

**FOLLOW-UP AUDIT ON THE
IMPLEMENTATION OF
COMMERCIAL VEHICLE SAFETY
REQUIREMENTS AT THE U.S.-
MEXICO BORDER**

Federal Motor Carrier Safety Administration

Report Number: MH-2003-041

Date Issued: May 16, 2003




Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation
Office of Inspector General

Subject: **ACTION:** Follow-up Audit on the Implementation
of Commercial Vehicle Safety Requirements at the
U.S. – Mexico Border
MH-2003-041

Date: May 16, 2003

From: Alexis M. Stefani 
Principal Assistant Inspector General
for Auditing and Evaluation

Reply to
Attn. of: JA-40

To: Federal Motor Carrier Safety Administrator

INTRODUCTION

With the signing of the North American Free Trade Agreement (NAFTA) in December 1992, the United States and Mexico consented to cross-border trucking throughout both countries by January 1, 2000. However, in December 1995, the United States indefinitely delayed implementation of NAFTA cross-border provisions for safety reasons.

The Fiscal Year (FY) 2002 Transportation and Related Agencies Appropriations Act (the Act) provided funds to the Federal Motor Carrier Safety Administration (FMCSA) to implement NAFTA provisions and required that certain safety requirements and preconditions at the U.S.-Mexico border be met. The Act prohibited FMCSA from using funds to review or process applications of Mexican-domiciled motor carriers (Mexican motor carriers) seeking to operate throughout the United States (long-haul) until the Act's safety requirements were satisfied.

The Act also directed the Office of Inspector General (OIG) to conduct comprehensive reviews of border operations to verify whether eight safety requirements were in place. On June 25, 2002, we reported that FMCSA had made substantial progress toward meeting the Act's requirements to hire and train inspectors, establish inspection facilities, and develop safety processes and procedures for Mexican long-haul motor carriers. FMCSA proposed to complete within 60 days those actions that were in process and planned, except the hiring

and training of safety investigators and training supervisors, which FMCSA planned to complete by November 2002.

On November 20, 2002, the Secretary certified that authorizing Mexican carrier operations throughout the United States does not pose an unacceptable safety risk. On November 27, 2002, the President lifted the moratorium on granting operating authority to Mexican motor carriers. The President further authorized the Department of Transportation to act on applications Mexican motor carriers submitted to obtain operating authority to provide scheduled cross-border bus and truck services throughout the United States.

OBJECTIVES

Our audit objectives respond to the Act's Section 350 provisions, which require the OIG to conduct a follow-up audit to verify that FMCSA has hired and trained inspectors, established inspection facilities, and developed safety processes and procedures for Mexican long-haul carriers. We also planned to determine how effectively resources were being used and whether safety procedures were implemented. However, because the border was not open to long-haul traffic, we were unable to evaluate the efficient use of resources and the implementation of safety procedures including the hours of service policy. Details of our objectives, scope, methodology, and prior audit coverage are in Exhibit A.

RESULTS IN BRIEF

FMCSA has substantially completed the actions necessary to meet the Act's requirements to hire and train inspectors, to establish inspection facilities, and to develop safety processes and procedures for Mexican long-haul motor carriers. Two remaining items—3 personnel vacancies and an agreement to detain commercial vehicles at the smallest crossing—will not affect FMCSA's ability to satisfy the Act's requirements. Also, State enforcement personnel need to be able to place Mexican carriers operating without authority out of service. Eighteen States, within the continental United States, have not yet adopted FMCSA's rule authorizing their enforcement personnel to take action when they encounter a vehicle operating without authority. The primary concern is not necessarily long-haul carriers whose authority will be checked every 90 days, but rather carriers authorized to operate only in the commercial zones¹ that continue beyond the zones and do so illegally.

¹ Commercial zones at the U.S.-Mexico border *generally* extend from 3 to 20 miles north of U.S. border cities.

Since our June 2002 report, FMCSA has:

- Completed hiring and training 271 of the 274 enforcement personnel² assigned along the U.S.-Mexico border. Enforcement personnel are (1) performing driver and vehicle safety inspections of commercial vehicles operating in the commercial zones and (2) have been performing safety audits and compliance reviews of Mexican carriers operating in the commercial zones.
- Completed adequate safety inspection facilities to enforce the Act's requirements at 24 of the 25 commercial border crossings. The remaining crossing, Andrade, California—is a low volume commercial crossing—where on average 7 trucks per day currently enter the United States to operate in the commercial zone. When the border is opened to long-haul traffic, California plans to provide State inspectors for the Andrade crossing during its hours of operation.
- Provided inspectors at the border crossings, and inspectors in mobile enforcement units operating adjacent to the border, access to Mexican and U.S. databases to verify commercial driver's licenses, vehicle registrations, insurance, and authority to operate in the United States.
- Completed development of the safety monitoring system for Mexican long-haul carriers.

Issues Impacting Border Opening. Although FMCSA has substantially complied with the Act's safety requirements, other issues have impacted opening the border to long-haul traffic. Most importantly, a potentially significant delay came on January 16, 2003, when a panel of the U.S. Court of Appeals for the Ninth Circuit issued its decision in *Public Citizen versus the U.S. Department of Transportation*.³ The Court of Appeals decision set aside, pending completion of an Environmental Impact Statement (EIS) and a Clean Air Act analysis, three FMCSA regulations⁴ that are preconditions in the Act to FMCSA processing Mexican applications seeking long-haul authority.

² The Act referred to all of the positions as "inspectors," but FMCSA categorized the positions as inspectors, auditors, and investigators responsible for providing a full range of safety enforcement functions. These enforcement actions include performing driver and vehicle safety inspections, safety audits, and compliance reviews and investigations.

³ *Public Citizen v. DOT*, 316 F.3d 1002 (9th Cir. 2003).

⁴ On March 19, 2002, FMCSA issued the following three regulations: (1) Application by Certain Mexico-Domiciled Motor Carriers to Operate Beyond United States Municipalities and Commercial Zones on the United States-Mexico Border, 67 Federal Register 12,702; (2) Safety Monitoring System and Compliance Initiative for Mexico-Domiciled Motor Carriers Operating in the United States, 67 Federal Register 12,758; and (3) Certification of Safety Auditors, Safety Investigators, and Safety Inspectors, 67 Federal Register 12,776.

The Court of Appeals ruling effectively prevents FMCSA personnel from conducting safety audits and compliance reviews until completion of the EIS and the Clean Air Act analysis. Department officials stated that the delay might extend up to 24 months, if an EIS is performed, or longer, if environmental mitigation measures are required. The United States filed a motion for rehearing of the Ninth Circuit's decision, which the court denied on April 10, 2003. The Department is considering a range of next steps and options, including whether to recommend an appeal to the Supreme Court and/or prepare an EIS.

Prior to the Ninth Circuit's ruling, diplomatic negotiations between Mexico and the United States had been underway to conclude a Memorandum of Understanding or establish other arrangements under which safety audits and compliance reviews would be performed by FMCSA personnel in Mexico. U.S. law requires that FMCSA perform 50 percent of all such audits and reviews in Mexico. As of March 28, 2003, FMCSA has received 232 applications from Mexican motor carriers seeking long-haul authority. According to FMCSA, 212⁵ of the carriers indicated that they intended to operate a combined total of 1,431 long-haul vehicles.

New Entrant Program. Until the border is opened to long-haul traffic, safety auditors and investigators assigned to the southern border could be used to implement FMCSA's new entrant program for U.S. and Canadian motor carriers. The new entrant program establishes minimum requirements for new motor carriers to ensure that they are knowledgeable about applicable Federal motor carrier safety standards. In addition to performing safety audits of Mexican carriers operating in the commercial zones, this interim assignment would increase the efficiency of the border staff and the productivity of these border resources. However, this interim assignment should not reduce the number below 144 Federal inspectors available to inspect commercial vehicles and drivers operating in the commercial zones.

Enforcing Operating Authority. Our June 2002 report brought to the Department's attention the fact that most States did not enforce operating authority rules. As a result, FMCSA issued an interim final rule in August 2002 requiring State inspectors to place out of service commercial vehicles operating without authority or beyond the scope of their authority. This is important because State enforcement personnel lacked the authority to put vehicles out of service if carriers did not have authority to operate within the commercial zones, or had commercial zone authority but continued beyond those zones.

⁵ The other 20 applications were incomplete and did not provide information on the number of vehicles the carriers plan to operate long-haul in the United States.

In 1999, we reported that at least 52 Mexican motor carriers operated improperly in 20 States beyond the 4 border States and in 2002 we reported that roadside inspection data throughout the United States showed this had continued. FMCSA's out-of-service requirement will work if the States expeditiously implement the rule. We surveyed Federal and State officials within the 50 States and the District of Columbia, and as of March 2003, they reported that 31 States had adopted the rule. Examples of States not adopting the rule are the border State of New Mexico and the States of Nevada and New York. In 1999, we reported that Mexican motor carriers operated improperly in Nevada and New York.

RESULTS

Hiring and Training Inspectors

Federal Inspectors. The Act provided funds to add 214 new enforcement personnel to FMCSA's authorized 60 inspectors on the southern border. FMCSA filled 271 of the 274 funded positions with safety inspectors, auditors and investigators. All of the 271 have been trained and the Table below identifies the number of people hired and trained for each of FMCSA's designated enforcement categories.

Table: Hiring and Training of Federal Enforcement Personnel

Position	Goal	Hired (As of 2/13/03)	Hired and Trained (As of 4/28/2003)
Inspector	144	139	139
Auditor	67	65	65
Investigator	53	56	56
Supervisor	5	5	5
Support Staff	5	6	6
Total	274	271	271

We determined that the safety investigators hired to date for the Southern Border have not been experienced investigators transferred from other parts of the country. Thus, there was no impact on the number of compliance reviews that could be performed elsewhere in the United States. In addition to performing compliance reviews, safety investigators have been trained to conduct safety audits and perform safety inspections of vehicles and drivers. Similarly, auditors have been trained to perform safety audits and vehicle and driver inspections.

Until the border is opened to long-haul traffic, safety auditors and investigators assigned to the southern border could be used to implement FMCSA's new entrant program for U.S. and Canadian motor carriers. This entrant program establishes minimum requirements for new motor carriers to ensure they are knowledgeable about applicable Federal motor carrier safety standards. In addition to performing safety audits of Mexican carriers operating in the commercial zones, this interim assignment would increase the efficiency of the border staff and the productivity of these border resources. However, this interim assignment should not reduce the number below 144 Federal inspectors available to inspect commercial vehicles and drivers operating in the commercial zones.

State Safety Inspectors. The Act provided \$18 million for the four border States to hire State inspectors for the border. As of February 25, 2003, the States had hired 111 border safety inspectors. Texas had hired 95 inspectors, New Mexico 3 inspectors, Arizona 13 inspectors, and California plans to hire 14 inspectors. Of the 111 State inspectors hired, 66 have been trained. FMCSA and the border States have agreements to provide inspection coverage at the commercial crossings and ensure that the Act's safety requirements are met.

Completing Inspection Facilities

During our visits to commercial crossings from January 22 through February 5, 2003, we found that dedicated inspection facilities were sufficient at 24 of the 25 commercial crossings to permit inspection of commercial vehicles and drivers operating long-haul and within the commercial zones. Dedicated inspection facilities include office space and space to inspect vehicles and place vehicles out of service. The border crossing without an inspection facility—Andrade, California—is a low volume crossing through which about 1,800 commercial vehicles enter the United States annually. Inspection space is available at the roadside, and out-of-service space is available at a State inspection facility about 3 miles from the crossing.

FMCSA officials are attempting to obtain an agreement with the Bureau of Customs and Border Protection (formerly U.S. Customs Service) for Andrade, similar to agreements reached in Texas.⁶ The Andrade agreement would have the Bureau of Customs and Border Protection inspectors detain any commercial vehicle with a U.S. DOT number signifying authority to operate beyond the commercial zones until a State safety inspector can be contacted and the truck and driver inspected.

⁶ The agreements require Bureau of Customs and Border Protection inspectors to detain any commercial vehicle with a U.S. DOT number signifying authority to operate beyond the commercial zones until a Federal safety inspector can be contacted and the truck and driver inspected.

While we categorized 24 inspection facilities as sufficient, there were related inspection facility issues that FMCSA should address:

- At two border crossings—Douglas and San Luis in Arizona—a portion of the dedicated out-of-service space was not being used because the General Services Administration (GSA) had not completed improvements. According to GSA officials, improvements have been completed and are fully operational as of April 28, 2003.
- At five border crossings—Columbus, New Mexico and Eagle Pass, El Paso Bridge of the Americas, Laredo World Trade Bridge, and Roma in Texas—the Bureau of Customs and Border Protection moved or planned to move FMCSA's dedicated inspection and out-of-service spaces. For example at the El Paso Bridge of Americas, without coordinating with FMCSA, the Bureau of Customs and Border Protection inspectors notified the local supervisory inspector that within 4 days the dedicated inspection and out-of-service spaces would be moved to a less desirable location on the compound.

Currently, FMCSA has occupancy agreements or leases with GSA at 18 border crossings. FMCSA needs to monitor all dedicated inspection facilities to ensure adequate inspection facilities are available and used in accordance with the agreements with GSA. In addition, FMCSA should work with GSA to ensure that its dedicated inspection facilities maintain the number of inspection and out-of-service spaces per its executed agreements and leases with GSA.

In June 2002, we reported that it was important for the Department to have a process for reevaluating overall resource requirements and inspection facilities at the U.S.-Mexico border as long-haul traffic materializes. As of March 28, 2003, FMCSA had received 232 applications seeking long-haul authority. We analyzed the application data and determined that five applicants were passenger bus companies. The application data showed that three of these companies expect to cross the U.S.-Mexico border at the Brownsville, Laredo, and Pharr border crossings. Currently, safety inspectors are not routinely inspecting commercial buses at these crossings, with the exception of Laredo. When FMCSA reevaluates its border resources, providing inspection resources to inspect buses and drivers should be considered.

Weigh in Motion Scales (WIMS). Our recent visits to commercial crossings confirmed that WIMS had been installed at the 10 highest volume crossings, as required by the Act. WIMS at Calexico and Otay Mesa, California, were operational but WIMS were not working the days we were at the remaining 8 crossings (Eagle Pass, El Paso Bridge of the Americas, El Paso Ysleta, Laredo Columbia, Laredo World Trade Bridge, Pharr and Veterans Bridge in Texas, and

Nogales in Arizona). According to officials at the Texas Department of Transportation, they had been experiencing software problems with the WIMS, and as of February 20, 2003, all seven were repaired and operational. Also, according to FMCSA inspectors at Nogales, the WIMS was repaired and operational as of April 9, 2003.

State Inspection Facilities. Congress provided \$66 million for the four border States to construct and develop permanent border inspection facilities. The status of those facilities follows.

- Arizona (received \$2.1 million): Construction of a permanent inspection facility at Nogales is ongoing and scheduled for completion by October 2003. Construction of a permanent inspection facility in Douglas is in the planning phase.
- California (received \$8.9 million): Construction of an inspection facility in Tecate is in the design phase and targeted for completion by 2006.
- New Mexico (received \$2.2 million): Construction of a permanent inspection facility at Santa Teresa is targeted for completion in 2005.
- Texas (received \$52.8 million): Temporary facilities are completed at Eagle Pass, El Paso Bridge of the Americas, Laredo Columbia, Los Indios, Pharr and Veteran's Bridge. A temporary facility at El Paso Ysleta is scheduled for completion by April 2003. Completion of permanent facilities at these seven border crossings is targeted for 2005.

Plans to construct a facility at Laredo World Trade Bridge are on hold. In September 2002, the City of Laredo filed a lawsuit against the State of Texas Department of Transportation and the U.S. Department of Transportation to halt construction of temporary inspection stations and prevent the construction of permanent facilities. On March 8, 2003, the United States District Court, Southern District of Texas, Laredo Division, denied the city of Laredo's motion for a preliminary injunction. The Department filed a brief for the Court's consideration on whether to separate the State law claims and Federal claims made by the city of Laredo.

Ensuring Compliance with U.S. Safety Rules

The intent of the Act's safety requirements is to ensure that Mexican carriers and drivers comply with U.S. safety rules. In June 2002, we reported that FMCSA had issued a policy to ensure Mexican carriers comply with U.S. hours-of-service

rules, and had implemented an information system to monitor Mexican commercial drivers operating in the United States. Further, we found that the Mexican commercial driver's license (CDL) and vehicle registration databases were sufficiently accurate.

We also reported that FMCSA planned to (1) provide access to Mexican and U.S. databases to all Federal and State inspectors at the border crossings and mobile enforcement units operating adjacent to the border, and (2) have an operational safety monitoring system for Mexican carriers.

Access to Databases. During our recent visits to the commercial crossings, we found that inspectors at 22 crossings could electronically access Mexican and U.S. databases to verify CDLs, license plates, authority to operate in the United States, and U.S. insurance coverage. At the Andrade, California, and Lukeville and Sasabe, Arizona, crossings, State inspectors can access these databases by contacting dispatch or contacting inspection facilities with electronic access. Arizona plans to provide inspectors at the Lukeville and Sasabe crossings internet capability by the end of 2003.

We tested 22 mobile enforcement units operating adjacent to the border and determined that all could access Mexican and U.S. databases by contacting dispatch, calling inspectors stationed at the border crossings, or calling FMCSA's 1-800 telephone number. However, 16 of the 22 mobile enforcement units were not aware of FMCSA's 1-800 telephone number to verify operating authority and insurance until we advised them of the process.

Safety Monitoring System for Carriers. FMCSA's automated safety monitoring system for Mexican carriers is operational. The automated system is designed to: (1) identify carriers requiring a compliance review or a letter of corrective action, (2) generate corrective action letters to send to the carriers, and (3) create a carrier history of violations and dates of corrective actions.

Operating Authority. On August 28, 2002, FMCSA issued an interim final rule requiring inspectors to place out of service any commercial vehicle operating without authority or beyond the scope of its authority. The rule, which became effective on September 27, 2002, also requires that States enforce the new requirements as a condition of receiving Motor Carrier Safety Assistance Program funds. Any State that fails to comply within 3 years of the effective date of the rule may incur penalties for noncompliance. We surveyed FMCSA and State officials in the 50 States and the District of Columbia; and as of March 2003, they reported that 31 States have adopted the new operating authority rule.

Because of the delay in opening the border, FMCSA has time to ensure that its long-haul procedures are known and practiced. We found that Federal inspectors

at Nogales used good practices. They used processes developed for Mexican long-haul carriers for Mexican carriers operating in the commercial zones. For example, inspectors were electronically verifying the CDLs of drivers regardless of whether or not the vehicles were inspected.

RECOMMENDATIONS

We recommend that the FMCSA Administrator:

1. Use border safety auditors and investigators to conduct safety audits for implementation of the new entrant program, as appropriate.
2. Monitor dedicated inspection, out of service, and office spaces at commercial crossings to ensure sufficient inspection facilities are available; and work with GSA to ensure executed agreements and leases are implemented.
3. Include in the reevaluation of resource requirements (level of inspection staff and facility requirements at each border crossing based on actual commercial zone and projected long-haul traffic) at the U.S.-Mexico border, an assessment of the crossings where passenger buses are expected to enter the United States.
4. Include procedures and practices in refresher training modules to ensure that Federal and State inspectors are knowledgeable of FMCSA's policies and procedures for Mexican long-haul trucks and buses.

MANAGEMENT RESPONSE AND ACTIONS REQUIRED

On March 20, 2003, we received oral comments on a draft of this report from FMCSA officials, they concurred with our conclusions and recommendations. In accordance with DOT Order 8000.1C, we would appreciate receiving FMCSA's written response within 30 days, providing specific actions taken or planned for each recommendation and the target dates for completion.

We appreciate the courtesies and cooperation of FMCSA and State representatives during this audit. If you have any questions concerning this report, please call me at (202) 366-1992 or Theodore P. Alves, Assistant Inspector General for Infrastructure Programs, at (202) 366-0687.

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cc: The Secretary
Deputy Secretary

EXHIBIT A. OBJECTIVES, SCOPE, METHODOLOGY, AND PRIOR AUDIT COVERAGE

OBJECTIVES

Our audit objectives are the Act's Section 350 (c) (1) (A) through (H) provisions as follows.

1. All new inspector positions funded under the Act have been filled and the inspectors have been fully trained.
2. Each inspector conducting on-site compliance reviews in Mexico consistent with the safety fitness evaluation procedures set forth in Part 385 of Title 49, Code of Federal Regulations, is fully trained as a safety specialist.
3. The requirement of conducting a full safety compliance review before the carrier is granted permanent operating authority to operate beyond the commercial zones has not been met by transferring experienced inspectors from other parts of the United States to the U.S.-Mexico border, undermining the level of inspection coverage and safety elsewhere in the United States.
4. Adequate capacity exists at each U.S.-Mexico border crossing used by Mexican motor carrier commercial vehicles (long-haul) to conduct a sufficient number of vehicle safety inspections and to accommodate vehicles placed out of service.
5. FMCSA has implemented a policy to ensure compliance with U.S. hours-of-service rules by Mexican long-haul carriers.
6. Mexico's information infrastructure is sufficiently accurate, accessible, and integrated with that of U.S. law enforcement authorities to allow authorities to verify the status and validity of commercial driver's licenses (CDL), vehicle registrations, operating authority, and insurance of Mexican long-haul carriers while operating in the United States, and that adequate telecommunications links exist at all U.S.-Mexico border crossings used by Mexican long-haul carriers and in mobile enforcement units operating adjacent to the border to ensure easy and quick verification of this information.
7. An accessible database exists containing sufficiently comprehensive data to allow for the safety monitoring of all Mexican motor carriers and drivers that apply for long-haul authority.
8. Measures are in place to enable U.S. law enforcement authorities to ensure the effective enforcement and monitoring of license revocation and licensing procedures of Mexican motor carriers.

In addition, we planned to determine how effectively resources were being used and whether safety procedures were being implemented.

SCOPE AND METHODOLOGY

We verified staffing, facility improvements, electronic access, and other actions taken by FMCSA and the States to comply with requirements established by the 2002 DOT Appropriations Act at 25 commercial border crossings along the U.S.-Mexico border. We also conducted work at two additional crossings in Texas, Fabens and Roma Falcon, where commercial volume is not sufficient to merit full-time inspection coverage or dedicated inspection facilities. At these two crossings, we verified whether inspectors from the Bureau of Customs Service and Border Protection (formerly U.S. Customs Service) were aware of the appropriate procedures to detain Mexican long-haul commercial vehicles and notify Federal safety inspectors.

Because the border was not open to long-haul traffic, we were unable to evaluate the efficient use of resources and the implementation of safety procedures including the hours of service policy.

To determine whether inspector, auditor, and investigator positions have been filled and whether those personnel have been trained, we analyzed (1) biweekly lists of personnel selected to fill new positions, (2) the scheduled service entry dates of those personnel, and (3) the training academies those personnel were assigned to, where applicable. We also monitored training progress by comparing test answer sheets with class rosters. To determine whether FMCSA staff were transferred to the southern commercial border crossings from other parts of the United States, we interviewed FMCSA staff and statistically sampled payroll and personnel records.

We interviewed General Services Administration, FMCSA, and State officials and visited each commercial border crossing to verify that dedicated inspection, out-of-service, and office spaces were completed and in use.

Southern Border Crossings
California
Otay Mesa
Tecate
Calexico
Andrade
Arizona
San Luis
Lukeville
Sasabe
Nogales
Naco
Douglas
New Mexico
Columbus
Santa Teresa
Texas
El Paso-Bridge of the Americas
El Paso-Yselta
Fabens
Presidio
Del Rio
Eagle Pass
Laredo-World Trade Bridge
Laredo-Columbia
Roma-Falcon
Roma
Rio Grande City
Pharr
Progresso
Brownsville-Los Indios
Brownsville-Veterans

We did not re-verify the accuracy of the Mexican commercial driver's license (CDL) and vehicle registration databases, which we previously verified in April 2002. To determine whether inspectors could access U.S. and Mexican databases, we conducted tests at 25 commercial border crossings and with 22 U.S. law enforcement authorities (mobile units) operating along the U.S.-Mexico border. We evaluated demonstration tests for the carrier safety monitoring system. In June 2002, we reported that the safety monitoring system for commercial drivers was operational and we did not re-verify that system. Finally, we reviewed and analyzed FMCSA's August 2002 operating authority rule, as well as related policies, and surveyed Federal and State authorities regarding implementation of the rule.

The audit was conducted from December 26, 2002 through April 28, 2003 in accordance with Government Auditing Standards prescribed by the Comptroller General of the United States and included tests of internal controls as we considered necessary. We did not assess the general and application controls for the Mexican and U.S. information systems.

PRIOR AUDIT COVERAGE

Implementation of Commercial Vehicle Safety Requirements At the U.S.- Mexico Border, OIG Report Number MH-2002-094, June 25, 2002. We found that FMCSA made substantial progress toward meeting the FY 2002 Transportation and Related Agencies Appropriations Act's requirements to hire and train inspectors, establish inspection facilities, and develop safety processes and procedures for Mexican long-haul carriers. FMCSA proposed to complete within 60 days, those actions that were in process and planned to meet the Act's requirements, except the hiring and training of safety investigators and training supervisors.

North American Free Trade Agreement: Coordinate Operational Plan Needed to Ensure Mexican Trucks' Compliance with U.S. Standards, General Accounting Office Report Number GAO-02-238, December 21, 2001. GAO found that the Department of Transportation did not have a fully developed or approved operational plan in conjunction with border States to ensure that Mexican-domiciled carriers comply with U.S. safety standards.

Motor Carrier Safety at the U.S.-Mexico Border, OIG Report Number MH-2001-096, September 21, 2001. We recommended that FMCSA strengthen safety controls at the border in the following areas: staffing, safety reviews and inspections, enforcement, facilities, rulemakings, and outreach.

Exhibit A. Objectives, Scope, Methodology and Prior Audit Coverage

Status of Implementing the North American Free Trade Agreement's Cross-Border Trucking Provisions, OIG Report Number MH-2001-059, May 8, 2001. We found that (1) the percentage of Mexican trucks removed from service because of serious safety violations declined from 44 percent in FY 1997 to 36 percent in FY 2000; (2) FMCSA increased the authorized number of inspectors at the southern border from 13 in FY 1998 to 60 in FY 2001, and requested 80 additional enforcement personnel in its FY 2002 budget request; and (3) there had been few needed improvements to inspection facilities used by Federal and State commercial vehicle inspectors at border crossings.

Mexico-Domiciled Motor Carriers, OIG Report Number TR-2000-013, November 4, 1999. We found that Mexico-domiciled motor carriers were operating improperly in the United States and violating U.S. statutes either by not obtaining operating authority or by operating beyond the scope of their authority.

Motor Carrier Safety Program for Commercial Trucks at U.S. Borders, OIG Report Number TR-1999-034, December 28, 1998. We found that the actions in preparation for opening the U.S.-Mexico border to Mexican long-haul trucks did not provide reasonable assurance in the near term that trucks entering the United States will comply with U.S. safety regulations. With the exception of California, neither the Federal Highway Administration nor the States' plans provided for an adequate presence of inspectors at border crossings for trucks currently operating in the commercial zones.

FMCSA has taken action to satisfy the majority of the recommendations cited in the above reports.