

January 2008



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## Next Meeting - DOT-Compliance for Maintenance Operations

# Maintain!

Next Meeting - January 9, 2008 at the Cat 'n Fiddle

### Next Meeting!-

#### DOT-Compliance for Maintenance Operations - JMJ

Transportation Technical Services and Peasley Safety Consulting will make a joint presentation on what you need to know about DOT-compliance issues. If you are a mechanic, repairman, truck dealer, parts dealer, repair technician or the owner of the repair shop, tow truck/recovery operator, dealership or a safety or operations director, you are encouraged to attend this meeting. Even municipal and State maintenance shops will benefit from this presentation.

The presentation will be conducted by Jim Joyal (JMJ Transportation Technical Services) and Wayne Peasley (Peasley Safety Consulting). The presenters have many years or experience in the trucking industry and State government/law enforcement. Your questions related to DOT-compliance and civil liability issues will be welcome.

**Scare tactics will be kept to a minimum.**

Topics to be covered will include:

- SAFESTAT & SAFER
- Entry-level CDL Training Requirements
- Drug & Alcohol Testing Programs and Policies
- CDL Licensing and Vehicle Groups

- CDL Licenses - Employer and Employee Responsibilities
- Financial Responsibility Requirements
- General Requirements
- Driver Qualifications and Recordkeeping
- Safe Driving Requirements/Prohibitions
- Parts Required for Safe Operations
- The North American Standard Out-of-Service Criteria
- Cargo Securement
- Hours of Service
- Inspection, Repair and Maintenance
- Driving and Attendance Requirements for Haz Mat Drivers/Vehicles.

The relationship between the State and Federal motor carrier regulations will be explained and the recordkeeping requirements for drivers and companies.

The presentation will start shortly after the meal. Purchase of a meal is not required to attend the meeting. Also, you do not have to be a member to attend, all are welcome.

The social hour will be from 6:00 PM to 7:00 PM. The meal starts at 7:00 PM with the clinic starting between 7:45 PM and 8:00 PM. The meal costs \$15 per person. Please make your reservations by calling 1-877-525-3581. Hope to see you there!



[www.nhmags.com](http://www.nhmags.com)

*The Maintenance Association of the Granite State (MAGS) is an organization dedicated to the education of vehicle maintenance personnel, whether they are technicians, parts professionals or managers. We meet regularly for education and networking with others in our chosen field. Meetings are usually held in Concord but, are also held at vendors and members facilities. We invite you to join us by attending a meeting to see if we can help you improve your skills or make your job easier and more enjoyable. Call 1-877-525-3581 for a MAGS application.*

## Join MAGS Today!

**See Page 4 for the Application.**

*Please call our Treasurer, Wayne Peasley by September 9th with your reservations for the meal at 1-877-525-3581 (anytime).*

### Coming Soon!! The MAGS website...

If you would like to receive the **MAINTAIN!** newsletter via email (PDF format, in color), please provide us with your email address. You'll need Adobe® Reader, available free for download on the internet.



### Energy Bill Holds Surprises for Trucking

*(Reprinted from Heavy Duty Manufacturers Association - Deisel Download, December 21, 2007)*

The 35-mpg federal fuel standard for cars that is the centerpiece of the energy bill that President Bush signed into law Dec. 20 has caught the world's attention but it is little-known provisions of the historic legislation that might ultimately have the most impact on America's truckers.

The bill, signed just days after the Senate passed it, ups the Corporate Average Fuel Economy (CAFE) requirements for the first time since Gerald Ford sat in the Oval Office.

It will force automakers to boost fuel mileage 40 percent for cars and light trucks (under 10,000 lbs GVW) by 2020. The bill also requires a six-fold increase in ethanol use to 36 billion gallons a year by 2022 as well as new energy efficiency standards for appliances, lighting and buildings.

Many believe the new bill is notable because its final form does not contain incentives to boost widespread use of renewable fuels as well as the end of tax breaks for oil companies to pay for those incentives

But trucking needs to know that buried in the 822-pg bill are provisions that addresses fuel economy standards for what are termed "medium and heavy work trucks," that is anything over 10,000 lbs. GVW.

The bill also appears to create a new class of vehicle called a "work truck," which is defined as any non-passenger vehicle with a GVW between 8,500 and 10,000 lbs. Both classes of commercial vehicles can expect to see their own set of fuel economy standards as soon as 2016.

The energy bill doesn't set hard and fast MPG averages as it does for light vehicles. Instead it requires the Depts. of Transportation and Energy to join the Environmental Protection Agency to devise "appropriate test procedures" for measuring truck fuel efficiency. Specifically, those tests must take into consideration duty cycles, truck design limitations, the variety of truck applications and overall operating costs.

Within one year of completing the study, the Sec. of Energy and EPA Administrator are required to issue rules setting fuel economy standards "that are appropriate, cost-effective and technologically feasible for commercial medium- and heavy-duty vehicles and work

trucks." It also gives the Sec. of Energy the flexibility to set separate standards for what it calls "different classes of vehicles."

### Insurance law makes for a "huge mess"; clarity sought

*(Reprinted from Nashua Sentinel and NH Business Review)*

John Stanek, of John Stanek Custom Builders in Peterborough, spends about 99 percent of his time doing bidding, drawing, design work and ordering for the construction company he started three decades ago. He never swings a hammer, according to his wife, Mary Beth Stanek - who helps run the business - and he doesn't pick up a power tool other than to put it in his car.

As head of the company, he does, however, step on construction sites daily, which under a new law, could obligate him to pay well over \$20 per every \$100 of payroll to cover himself under workers' compensation.

"That's a lot of money," Mary Beth Stanek said - an extra hit during a lagging real estate economy in which, nationwide, housing starts fell 29 percent between January and May 2006 and the same period in 2007, according to census statistics.

The new obligation is the result of a controversial state law, House Bill 471, which was intended to tighten holes in existing workers' compensation law, but has drawn such an outcry from small business owners, top legislators have vowed to repeal part of it.

The law, which went into effect Sept. 14, requires all contractors, subcontractors and independent contractors to provide certification of workers' compensation coverage on state transportation and public works projects.

But a single section of the law extends beyond public and state projects - 39 words, which state that the top three officers in any corporation can no longer exclude themselves from workers' compensation coverage if they're "actively engaged in on-site work on any construction site within the state."

What exactly "actively engaged" means is subject to debate.

John P. Jackson, business manager for the carpenters union branch, Local 118 - which pushed for the law - said, "It would only affect the people that work on the construction site."

However, small business owners and insurance professionals interpreted it differently.

Under the new law, they said, the owner of a small construction company would have one of three choices: remove himself entirely from his company's site work, slash what he banks annually by thousands for workers' compensation or

pass the costs on to the consumer.

The third option only works if every other owner passes the costs to his customers, too.

If other companies dodge the law - by misclassifying workers or hiring illegal or undocumented workers and therefore avoiding paying workers' compensation coverage - then law-abiding companies will likely continue to find themselves on the bottom of the bidding pile.

Charles Massin, an agent at the Frank Massin Agency in Fitzwilliam, described a carpenter he insures who employs three workers through his limited liability company.

The carpenter banks about \$60,000 annually, Massin said, but covering himself with workers' compensation insurance would cost him more than \$10,000 per year.

"It is a huge mess, and hopefully this law will be repealed because it's just not fair," he said. "People can't afford it."

Mary Beth Stanek said business has been strong at John Stanek Custom Builders, making her believe the company would weather the storm.

However, she said, "It certainly makes us reconsider how much longer we want to do it."

Among her greatest beefs with the law, she said, is that premiums aren't pro-rated to reflect the actual time spent on a construction site.

Also, the rates can go up or down depending on the type of work being done on the site, and it can be difficult to know on which type of job a company owner should buy coverage, said Sharon Greatbatch, who owns S&S Painting in West Swanzey.

Meanwhile, the law would do nothing to level the construction industry's playing field, Stanek said, and would actually give an unfair advantage to those in partnerships and sole proprietors who wouldn't be affected by the law's expansion.

"I think the whole construction industry in the state of New Hampshire is going to be in big trouble as a result of this law," Stanek said.

Greatbatch agreed.

"If I add in the cost (of workers' compensation coverage) I could lose jobs. I could price myself out of the market," she said.

With consumers showing uncertainty in the economy, Greatbatch said, "there's the potential for everybody to price themselves out of the market. It's pushing too far when everyone is already on the edge."

Mark Theiss, who owns Creative Construction by Mark Theiss in Keene, said even if he does work on the construction site, insuring himself should be his decision.

"It should be up to you if you want to cover yourself," Theiss said. "In this state, if you own your car you don't even have to have auto insurance."

Theiss said he has health insurance through his wife, and adding workers' compensation coverage for himself will take \$12,000 out of his pocket annually.

He has no employees right now but he has had as many as 12 in the past and insured all of them, he said.

Mary Beth Stanek echoed him, saying, "I believe 100 percent that we should have our employees covered by workers' compensation insurance."

As for covering themselves, she said, "It should be your own

choice," adding that she and her husband both have health and disability insurance.

However, for those who only have health insurance - or worse, those who have neither - Joseph J. Donahue, legislative coordinator for the New England Regional Council of Carpenters, asked, "If they get hurt on the job ... who pays for that? ... Who pays their paycheck?"

But Mary Beth Stanek had some questions of her own.

"What is to be gained by covering somebody like ... my husband?" she asked. "What is going to be gained other than the insurance companies making a whole lot more money?"

Yet every insurance professional interviewed described concerns about the law, explaining that it represents a serious hit for many of their clients.

In November, Robert L. Nash, president of the Independent Insurance Agents & Brokers of N.H. sent a letter to both chambers of the state Legislature, calling the bill "a disaster for our small business clients" and urging its complete repeal as soon as possible.

And small business owners and insurance professionals alike said the bill was extremely difficult to understand.

"I don't think the companies really know how they're going to handle it," said Scott D. Olmstead, commercial sales producer of The Richards Group in Brattleboro.

For example, Olmstead wondered, would an officer of a construction company based in Brattleboro but completing a portion of its work across the border in Chesterfield be charged for workers' compensation coverage on his total payroll, or just that earned in New Hampshire?

Jackson said he understood the concerns of both insurance companies and small business.

However, he said, workers' compensation costs should be built into the costs of running a business, along with expenses such as building materials.

These costs, he said, should be built into bids across the board.

To work on a level playing field, though, this depends on everyone playing fair.

Meanwhile, repealing the legislation will keep intact another avenue some companies have used to dodge workers' compensation laws - enabling employers to gather three employees together, pay a \$100 fee to register them as a corporation or limited liability company, and then force each to exempt themselves from workers' compensation coverage, according to Joseph Donahue.

As an example, Donahue described a drywalling company, which does work in New Hampshire and Massachusetts, that required its 80 employees to form themselves into corporations.

"These workers, if they want to get a paycheck on Friday, have to do this," he said.



Maintenance Association of the Granite State  
 P.O. Box 6492  
 Manchester, NH 03108

## Application for Membership

Fill-in your information below, check the type of membership and mail with your check to MAGS.

**NAME:**

**COMPANY NAME:**

**ADDRESS:**

**CITY, STATE & ZIP:**

**TELEPHONE:** **EMAIL:**

(√) Check One	Description	Amount Due
	2008 Corporate Membership Dues	\$50.00
	2008 Individual Membership Dues	\$20.00

Please make your check payable to MAGS. Thank you. Your support of MAGS is appreciated.

### What you get with your Corporate Membership -

- **MAGS Newsletter**
- **Special Recognition at MAGS Events (Monthly meetings and training, etc.)**
- **Corporate Member Listing in MAGS Newsletter**
- **Bring a customer or employee to MAGS Meetings**
- **Certificate of Membership (suitable for framing)**
- **Advanced notice of Scholarship Opportunities**

### What you get with your Individual Membership -

- **MAGS Newsletter**
- **Bring a customer or employee to MAGS Meetings**
- **Certificate of Membership (suitable for framing)**
- **Advanced notice of Scholarship Opportunities**

## **MAGS Thanks Our Corporate Members**

Across NH Mobile Repair, LLC  
American Truck  
ARCH Equipment & Truck, LLC  
Bestway Disposal Services  
Brock's Plywood Sales, Inc.  
C & J Trailways  
Camerota Truck Parts  
Chuck Lafleur, Inc.  
City of Concord  
City of Keene  
Coastal Truck Body  
Coastal Truck and Auto Body  
Complete Diesel Service, LLC  
Concord Coach Lines, Inc.  
Dennis K. Burke, Inc.  
Dover Motor Mart-FM Inc.  
Duval's Towing  
Eastern Propane & Oil, Inc.  
East Coast Utilities Construction  
Fleet Ready Corp.  
Fleetpride, Inc.  
Foley Oil Co.  
Freightliner of NH  
Gilbert Block Company  
Gilbert Driveline Service & Supply, Inc.  
Goffstown Truck Center  
Hawkins Safety Equipment Sales  
Instant Cargo Express  
J. W. Fleet & Equipment  
JMJ Transportation Technical Services  
Lakes Region Fire Apparatus, Inc.  
Liberty International Trucks of NH, LLC  
Liftech Automotive Equipment  
M & S Logistics  
McDevitt Truck Sales  
McMillan Transport, Inc.

Merrill & Sons Truck & Coach, LLC  
NAPA Auto Parts - KRL, Inc.  
New Boston Truck & Equipment  
New England Truck Repair  
Northeast Logistics, Inc.  
Peasley Safety Consulting, LLC  
Pembroke Towing, Inc.  
Pete's Sewer Service  
Plourde Sand & Gravel Co., Inc.  
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Putnam Fuel Co., Inc.  
R.H. White Construction Co., Inc.  
Rick's Truck & Trailer Repair  
Rochester Truck Repair, LLC  
Russell Auto, Inc.  
S & J Transportation Services, Inc.  
Sanel Auto Parts  
Simply Green  
Soule Truck Service, Inc.  
State Line Truck Service, Inc.  
Thibeault Corporation of NE  
Town of Gilford - Public Works Dept.  
Town of Hanover  
Town of Raymond - Maint. Div.  
Victory Fuel  
Yankee Trucks, LLC  
Zero Waste, Inc.

**Check it out!**

**The MAGS website...**

[www.nhmags.com](http://www.nhmags.com)

If you would like to receive the *MAINTAIN!* newsletter via email (PDF format, in color), please provide us with your email address. You'll need Adobe® Reader, available free for download on the internet.

*Please call our  
Treasurer,  
Wayne Peasley  
by November 12th  
with your reservations  
for the meal at  
1-877-525-3581  
(anytime).*



**MAGS**  
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**ADDRESS SERVICE REQUESTED**

**MEETING NOTICE**  
**JANUARY 9, 2008**

