

May 5, 2023

The Honorable Tim Scott 104 Hart Senate Office Building Washington, DC 20510

**Dear Senator Scott:** 

On behalf of the Intermodal Association of North America (IANA), a leading transportation trade association representing the combined interests of the intermodal freight industry, I am writing to express our support for the Employee Rights Act (S. 1201). In particular, IANA supports codification and protection of the independent contractor model.

As the only transportation trade association that represents the combined interests of intermodal freight providers and customers, IANA represents more than 1,000 corporate members, including railroads, ocean carriers, ports, intermodal truckers and over-the-road highway carriers, intermodal marketing and logistic companies, and suppliers to the industry. IANA's associate (non-voting) members include shippers (defined as the beneficial owners of the freight to be shipped), academic institutions, government entities, and non-profit trade associations.

For decades, the prevailing business model for intermodal trucking companies that transport freight, prior and subsequent to movements by water and rail, has involved the use of independent contractors. In fact, over 80 percent of intermodal trucking companies have used owner-operator drivers. The independent contractor business model is essential to the intermodal industry, offering operational and financial flexibility to motor carriers, allowing them to adapt and respond to natural elasticity and volatility in the cargo transportation market. Attempts to eliminate or limit the independent contractor model would have a negative effect not only on the intermodal industry, but the entire supply chain.

In March, IANA published a white paper that explores the indispensable nature of the independent contractor model to the intermodal industry. I have attached a copy of the white paper for your reference and use as appropriate in discussing the importance of the Employee Rights Act. If I can be a resource on this topic, please do not hesitate to contact me at <a href="mailto:icasey@intermodal.org">icasey@intermodal.org</a> or 301-982-3400 ext. 349.

Sincerely,

Joanne F. Casey President and

Janne F. Cary

CEO

Intermodal Association of North America

Attachment