the following example: An international shipping company, with the reasonable anticipation that of any of its trucks, at one point or another, may carry a load of alcohol into the Commonwealth, must permit slightly over 2,000 trucks. In permitting each truck, the company will spend over \$100,000 in permit fees.

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permitted vehicles.<sup>2</sup> Finally, some trucking companies choose to simply not ship alcohol and forgo acquiring a permit altogether, limiting business opportunities to those companies that can afford the permitting costs. In every option, consumers suffer from the effects of increased shipping costs or reduced competition.

To address this situation, Senate Bill 2031 / House Bill 3145 will allow for the issuance of a single fleet permit that maintains accountability and transparency in the shipment of alcohol. In doing so, the legislation will reduce the cost of shipping alcohol in the Commonwealth while allowing more businesses to be able to engage in the delivery of alcohol. The increased competition between transportation businesses will further lead to lower shipping costs for retailers and consumers. In no case does this legislation reduce public safety or accountability. In addition to the numerous existing laws governing the heavily regulated trucking industry, law enforcement and the state's alcohol control officers will still be able to see the "fleet permit" and hold transporters of alcohol accountable for compliance with the appropriate laws and regulations. Simply put, this legislation will benefit trucking companies and residents and businesses within the Commonwealth – without undermining the purpose served by these permits.

I appreciate your consideration of this important matter and respectfully request that the committee release Senate Bill 2031 / House Bill 3145 with a favorable report. If you have any questions please do not hesitate to contact me.

Sincerely,



Kevin Weeks  
Executive Director

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<sup>2</sup> Under this scenario, reduced efficiency actually leads to higher costs as, logistically, the trucks must then be prioritized for alcohol shipments, whereby they are considered less efficient due to an inability to release said trucks for other shipments at any time.