American Fair Freight and Transportation Reform Act (AFFTRA)

A Real-World Explanation of How AFFTRA Works
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The American Fair Freight and Transportation Reform Act is built around one fundamental principle:

SAFETY STARTS WITH THE ECONOMICS.

I want to explain AFFTRA in terms anybody can understand, whether you've worked in trucking for 30 years or you've never stepped foot inside a commercial truck.

Because here's what I've learned.

When people first hear about our proposals, especially the minimum freight rate and broker compensation limits, they immediately start thinking about government price controls, increased costs, and interference with the free market.

And I understand why.

But what they're missing is **how these five proposals work together to change the economics of the entire trucking industry.**

That's what I want to explain.

The trucking industry doesn't have a problem moving freight. We have a problem with the economics of moving freight.

We've spent decades creating an environment where trucking companies compete to see who can haul freight the cheapest.

Now think about that for a minute.

We're talking about 80,000-pound commercial vehicles traveling down America's highways alongside our families.

These trucks require professional drivers, expensive equipment, maintenance, insurance, fuel, and compliance with federal safety regulations.

But when the financial incentive is to move freight for the lowest possible price, what happens?

Where does that trucking company find the money to compete?

Does it come out of maintenance?

Does it come out of driver compensation?

Does it come out of replacing equipment?

Those are the questions we need to be asking.

Because safety starts with the economics.

AFFTRA proposes five legislative changes designed to address those economic incentives together.

We're not trying to eliminate competition.

We're trying to change what the industry competes for.

Instead of rewarding whoever can move freight the cheapest, we want a system that rewards professionalism, efficiency, reliability, and negotiating better freight rates.

Here's how it works.

PILLAR ONE: BAN FULLY AUTONOMOUS COMMERCIAL FREIGHT TRUCKS

Let's start with the professional driver.

AFFTRA proposes federal legislation prohibiting fully driverless commercial freight trucks.

Now, we're not against technology.

Technology that helps professional drivers operate more safely and efficiently is welcome.

But removing the professional driver entirely from an 80,000-pound commercial vehicle raises serious questions about highway safety, accountability, and the future of professional trucking.

We already have trained men and women capable of transporting America's freight.

Our position is straightforward:

Invest in technology that supports professional drivers, not technology designed to eliminate them.

Now that we've established our position on keeping professional drivers behind the wheel, let's talk about the economics that support them.

PILLAR TWO: ESTABLISH A $5-PER-LOADED-MILE MINIMUM FREIGHT RATE

This is where we start addressing the underlying economics.

AFFTRA proposes a minimum of **$5 per loaded mile paid to the carrier** for broker-intermediated freight movements exceeding 300 miles.

Now, I want to explain why.

Let's say a trucking company accepts a 500-mile shipment.

Under our proposal, that carrier would receive a minimum of:

500 miles x $5 = $2,500.

That $2,500 isn't profit.

That money has to cover fuel, insurance, equipment payments, maintenance, tires, repairs, taxes, compliance, driver compensation, and the other expenses of operating a trucking business.

And the carrier still needs enough left over to remain financially viable.

We're not proposing that every trucking company be guaranteed a profit.

We're proposing a minimum compensation standard intended to support professional transportation.

Five dollars is the floor, not the ceiling.

Carriers and shippers can still negotiate higher rates based on equipment, service requirements, distance, and market conditions.

Now, let's talk about something that makes this proposal especially important.

PILLAR THREE: REQUIRE 100% FREIGHT TRANSACTION TRANSPARENCY BEFORE BOOKING

Let's say a shipper hires a freight broker to arrange transportation.

The shipper agrees to pay $6,000.

The broker contacts a trucking company and offers $4,000 to move the load.

The carrier may not know the shipper agreed to pay $6,000.

Without access to that information, the carrier cannot independently evaluate the entire financial transaction.

AFFTRA proposes requiring complete disclosure **before the carrier accepts the shipment**.

That means the carrier can see the shipper's payment, broker compensation, fuel surcharges, accessorial charges, rebates, and other financial arrangements.

Now, imagine negotiating a business transaction when you can see the full financial picture.

You know what the customer is paying.

You know what the intermediary is receiving.

And you can decide whether the transaction makes economic sense for your business.

That's what transparency is supposed to accomplish.

But transparency alone doesn't solve the entire problem.

That brings us to the next pillar.

PILLAR FOUR: CAP TOTAL FREIGHT BROKER COMPENSATION AT 10%

This is where AFFTRA changes the financial incentives.

We're proposing a broker compensation negotiating range of **3%-10% of the total freight transaction**, with 10% as the absolute maximum.

Now, let me explain why.

Under a traditional spread-based brokerage arrangement, a broker may increase its earnings by negotiating a lower payment to the carrier while keeping the shipper's rate unchanged.

We're proposing a transparent percentage-based compensation structure.

Under that structure, a broker can increase its compensation by negotiating higher total freight rates.

For example:

If the shipper pays $5,000 and the broker receives 10%, the broker earns $500.

If that same broker negotiates $7,000 from the shipper, the broker earns $700.

And the carrier receives the remaining 90%.

The broker makes more money by negotiating better freight rates instead of increasing its margin by squeezing the carrier.

That's the economic incentive we're trying to create.

And here's another important point.

We're not trying to put freight brokers out of business.

We're trying to establish a compensation structure where brokers compete through negotiating skill, efficiency, customer service, and the value they provide.

A smaller broker who negotiates a higher shipper rate may deliver more money to the carrier than a large broker charging a lower percentage.

That's legitimate competition.

And with modern automation, transportation management systems, and digital freight platforms, brokerage operations can potentially handle greater transaction volumes with fewer administrative expenses.

We're not eliminating broker profitability.

We're changing how broker profitability is earned.

Now, here's where everything starts coming together.

PILLAR FIVE: ESTABLISH PROFESSIONAL DRIVER COMPENSATION

AFFTRA proposes a federal minimum of **$1 per dispatched hub mile in take-home compensation for company drivers**, with benefits provided in addition.

Let's use another example.

A professional driver travels 600 dispatched miles in a day.

Under AFFTRA, that driver would receive a minimum of:

600 miles x $1 = $600 in take-home compensation.

That's the proposed minimum, not a maximum.

Now, why is that important?

Because we're asking professional drivers to operate commercial vehicles weighing up to 80,000 pounds alongside American families.

That requires training, responsibility, attention, and professionalism.

But when trucking companies are competing primarily on the lowest freight rate, driver compensation becomes one of the expenses they may try to reduce.

Our proposal changes that.

We want carriers to have an economic reason to hire qualified professional drivers, compensate them appropriately, and retain them.

And we want drivers to be able to build sustainable careers in trucking.

Professional compensation should be part of the economic foundation of the industry, not an expense that gets sacrificed whenever freight rates decline.

HOW THE FIVE PILLARS WORK TOGETHER

Now, here's the most important part of this entire conversation.

I don't want you to look at these five proposals as five unrelated regulations.

They're designed to work together.

Let's walk through a freight transaction.

A shipper needs freight transported.

A broker negotiates a transportation rate.

Under AFFTRA, the carrier receives complete financial transparency before accepting the load.

The broker operates under a clearly defined compensation limit.

The carrier receives a minimum freight rate for qualifying shipments.

The trucking company must compensate its professional drivers according to the federal minimum.

And our autonomous trucking proposal addresses the continued role of human professionals in commercial freight transportation.

Each pillar addresses a different part of the transportation system.

Now, consider what happens when a carrier refuses a load because the compensation is insufficient.

The broker has three options.

Option one: Reduce its own compensation.

Option two: Return to the shipper and negotiate a higher rate.

Option three: Lose the transaction.

That's a significant change from a system where undisclosed brokerage margins can create incentives to reduce carrier compensation.

And that's why transparency and compensation limits must work together.

We're creating a framework where brokers have an incentive to negotiate higher shipper rates, carriers have greater financial visibility, and professional drivers have minimum compensation protections.

Now, that doesn't mean every load will suddenly pay more.

And it doesn't mean every trucking company will become profitable.

Businesses will still have to operate efficiently.

Competition will still exist.

But the economic incentives will be different.

Instead of competing exclusively to see who can transport freight for the lowest price, businesses can compete on professionalism, reliability, efficiency, service, and negotiating skill.

That's the structural change we're pursuing.

WHY THIS MATTERS TO THE AMERICAN PUBLIC

This isn't just about trucking companies making more money.

Think about what happens when transportation businesses have the financial resources to maintain equipment properly.

Think about what happens when companies can afford to hire experienced professional drivers.

Think about what happens when drivers can build stable careers instead of constantly moving between employers searching for better compensation.

Those are the outcomes we're trying to encourage.

We believe economic stability can support safer equipment, stronger professional standards, better driver retention, and a more dependable transportation system.

And because trucking is essential to America's supply chain, those outcomes matter beyond our industry.

They matter to American families, businesses, manufacturers, farmers, and consumers.

We recognize that higher transportation compensation can affect shipping costs, and those effects deserve serious economic analysis.

But we also believe the long-term costs of an unstable transportation industry deserve consideration.

Our position is that transportation economics and highway safety cannot be treated as separate issues.

Safety starts with the economics.

WHAT WE'RE ASKING CONGRESS TO CONSIDER

We're not asking Congress to guarantee that every trucking business succeeds.

We're not asking the federal government to eliminate competition.

And we're not asking taxpayers to subsidize inefficient businesses.

We're asking Congress to examine whether the existing economic structure provides a sustainable foundation for professional freight transportation.

We're proposing enforceable federal standards addressing compensation, transparency, intermediary incentives, and professional drivers.

We understand that these proposals will require careful legislative drafting, economic analysis, and negotiations.

We're prepared for those discussions.

But our objective is comprehensive reform rather than another temporary solution.

Because here's what I've learned after years working in this industry:

We don't need another program teaching truckers how to survive a broken system.

We need to address the economic conditions that keep creating the problems.

And that's what AFFTRA is designed to do.

FIVE PILLARS. ONE REFORM. FEDERAL LAW.

Safety starts with the economics.

Fix all of trucking. For all time. For everybody.

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