Fleet guide to understanding the ELD mandate

With the ELD mandate in effect, fleets that use paper logs to track hours of service are beginning to implement automated logging solutions before the December 2017 deadline. This whitepaper will walk you through the steps to meet this deadline and why acting now is the best path for your operation.
Driver fatigue: a key role in accidents
Every year the National Transportation Safety Board (NTSB) compiles a list of its most wanted safety improvements. In 2016, reducing fatigue-related accidents topped the charts. Driver fatigue was a contributing factor in 20% of NTSB-investigated accidents.

Driver fatigue is an even larger issue for fleets. Fatigue is a factor in 13% of heavy vehicle crashes and is a principle cause in 31% of crashes that result in a fatality of the commercial vehicle driver, according to Roger Clarke, a consultant with Motor Carrier Safety Associates and chair of the North American Fatigue Management Program (NAFMP).1

Fatigue-related crashes come with a price tag. These types of tractor-trailer collisions cost companies more than $350,000 on average. But worse are the costs to human life: In 2012, nearly 180 commercial vehicle drivers died due to driver fatigue.

What is an ELD?
An ELD is an Electronic Logging Device that automatically records driving hours. This DOT-certified solution includes a device that attaches to the vehicle to record engine hours and has a screen for driver to input their identification information, monitor their hours and present it to DOT inspectors when requested.

ELD solutions can relay drive, logs and other key information back to a company in real time so that managers can better plan and maximize their drivers’ hours on the road.

ELDs' role in reducing fatigue-related crashes
ELDs can help reduce temptations to drive while fatigued or to risk traffic and regulatory violations to get to the next destination. By knowing the real time status of all driver hours, managers can quickly see when drivers are nearing their limits and plan accordingly. If one driver is delayed or getting into a bind, managers can react quickly and make new plans that keep all safe and compliant.

Fewer fatalities
ELDs have already proven their value. In the 2014 report “Evaluating the Potential Safety Benefits of Electronic Hours of Service Recorders,” there was a 45% decrease in total crash rates and a 38% lower preventable crash rate between vehicles with the ELDs installed than those without. FMCSA estimates ELDs will help save 26 lives and prevent 1,844 large commercial motor vehicle crashes each year.2

Fatigue-related crashes are costly
Fatigue-related crashes also come with a price tag. These types of fatigue-related tractor-trailer collisions cost companies more than $350,000 on average. But worse are the costs to human life: In 2012, nearly 180 commercial vehicle drivers died due to driver fatigue, according to Heavy Duty Trucking.3

ELD mandate in a nutshell
The new rule does the following:
• Requires all companies that report driver hours to switch to an automated driver hour log reporting system by Dec. 18, 2017
• New ELD technical specification for automated logging solutions that must be met by Dec. 16, 2019
• Clarifies supporting document requirements
• Procedural and technical provisions to help ensure ELDs are not used to harass CMV operators

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Who is exempt?
The ELD rule does have a few exceptions. Drivers who use paper logs no more than eight days during any 30-day period are not required to use ELDs, nor are driveaway-towaway drivers. And if a driver is operating a vehicle made before model year 2000, that driver is also exempt from the rule.

The essential driver and motor carrier checklist
FMCSA estimates the ELD mandate will affect approximately 3 million drivers. What steps do motor carriers and drivers need to take to be compliant?

Fewer costly crashes
On-the-job crashes cost companies thousands in vehicle damage, litigation, driver downtime or loss of productivity, and workers’ compensation. On average, the costs of these crashes total $16,500 for a non-injury crash, $73,750 for a non-fatal injury crash, and $504,408 for a fatal crash. As a result of new HOS regulations, FMCSA estimates a savings of $280 million due to fewer large truck crashes and $470 million as a result of improved driver health.4

Fewer fines
The savings related to fines are quite clear as well. Since ELDs automatically record HOS, fleets using the devices full time should see a sharp decline in penalties, if they see any at all. Log-reporting issues can result in fines between $1,000 and $10,000, and fines for falsifying logs can be $10,000. Likewise, when drivers violate HOS rules, fines can total $2,750 for the driver and $11,000 per violation for the company. These costs can add up quickly across a fleet; but with ELDs doing the heavy lifting, companies can avoid these fines all together.5

The ELD mandate applies to all companies who are currently required to keep driver hours of service logs.

Less wasted time
By automating the logging and reporting process, drivers can spend less time on administrative tasks, administrative staff can spend less time compiling and reporting, and managers can spend less time managing the reporting process and more time using the report information to better manage the operation and logistics. Despite the initial up-front cost to implement ELDs, the long-term savings come from fewer crashes, fewer non-compliance fines, improved logistics, and improved fuel efficiency.

Who is required to implement an ELD?
The ELD mandate applies to all companies who are currently required to keep driver hours of service logs. The rule pertains to both commercial buses and trucks, and includes drivers who live in Canada and Mexico, too, unless they qualify for an exception.

ELDs reduce potential for costly fines
ELDs offer great potential for reducing dollars spent on steep fines:

- 30% of driver violations are due to log reporting issues
- Fines for failure to prepare logs can be $1,000 to $10,000 per day
- Fines for falsifying logs can be $10,000
- 8% of driver violations are due to HOS violations
- Fines for violating the HOS rules can be $11,000 for each violation for a company or $2,750 for the driver

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The essential driver and motor carrier checklist
FMCSA estimates the ELD mandate will affect approximately 3 million drivers. What steps do motor carriers and drivers need to take to be compliant?

The difference between an AOBRD and an ELD
AOBRD: An Automatic On Board Recording Device that provides automated logging of driver HOS compliant with FMCSA 395.15. The mandate requires all companies to have at least an AOBRD by December 2017.

ELD: Is an AOBRD that meets the additional requirements outlined in the ELD mandate. It is required to have an engine diagnostic connection with the vehicle.

As you are selecting your solution, if not already an ELD, make sure to ask about the path to upgrade the AOBRD to an ELD to avoid the need to fully change out to a different solution later.
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**ELD phases of implementation**

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<thead>
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<th>Phase 1: Awareness and transition</th>
<th>Phase 2: Phased-in compliance</th>
<th>Phase 3: Full compliance</th>
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<tr>
<td>Date: Feb.16, 2016-Dec.18, 2017</td>
<td>Date: Dec.18, 2017-Dec. 16, 2019</td>
<td>Date: Dec. 16, 2019</td>
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<tr>
<td>Motor carriers and drivers can still use all of the following for Records of Duty Status (RODS): paper logs, logging software, AOBRDs, and ELDs.</td>
<td>Motor carriers and drivers can use AOBRDSs (that were installed prior to Dec. 18, 2017) and ELDs.</td>
<td>Motor carriers and drivers must have a certified, registered ELD.</td>
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**Motor carrier steps**

1. **Review the rule.** Make sure you understand what’s required of your fleet. Manufacturers of ELDs are very familiar with the rule and its requirements, so rely on their expertise.

2. **Select an automated device.** If you’re looking for an AOBRD, think ahead and choose a device that will be easy to transition to meet ELD requirements.
   - Making sure HOS data can be accessed during a roadside inspection.
   - Ensuring transfer of data can be performed wirelessly, (e.g. through cellular devices, USB 2.0, or Bluetooth).
   - In instances where connectivity is an issue (e.g. in rural areas), the capability to provide printouts or a “graph grid” of the time and location information, engine hours, vehicle miles, and driver ID information.

3. **Conduct training and develop guidelines.** Drivers and administrative staff must be trained to use ELDs, so it’s wise to develop guidelines for their use. You should also make sure user accounts are set up for drivers and provide them with the correct user information.

4. **Install and test.** Prior to the implementation date, ELDs must be installed and in use, so it’s important to conduct testing and ensure the solution will meet your needs and that everything is in good working order ahead of time.

**Driver steps**

1. **Know the rules.** Drivers should garner a solid understanding of what’s required by the ELD rule. Just because a driver doesn’t know the rule doesn’t mean they’re exempt from it.

2. **Get set up.** Drivers should obtain training on their ELD device and reporting requirements as well as set up their user accounts.

3. **Be ready to verify.** Drivers need to be sure they’re carrying the correct supporting documents so they can verify RODS when asked.

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The sooner you implement an ELD the sooner you will see ROI. Fleets have been shown to save 10-30% through lower accident rates, fewer violations, reduction in litigation exposure, fewer Workers’ Compensation claims, reduced accident severity and lower insurance premiums.
Why it’s important to implement now
In order to allow drivers and companies to adapt to the changes, the rule will be implemented over the next several years, and is broken down into three phases as shown in the chart. However, this doesn’t mean you should wait. Being an early adopter is beneficial for both the motor carrier and driver. So while compliance with the ELD mandate may seem like its down the road, you don’t want to put it off too long, and the benefits of this kind of solution build a strong case for accelerating your plans.

- Room for adjustment
  By putting the new technology on your fleet’s radar now, you can try it out and make sure its the right solution for your company and make adjustments if necessary before the deadline. It also allows all employees to get acquainted and comfortable with the transition rather than rolling everything out last minute.

- Reduce workload
  Less paperwork means fewer mistakes. When generated electronically, driver logs are also more organized and easier to read.

- ROI
  The sooner you implement an ELD the sooner you will see ROI. Fleets have been shown to save 10-30% through lower accident rates, fewer violations, reduction in litigation exposure, fewer workers’ compensation claims, reduced accident severity and lower insurance premiums. Not only can ELDs save money, they can help companies earn money, too. With improved CSA scores, companies can attract new customers and ultimately, generate more revenue. If you have a fleet solution with an ELD, there can be an even stronger ROI.

Biggest early adoption benefit: safety
Of course the greatest value ELDs offer is improved driver safety. By providing valuable information to drivers and motor carriers about how long drivers have been on the road, companies can better manage schedules and, in turn, fatigue. Ensuring drivers get the rest they need to operate vehicles safely helps keep them – and other motorists – safe out on the road. Likewise, ELDs provide information companies can use as a basis for driver coaching – ultimately reducing risk and liability. But most importantly, ELDs help put better, safer drivers on the road, protecting both themselves and other motorists, and even saving lives.

Who can help?
Sprint offers industry leading compliance solutions along with GPS telematics and fleet and asset tracking solutions. Sprint helps its customers find a solution that will be the best fit for their operation and needs to help ensure they have a more efficient and effectively run fleet.

To learn more about how Sprint can help your fleet run a safer, more efficient fleet, visit https://business.sprint.com/solutions/fleet-management/.
Are ELDs required to include GPS Telematics?

ELD solutions are not required to offer GPS telematics or fleet management features. However some solutions offer both as part of the complete package. In doing so, the company can greatly increase the value of the total solution. With ELDs, fleets get the benefits of being compliant with regulations as well as saving time and money. And then with the additional visibility and insights into fleet activity that a GPS tracking and telematics solution offers, companies can gain even greater benefits without paying a premium.

What do GPS Telematics and/or Fleet Management Solutions offer?

• Real time location tracking show the breadcrumb trail of where vehicles are, where they have been, and at what time.
• Geofencing alerts when vehicles cross into or out of a designated zone
• Stop and idle time reports and alerts
• Alerts when a vehicle is being towed or moved
• Driver behavior reports and alerts
• Sensors to monitor operational features like PTO on/off

A fully connected fleet management solution results in a number of benefits for fleets in addition to the benefits of the ELD:

• **Improve regulatory compliance** and reduce potential for fines with automated reporting, saving time and managing load assignments by available hours.
• **Increase productivity and efficiency** by optimizing schedules and routes, then monitoring to ensure drivers are on schedule.
• **Increase fuel savings** by reducing unnecessary idle time as well as aggressive driving behaviors that waste fuel.
• **Improve customer satisfaction** with faster service, quicker dispatch, and more accurate job documentation.
• **Increase safety** by always knowing where drivers are, by improving driver behaviors, and by ensuring healthy vehicles.

Resources