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Transportation Leaders Roundtable

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ONE YEAR OF

RESTORING SAFETY, SECURITY & INTEGRITY

★ TO AMERICA'S TRUCKING INDUSTRY ★



SAFETY

Protecting lives on
America's roadways



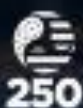
SECURITY

Stopping fraud and
ensuring compliance



INTEGRITY

Upholding the highest
standards in trucking



250

U.S. Department of Transportation

2025 Executive Orders

- March 1, 2025 E.O. 14224 Designates English as Official Language of the United States revokes E.O. 13166 requiring federal agencies and recipients of federal funding to improve access to their services for those with limited English language proficiency. Federal civil rights laws, like Title VI of Civil Rights Act of 1964 (prohibiting discrimination based on national origin) remain unchanged.
- April 28, 2025 E.O. 14286 “Commonsense Rules of the Road for America's Truck Drivers”
 1. Proficiency in English non-negotiable safety requirement
 2. Requires FMCSA to rescind previous English language proficiency policy and issue new guidance and procedures for compliance with 49 CFR 391.11(b)(2)
 3. Requires FMCSA to review non-domiciled commercial driver's licenses to identify any unusual patterns or numbers or irregularities with respect to non-domiciled CDL issuance.
 4. Take appropriate actions to improve the effectiveness of current protocols for verifying the authenticity and validity of domestic and international commercial driving credentials.

FMCSA Focus on Enforcement

200,000+

Non-Domiciled CDL Drivers
Removed from Eligibility

45,000+

ELP Violations

6,500+

ELDT Training
Providers Removed

80+

ELD Providers Removed

3,171,355

Roadside Inspections (CY
2025)

926,860

Roadside Inspections (CY
2026 YTD)

Views

Federal and State Investigations:

- Combined
- Separate

Calendar or Fiscal Year

- Calendar
- Fiscal

Filters

Year
All

Country
All

State
All

Service Center
All

Carrier Type
All Carriers

Agency
All

Investigation Type
All

Enforcement Result
All

Violation Type
All

Final Safety Rating
All

Fleet Size
All

Security Contact Reviews
All

Review Year: All | Country: All | State: All | Service Center: All
 Carrier Type: All Carriers | Agency: All | Investigation Type: Onsite Comprehensive, Onsite Focused, Offsite and 3 more | Enforcement: All
 Violation Type: All | Final Safety Rating: All | Fleet Size: All | Security Contact Reviews: All

Group by:

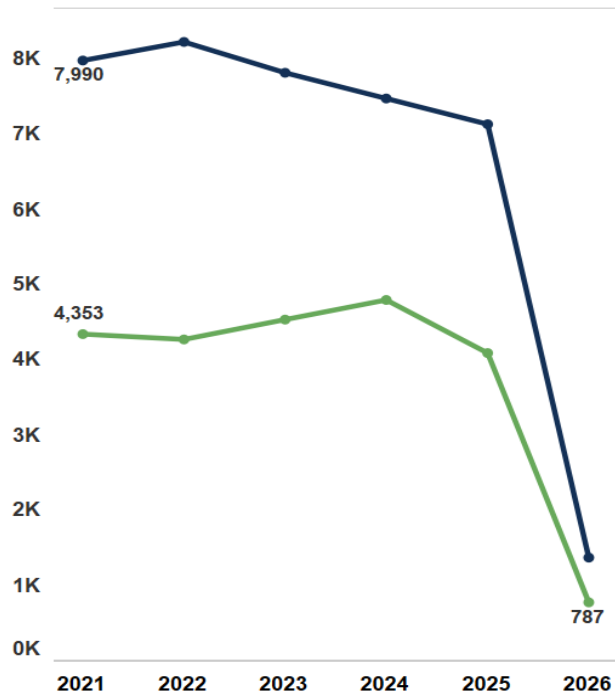
Total Investigations

- Federal
- State

Total Investigations

Total Investigations - CY

40,064 22,876



Compare to:

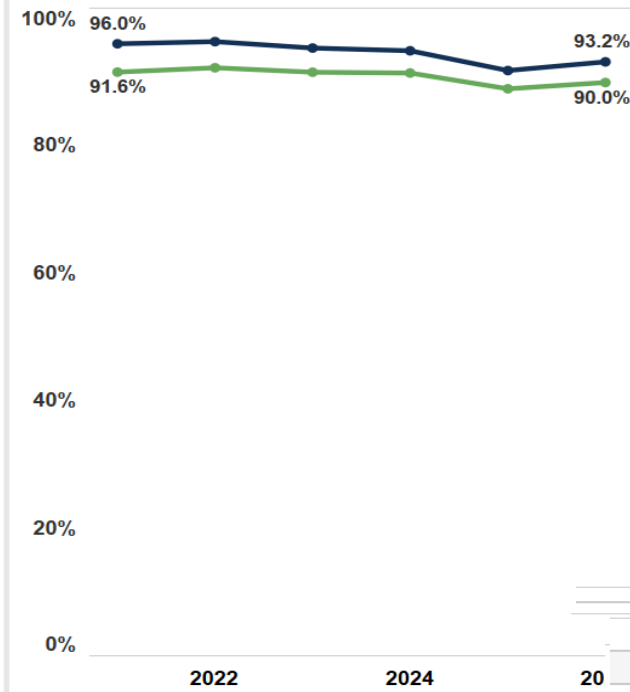
Investigations with any Violations

38,029 20,854



Percentage of Investigations with any Violations - CY

94.9% 91.2%



Non-Domiciled CDL Final Rule

Restoring Integrity to the Issuance of Non-Domiciled Commercial Driver's Licenses

91 FR 7044 | 49 CFR Parts 383 & 384 | Published Feb 13, 2026 | Effective Mar 16, 2026

What Changed

Before March 16

- Broad immigration statuses eligible
- EADs accepted as proof of eligibility
- No equivalent foreign driving history check
- States used inconsistent standards
- CDL validity could exceed visa expiration

After March 16

- Only H-2A, H-2B, E-2 visas eligible
- EADs no longer qualify
- Consular vetting as proxy for history
- SAVE system verification mandatory
- CDL capped at 1 year maximum

Who Is Now Excluded

- ✗ **DACA recipients** — Deferred Action for Childhood Arrivals
- ✗ **Asylum seekers & refugees** — Regardless of work authorization
- ✗ **TPS holders** — Temporary Protected Status
- ✗ **EAD-only applicants** — Employment Authorization Document insufficient

Lawful Permanent Residents and Green Card holders remain eligible for regular CDL

Existing non-domiciled licenses valid until expiration

REGULATORY UPDATE

Non-Domiciled CDL Final Rule

Restoring Integrity to the Issuance of Non-Domiciled Commercial Driver's Licenses

91 FR 7044 | 49 CFR Parts 383 & 384 | Published Feb 13, 2026 | Effective Mar 16, 2026

Non-compliant states: must halt all non-domiciled CDL issuance until compliance is achieved

Audit mandate: states encouraged to revoke improperly issued licenses retroactively

Validity of Current Licenses: properly issued non-domiciled licenses are valid until expiration or driver seeks additional licensing action (does not include medical examiner certification)

FMCSA Safety Rationale

- **Foreign driving histories:** unverifiable through U.S. databases (CDLIS/PDPS)
- **State audit findings:** 25 states notified improper CDL issuance
- **Error rates:** NY 53%, TX 49%, CA 25% of non-domiciled CDLs
- **CA & NY:** lost federal funding over continued non-compliance

Legal Challenges & Workforce Impact

Lujan v. FMCSA (D.C. Circuit, Nos. 26-1032, 26-1046) | Rule effective March 16, 2026

180,000

Total Non-Domiciled CDL Holders

194,000

Could Lose CDL Eligibility

17 Fatal Crashes

In 2025, Resulting in 30 Deaths

Litigation Timeline

- Sep 29, 2025** ■ IFR published — immediate effect, no notice-and-comment
- Oct 20, 2025** ■ Lujan v. FMCSA filed in D.C. Circuit
- Nov 10, 2025** ■ D.C. Circuit stays IFR — found FMCSA likely to lose
- Feb 13, 2026** ■ Final Rule published after 8,000+ comments
- Mar 16, 2026** ■ Final Rule takes effect — same petitioners challenge again
- May 5, 2026** ■ D.C. Circuit denies stay — major victory for FMCSA
- Sep 2026** ■ Oral argument scheduled on merits

Workforce Impact

194,000 lose eligibility (97%)

~**6,000** retain eligibility (H-2A, H-2B, E-2 visa holders)

Federal Funding Withheld: The Cost of Non-Compliance

FMCSA enforcement against states for non-domiciled CDL violations | 25 states cited in nationwide audit

\$231M+

Total Federal Funds Withheld

CALIFORNIA \$158M Withheld

- ▶ **Aug 2025:** Audit: 25% failure rate
- ▶ **Nov 2025:** Agrees to revoke 17K CDLs by Jan 5
- ▶ **Dec 30:** DMV extends deadline to Mar 6
- ▶ **Jan 7, 2026:** Final Determination issued
- **Decertification risk:** could lose all CDL issuance
- **CA appeals**

NEW YORK \$73.5M Withheld

- ▶ **Dec 12, 2025:** Audit: 53% failure rate
- ▶ **Mar 13, 2026:** FMCSA refutes NY claims
- ▶ **Apr 16, 2026:** \$73.5M withheld
- ▶ **Apr 24, 2026:** NY Appeals
- **Could double** to ~\$147M in FY2028

TEXAS 49% Failure Rate

- ▶ **Sep 2025:** Nationwide audit launched
- ▶ **2025 Audit:** 49% of sampled CDLs non-compliant
- ▶ **Oct 2025:** TX pauses non-dom CDL issuance
- ▶ **Apr 2026:** Cleared to resume issuance
- **49% error rate:** second-highest after NY (53%)
- **57%** of all national ELP violations in TX
- **Corrective action:** completed, now compliant

Letters of Proposed non-compliance - California, Colorado, Delaware, District of Columbia, Illinois, Indiana, Iowa, Maine, Maryland, Michigan, Minnesota, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Texas, Utah, Vermont, Washington

States cleared to resume non-domiciled CDL issuance (as of April 15, 2026, per corrective action plans under the Final Rule per Land Line Magazine) Delaware, Iowa, Minnesota, New Jersey, North Dakota, Rhode Island, South Dakota, Texas, Utah. But FMCSA says most states are now in compliance with new rule.

COMPLIANCE SPOTLIGHT

English Language Proficiency

The fastest-growing enforcement area in federal trucking regulation

49 CFR 391.11(b)(2) requires CMV drivers to read and speak English well enough to communicate with officials and understand highway signs.

45,766

violations in 2025

A 19x increase over 2024, making ELP the single largest violation growth category

7,248

drivers placed OOS

Each OOS order sidelines a driver and truck until resolved — direct revenue and schedule impact

Federal Law

Codified as an OOS violation in February 2026 (P.L. 119-75)
Consolidated Appropriations Act— enforcement is now “permanent” but FMCSA needs to enact regulation

68%

in four border states

TX, CA, AZ, and NM account for the vast majority — cross-border carriers face highest exposure

Bottom line: Any carrier hiring drivers who may not meet the English proficiency standard faces growing operational and legal risk.

2025 ELP Violations by Driver Domicile

45,766 total violations under 49 CFR 391.11(b)(2) | 19x increase over 2024 (2,389 violations)

45,766

Total ELP Violations in 2025

7,248

Drivers Placed Out of Service

19X Increase

Year-Over-Year (2,389 in 2024)

Mexico-Domiciled 50% (~14,078)

U.S.-Domiciled 49% (~13,795)

Through September 26, 2025 | Canada & Other countries: <2% combined | Source: FMCSA MCMIS

Enforcement Patterns

- **TX alone:** 57% of all national ELP violations
- **Border states:** TX, CA, AZ, NM = 68% of total
- **Border zone exemption:** 70-75% of violations in border zones did not trigger OOS orders (USMCA)

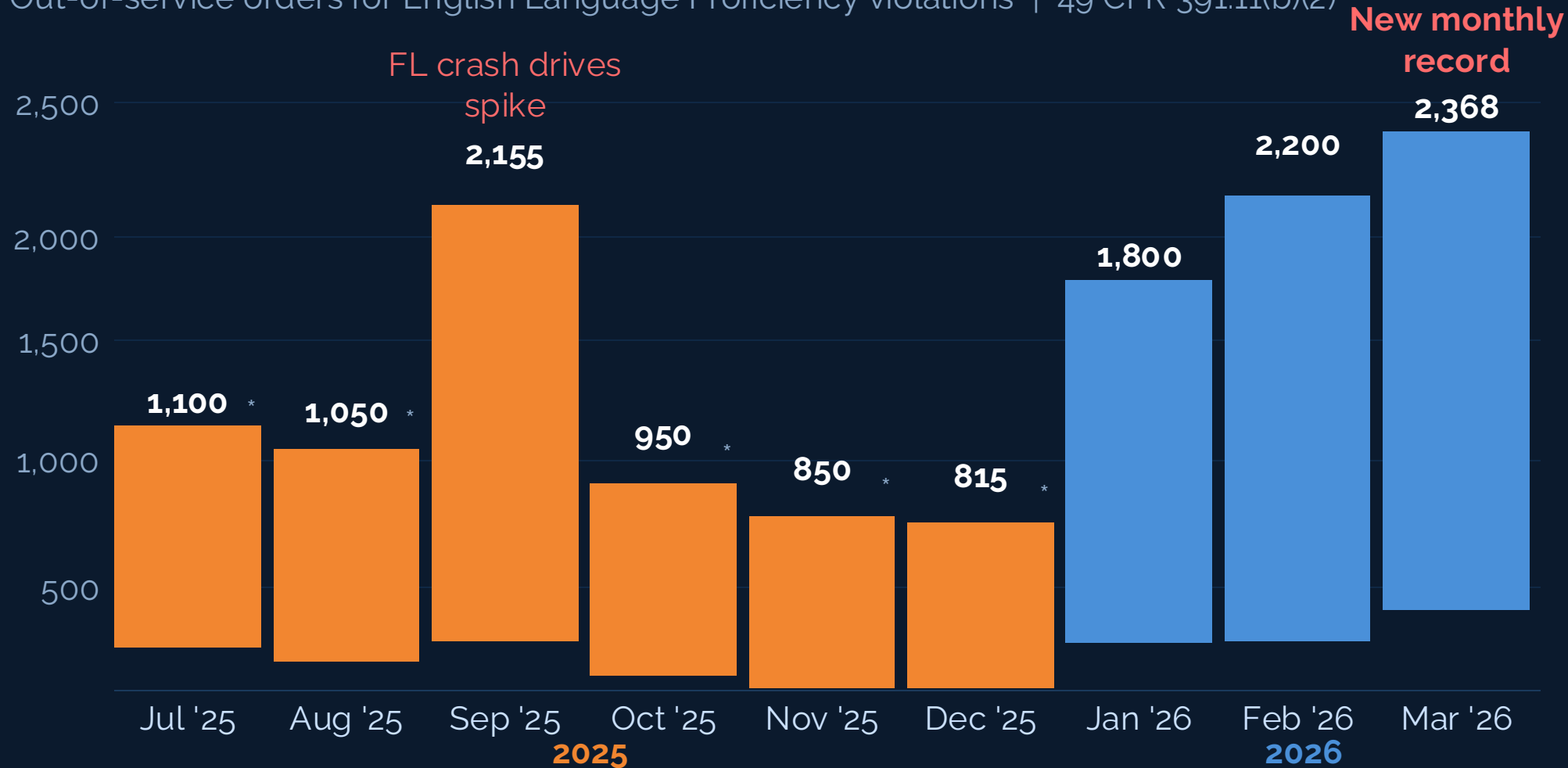
Domicile Differences

- **Mexico-domiciled:** 50% of violations but <1% OOS rate
- **U.S.-domiciled:** 49% of violations, significantly higher OOS rate
- **OOS gap:** 28% of total violations resulted in OOS
- **Why:** USMCA border zone exemption protects most Mexico-domiciled drivers

Sources: FMCSA MCMIS, RigDig/Overdrive, FTR Transportation Intelligence, ELPReady

Monthly ELP OOS Violations Trend: July 2025 - March 2026

Out-of-service orders for English Language Proficiency violations | 49 CFR 391.11(b)(2)



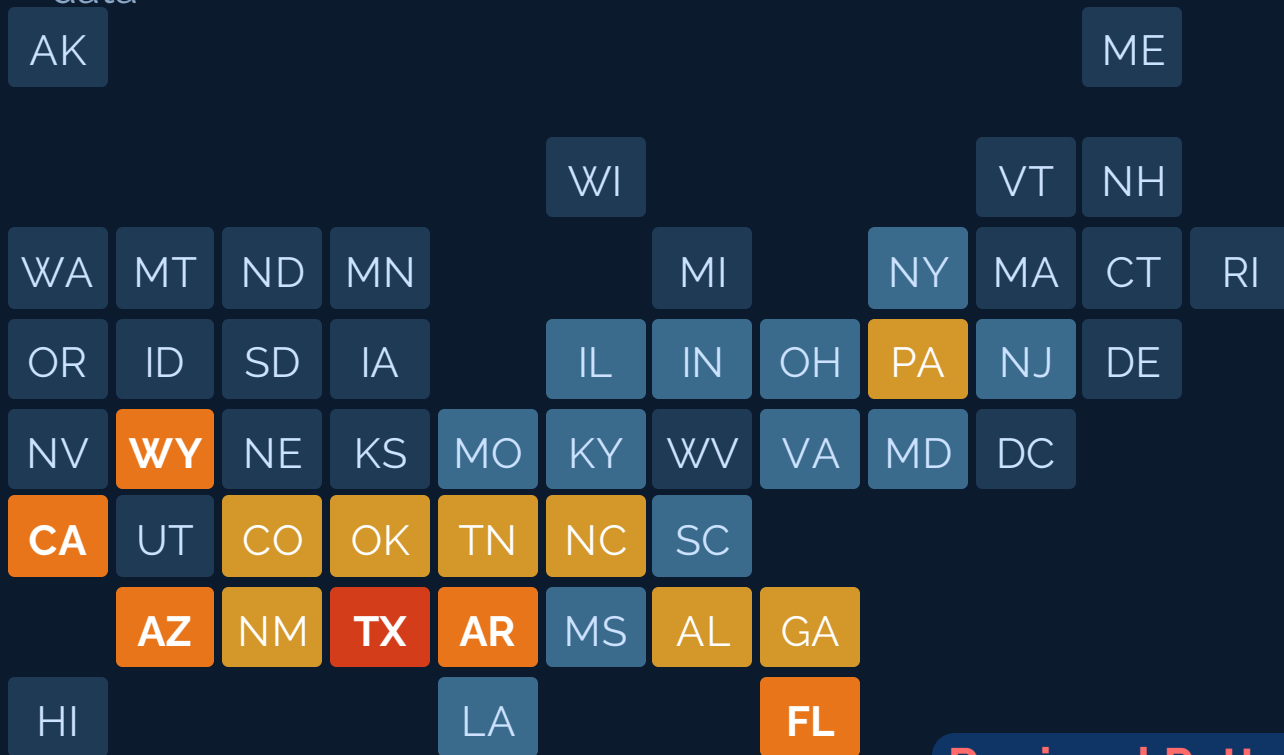
2026 Enforcement

Milestones

- **Jan 13-15:** Operation SafeDRIVE — ~500 OOS in 3 days across 26 states and D.C.
- **Feb 3:** Congress codifies ELP as OOS violation into permanent federal law (P.L. 119-75, Section 131)
- **Feb 2026:** Set new monthly OOS record; surpassed in March at 2,368 — enforcement accelerating
- **Apr 1:** CVSA Out-of-Service Criteria handbook officially updated to include ELP in print

ELP Enforcement Heatmap: OOS Violations by State

Cumulative OOS violations through April 2026 | FMCSA MCMIS data



Enforcement Intensity

- Very High (1,500+)
- High (700-1,499)
- Medium (300-699)
- Low (100-299)
- Minimal (<100)

Top 10 States: OOS Violations

#	State	OOS	Bar
1	Texas	2,688	<div style="width: 100%;"></div>
2	California	1,235	<div style="width: 46%;"></div>
3	Arkansas	1,186	<div style="width: 44%;"></div>
4	Florida	881	<div style="width: 33%;"></div>
5	Wyoming	802	<div style="width: 30%;"></div>
6	Arizona	747	<div style="width: 28%;"></div>
7	Tennessee	653	<div style="width: 24%;"></div>
8	Pennsylvania	626	<div style="width: 23%;"></div>
9	Alabama	569	<div style="width: 21%;"></div>
10	Colorado	559	<div style="width: 21%;"></div>

Regional Patterns

- Texas:** 57% of national total (cross-border freight)
- Rate leaders:** NM 4.2, AZ 3.8, TX 3.1 per 1k inspections

- Hotspots:** AR, WY, FL surged post-OOS policy
- Corridors:** I-10, I-20, I-40 see highest activity
- Border states:** TX, CA, AZ, NM = 68% of violations

National avg: 1.7 violations per 1,000 inspections

COMPLIANCE SPOTLIGHT

Challenges with English Language Proficiency Compliance

Unpublished Testing Procedures

Roadside testing procedures used by investigators are not published, making it difficult for carriers to prepare drivers.

State-to-State Variation

Enforcement standards and testing rigor vary significantly across states, creating an inconsistent compliance landscape.

No Clear Reinstatement Process

No standardized process exists for reinstating a driver following an ELP out-of-service violation.

Litigation vs. Evaluation Risk

Carriers face a trade-off — evaluating ELP creates discrimination liability, while not evaluating increases enforcement exposure.

DataQs Challenge Process

Challenges to ELP violations are difficult to prove using the existing DataQs process, limiting carriers' ability to contest citations.

Key takeaway: These ambiguities create a compliance gap where carriers cannot reliably train, test, or defend against ELP enforcement — yet violations carry immediate out-of-service consequences.

Dalilah's Law – Proposed Federal Legislation

H.R. 5688 | Advanced through House T&I Committee 3/18/2026 |
Senate companion bill introduced 3/27/2026

Key Provisions for Motor Carriers

- Named for Dalilah Coleman, a 5-year-old critically injured by an unlicensed commercial driver in Adelanto, CA (June 2024); legislation introduced by Rep. David Rouzer (R-NC)
- Restricts non-domiciled CDL eligibility to U.S. citizens, lawful permanent residents, and H-2A, H-2B, and E-2 visa holders
- Mandates English-only CDL knowledge and skills testing; requires all CDL holders to demonstrate English proficiency sufficient to communicate with law enforcement
- Bans motor carriers from using certain foreign-based dispatch services; bars offshore freight brokers from obtaining FMCSA broker authority
- Requires states to audit all non-domiciled CDLs within one year; non-compliant states risk losing 8–12% of federal highway funding
- Motor carriers liable for knowingly employing drivers without valid CDLs or adequate English skills, up to and including loss of operating registration



Indiana HEA 1200 – Non-Domiciled CDL Reform

House Enrolled Act 1200 | Effective April 1, 2026 | “First” state to enact non-domiciled CDL restrictions

Penalties and Enforcement Provisions

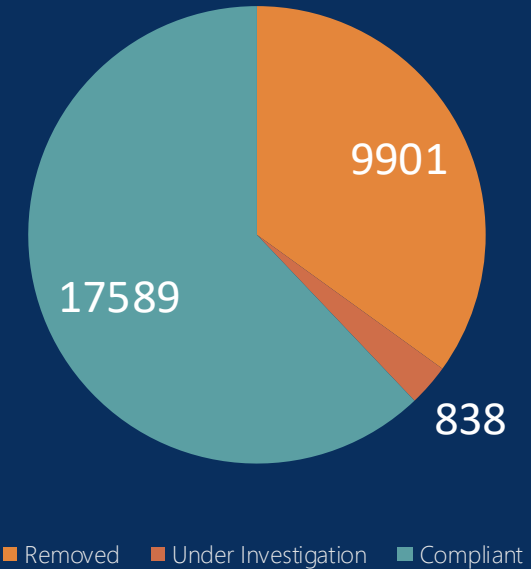
- Indiana revoked approximately 1,790 non-domiciled CDLs on April 1, 2026; non-domiciled CDL holders dropped to fewer than 10 statewide
- Restricts non-domiciled CDL eligibility to holders of H-2A, H-2B, or E-2 work visas, aligning with the FMCSA final rule effective March 16, 2026
- Requires all CDL applicants to demonstrate English language proficiency as a condition of licensure
- Presenting false records or lacking proper documentation while holding a CDL now constitutes a Level 6 felony; drivers face a \$5,000 civil penalty
- Employers face fines up to \$50,000 for hiring undocumented immigrants as commercial drivers
- Governor Mike Braun signed ceremonially on April 20, 2026; Indiana recognized as first state to enact these restrictions ahead of federal legislation



Entry Level Driver Training – Sweeping Enforcement/TPR Issues

- Dalilah's Law would require FMCSA to issue new rulemaking within 18 months and recertify all ELDT providers within 180 days, creating industry-wide disruption concerns
- More rigorous screening standards for training providers aim to eliminate shortcut training models and CDL mills that compromise driver qualification standards
- Industry faces potential disruptions during recertification period as providers await approval, raising questions about permissible training activity during interim status
- FMCSA has not confirmed preparedness for managing compliance delays or addressing potential driver shortage impacts from reduced training capacity

CDL Training Provider Registry Status



- **Removed (34%)** Providers delisted from the Training Provider Registry for failing to meet FMCSA compliance standards
- **Under Investigation (0.29%)** Providers currently under FMCSA review for potential training deficiencies or regulatory violations
- **Compliant (62%)** Providers meeting all current FMCSA entry-level driver training certification requirements

Violation Consolidation

950+ individual violations reduced to 116 grouped violation types for simplified scoring

12-Month Window

Only violations from past 12 months count toward carrier percentile, replacing multi-year lookback periods

Utilization Factor

Threshold raised from 200,000 to 250,000 miles per power unit for fairer comparison among carriers

Split Maintenance

Vehicle Maintenance divided into two separate BASIC categories doubling visibility of poor maintenance records

Driver Fitness

Threshold increased from 80% to 90% requiring higher standards for driver qualification compliance

CSA Safety Measurement System Transformation

- Proportionate percentile scoring compares carriers directly to peer fleets, creating more dynamic competitive rankings
- Single roadside inspection defect now directly impacts carrier percentile under compressed scoring window
- New methodology prioritizes data-driven risk assessment over legacy categorical scoring

Drug and Alcohol Testing Expansion – Fentanyl Addition/Marijuana Rescheduling Confusion

Fentanyl and norfentanyl addition to DOT drug testing panels represents the most significant expansion of testing requirements in years, expected to take effect 2026 (DOT must publish final rule)

60%

of Positive Tests: Marijuana Currently

DOJ Reschedules SOME not all Marijuana from
Schedule I to Schedule III

- Continue all existing marijuana testing protocols under 49 CFR Part 40 and Part 382 without modifications despite executive order and DOJ final order directing marijuana rescheduling of some marijuana products
- Maintain zero-tolerance policies prohibiting marijuana use by safety-sensitive employees as marijuana remains Schedule I drug until rescheduling process officially completes
- Follow current DOT guidance on medical marijuana, recreational marijuana, and CBD products with clear policy communication to employees
- Employers should monitor future regulatory updates from DOT regarding marijuana rescheduling impact and communicate policy expectations clearly to prevent employee confusion

MOTUS Registration System Rollout – Technology Modernization & Security

- Phased implementation strategy aims for smoother transition and better long-term reliability compared to previous large-scale system deployments
- System consolidates USDOT number requirements following MC number elimination, creating single unified identifier for all motor carrier registration and compliance activities
- Enhanced digital workflows replace outdated paper-based registration processes, improving processing speed and data accuracy for carriers and enforcement agencies
- Motor carriers should monitor FMCSA announcements for phase-specific requirements and ensure internal systems can integrate with new registration platform architecture

Phase 1

Supporting company registration and validation systems launch



Phase 2

End of May: Motor carrier integration and legacy data migration



Phase 3

Full system deployment including single registration number and other enhancements

Combating Chameleon Carriers and Fraud

Identity verification | Registration modernization | Business validation

Identity Verification and Registration Reform

- Mandatory identity verification via IDEMIA launched April 2025 — applicants must submit government-issued photo ID and live facial "selfie" before receiving USDOT and operating authority registration
- New authorities issued dropped by roughly 50% following identity verification rollout indicating significant fraudulent applications were previously entering the system
- MOTUS registration platform replaces 40-year-old legacy systems (URS, SAFER, L&I) with a single modern platform incorporating identity proofing and business validation tools
- Principal Place of Business enforcement restored — carriers must maintain a physical location where records can be inspected within 48 hours, ending "ghost office" schemes

Combating Chameleon Carriers and Fraud

Enforcement actions | Legislative initiatives | Public accountability

Enforcement Actions and Public Commitments

- Secretary Sean Duffy and Administrator Derek Barrs announced three new rulemakings at a February 2026 press conference targeting chameleon carriers, CDL mills, and ELD fraud: "We are going to shut you down"
- Administrator Barrs: "We are restoring principal place of business enforcement. We've got to unmask chameleon carriers" — framing chameleon carriers as a registration-and-credentialing integrity problem
- SAFE Act (H.R. 7539) introduced February 2026 by Rep. Harriet Hageman requiring FMCSA to study chameleon carriers and develop automated detection tools for the registration process
- 60 Minutes investigation (April 2026) exposed chameleon carrier networks; ATA calling on Congress to pass legislation and increase enforcement funding

Additional 2026 Regulatory Priorities on the Horizon

FMCSA's 2026 agenda includes Hours of Service flexibility provisions, technology mandates for new vehicles, and streamlined compliance procedures

HOS Flexibility

- Additional split sleeper berth and split duty periods hours pilots under consideration to give drivers more flexibility managing rest periods
- Industry advocates support rules recognizing operational realities while ATA expresses cautious optimism

Technology Mandates

- Advanced Driver Assistance Systems requirements for automatic emergency braking? lane departure warnings on new vehicles?
- Speed limiter mandate no longer under consideration
- ADS Rule?

Streamlined Compliance

- Elimination of self-reporting requirements for CDL violations as states already transmit information electronically
- Approval of electronic DVIRs and removal of printed ELD manual requirements support industry shift toward digital compliance

FMCSA Rulemakings After January 20, 2025

Final Rules & Withdrawals

Civil Penalties Technical Correction

Final Rule | Effective May 30, 2025

Motor Carrier Routing Repeal (49 CFR Part 356)

Final Rule | Effective May 30, 2025

Speed Limiter Rule Withdrawal

Withdrawal | July 24, 2025

Non-Domiciled CDL Restrictions

IFR Sep 29, 2025 | Final Rule effective Mar 16, 2026

12 Deregulatory Final Rules (Feb 19, 2026)

Final Rules | Most effective Mar 23, 2026

- Spare fuses, rear impact guard labels, liquid-burning flares, water carrier references, vision grandfathering — rescinded
- Electronic DVIR, fuel tank overfill, tire load markings, license plate lamps, auxiliary fuel tanks, CDL military exemption, portable conveyors — amended

Proposed Rules (NPRMs)

18 NPRMs Filed (May 30, 2025)

Comment period closed Jul 29, 2025 | 12 of 18 finalized

- Accident reporting (“medical treatment” definition)
- CDL standards for military personnel
- DVIR disposition, spare fuses, liquid-burning flares
- Rear impact guard labels, water carriers, vision standards
- Electronic DVIR, fuel tank overfill, tire load markings
- License plate lamps, auxiliary fuel tanks, portable conveyors

UCR Fee Increase

NPRM | Published Apr 7, 2026 | Comments due May 7, 2026 – extended to May 26, 2027

Delayed / Pending Rulemakings

- Broker transparency (2nd NPRM) — delayed to May 2026
- Entry-level CMV operator training — delayed to May 2026
- New entrant safety assurance — delayed to May 2026
- Safety fitness procedures — delayed to May 2026
- AEB for heavy trucks — reissued as supplemental NPRM

FMCSA Rulemakings on the Spring 2025 Unified Regulatory Agenda

41 total FMCSA rulemakings | Released September 4, 2025 | Majority with action expected by end of May 2026

Pre-Rule Stage

New Entrant Safety Assurance Process

2nd ANPRM | Expected May 2026

Entry-Level CMV Operator Training

Pre-Rule | Delayed to May 2026

HHG Knowledge Exam

Pre-Rule | Delayed to May 2026

Safety Fitness Procedures

Pre-Rule | Delayed to May 2026

Proposed Rule Stage

Broker Transparency (2nd NPRM)

NPRM | Expected May 2026

AEB for Heavy Trucks (Joint w/ NHTSA)

Supplemental NPRM | Reissued Dec 2025

MAP-21 Unified Registration System

NPRM | Expected March 2026

HOS: Split Sleeper Berth Pilot

NPRM | Proposed Rule Stage

Other Proposed Rules

Railroad grade crossing exception (2126-AC39)

Self-reporting requirement (2126-AC85)

N. American Standard OOS Criteria: Hazmat (2126-AC74)

UCR fee increase (2126-AC72)

Final Rule Stage

Civil Penalties Technical Correction

Final Rule | Effective May 30, 2025

Motor Carrier Routing Repeal

Final Rule | Effective May 30, 2025

Non-Domiciled CDL Restrictions

Final Rule | Effective Mar 16, 2026

12 Deregulatory Final Rules

Published Feb 19, 2026 | Most effective Mar 23, 2026

Speed Limiter Rule

Withdrawn | Removed from agenda

Revisions to Civil Penalty Amounts

Final Rule | 2025 and 2026 adjustments

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