

AIPBA

For Immediate Release:

February 25, 2013, 5:00 PM (Eastern time); Fort Lauderdale, FL

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Minority Truckers Endorse AIPBA's Property Broker/Freight Forwarder Bond Repeal Bill

The president of the Association of Independent Property Brokers & Agents ("AIPBA") and the CEO of the National Association for Minority Truckers ("NAfMT") issued a joint statement today, announcing the NAfMT has joined the AIPBA's campaign to repeal the new \$75,000 freight broker/forwarder bond established by the "Moving Ahead for Progress in the 21st Century Act of 2012" (Public Law 112-141 commonly referred to as "MAP-21").

AIPBA President James Lamb said:

"On behalf of our 1,375 members, the AIPBA believes the \$75,000 bond was designed by its proponents to remove small and mid-sized non asset based intermediaries from the market, following a policy of "disintermediation" in order to create oligopolies and significantly increase market share for the mega brokerages and big asset-based 3PLs under the guise of "fighting fraud." We are proud to have the NAfMT join the fight to repeal this anti-competitive, anti-American law that will eliminate tens of thousands of jobs over the next year, result in owner-operators being paid less by the mega brokerages, serve as an obstacle for new start-up businesses-- including those that would otherwise be launched by minority entrepreneurs, and cause a rise in shippers' costs and consumer prices due to abrupt and drastic changes in supply and demand. We applaud NAfMT's decision to help campaign for stability in market prices and seek repeal of this job-killing provision hidden deep within the massive 600 page Highway Bill."

In advocating for the AIPBA's "Repeal of the Job-Killing Provisions of MAP-21 to Protect Small Business in Transportation Act of 2013" currently being circulated around Congress (attached here), Lamb pointed to America's long-standing "Federal Transportation Policy" codified at 49 USC §13101 that sets the stage to protect America from unfair trade practices, policies, regulations and laws that are likely to raise consumer prices and cost America jobs. He quoted §13101, which states:

"...it is the policy of the United States Government to...promote safe, adequate, economical, and efficient transportation... encourage sound economic conditions in transportation, including sound economic conditions among carriers... encourage the establishment and maintenance of reasonable rates for transportation, without unreasonable discrimination or unfair or destructive competitive practices... encourage fair wages and working conditions in the transportation industry... promote competitive and efficient transportation services in order to encourage fair competition... and reasonable rates for transportation by motor carriers of property...(and) promote greater participation by minorities in the motor carrier system."

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NAfMT's CEO Kevin Reid stated:

"The NAfMT concurs with the AIPBA that the \$75,000 freight broker bond will serve as an unreasonable barrier to entry for would-be entrepreneurs, including members of the protected classes, and will prevent our owner-operator members who currently broker out excess freight lawfully under their broker licenses from being able to continue to do so due to the corresponding rising cost of this new financial security. NAfMT also agrees with AIPBA's position that this new requirement will result in less choice of brokers for both owner-operators and shippers once the small brokers are eliminated by the cash collateralization requirement which the sureties and financial institutions will impose due to the underwriters' increased risk exposure; and that the unintended consequences of this new law in terms of supply and demand will include owner-operators being paid less by the remaining big brokerages, shippers paying more for transportation, and a corresponding increase in consumer prices for all Americans. We share truckers' concerns that as thousands of small freight brokers all go out of business at once come October when the new bond takes effect, they will leave tens of thousands of owner-operators unpaid and these owner-operators will not be able to sustain that kind of loss."

Lamb indicated the AIPBA was finalizing its legal strategy with its legal team to determine the nature and timing of a court action challenging the Constitutionality of the new bond law and getting it overturned by a Federal court in the event the AIPBA's political solution is not successful. #

For information about the AIPBA and its campaign to reverse the \$75,000 broker bond law, visit www.AIPBA.org. For information about NAfMT, visit www.NAfMT.com.

Association of Independent Property Brokers & Agents

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.....
(Original Signature of Member)

113TH CONGRESS
1ST SESSION

H. R. _____

To repeal the job-killing property broker bonding provisions in Section 32918 of the
Moving Ahead for Progress in the 21st Century Act of 2012.

IN THE HOUSE OF REPRESENTATIVES

Mr. _____ (for himself and [see ATTACHED LIST of cosponsors]) introduced
the following bill; which was referred to the Committee on _____

A BILL

To repeal the job-killing property broker bonding provisions in
the *Moving Ahead for Progress in the 21st Century Act of 2012.*

1 *Be it enacted by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the

5 *“Repeal of the Job-Killing Provisions of MAP-21*
6 *to Protect Small Business in Transportation Act of 2013”.*

2.

1 SECTION 2. REPEAL OF THE JOB-KILLING PROVISIONS OF MAP-21
2 TO PROTECT SMALL BUSINESS IN TRANSPORTATION ACT OF 2013
3 (a) JOB-KILLING PROPERTY BROKER AND FREIGHT FORWARDER FINANCIAL
4 SECURITY-RELATED PROVISIONS IN THE MOVING AHEAD FOR PROGRESS IN THE
5 21ST CENTURY ACT.—Effective as
6 of the enactment of the Moving Ahead for Progress
7 in the 21st Century Act of 2012 (Public Law
8 112–141), Section 32918 of such Act is
9 repealed, and the provisions of law amended or repealed by
10 Section 32918 of such Act are restored or revived as if Section 32918 of
11 such Act had not been enacted.