

**STATEMENT OF
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BEFORE THE

**HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEE ON HIGHWAYS AND TRANSIT**

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Mr. Chairman, Ranking Member DeFazio, and members of the Subcommittee on Highways and Transit, thank you for the opportunity to appear before you today to speak about the Federal Motor Carrier Safety Administration's (FMCSA) Compliance, Safety, Accountability (CSA) Program. CSA is FMCSA's compliance model to improve commercial motor vehicle safety and ultimately reduce large truck and bus crashes, injuries, and fatalities on our nation's highways. CSA enables the Agency to identify high risk motor carriers and achieve improved levels of compliance with Federal commercial motor vehicle safety and hazardous materials regulations. Additionally, through increased operational efficiencies, CSA is enabling FMCSA and its State safety enforcement partners to identify and address compliance and safety deficiencies of a larger segment of the motor carrier industry than we did previously with less interruption to motor carriers' business operations.

Core Priorities

FMCSA has a number of initiatives and programs underway aimed at achieving our core safety mission. We have set a strategic framework in which to prioritize our responsibilities and

clearly focus our efforts and resources on a vision of eliminating crashes involving commercial vehicles. FMCSA aims to:

1. Raise the safety bar to enter the industry;
2. Require operators to maintain high safety standards to remain in the industry; and
3. Remove high-risk operators from our roads and highways.

This strategic framework applies to companies, drivers, brokers, and service-providers alike.

While recognizing the important safety work that remains to be accomplished, I would like to point to some of the recent improvements in motor carrier safety:

- Even with continued growth in all vehicle miles traveled, and an 8 percent increase in miles traveled by commercial motor vehicles from 2000 to 2010, fewer fatalities from crashes involving large trucks and buses occurred in the past 2 years than in any other 2-year period since fatal crash data collection began in 1975.
- Fatalities from large truck and bus crashes have declined 26 percent since 2006 (5,347) to 2010 (3,944).
- Safety improvements have been realized not only in terms of fatal crashes, but also in injury crashes. In 2010, 106,000 people were injured in crashes involving large trucks and buses, the second-lowest number of persons injured in these crashes since 1988, the first year of injury crash data collection.

- According to Federal Highway Administration data, the number of people injured in large truck and bus crashes declined 16 percent from 2006 to 2010 and declined 36 percent from 2000 to 2010.¹

The reduction in severe and fatal crashes involving commercial motor vehicles comes about through the dedication and hard work of many people represented by the stakeholders in this room. We have made great progress, but nearly 4,000 fatalities and more than 100,000 injuries in large truck and bus crashes each year, we can and must do more. FMCSA's employees are passionate about saving lives. With clear priorities and productive stakeholder relationships, I assure this Committee and the public that we are on a path to increase the effectiveness of our safety oversight of the motor carrier industry.

Why CSA?

Since 1986, the Compliance Review (CR) has been the primary intervention and investigative tool used by FMCSA to compel compliance and determine the safety fitness of large trucks and buses. A CR is a comprehensive, on-site assessment of a motor carrier's records by one of FMCSA's (or a State's) safety investigators at the carrier's principal place of business. If a carrier's safety fitness is determined through a CR to be unsatisfactory, FMCSA may prohibit it from operating.

The CR is very effective in changing unsafe behavior; however, it can also be very time consuming and labor intensive for both the motor carrier and safety investigators. It limits the

¹ The VMT and registration data can be found in the Federal Highway Administration (FHWA) Highway Statistics report (Highway Statistics 2010, 5.2.1 Vehicle-miles of travel, by functional system, 1980-2008 VM-1). The crash data comes from NHTSA's Fatality Analysis Reporting System, General Estimates System (Fatality Analysis Reporting System General Estimates System 2010 Data Summary).

Agency and its State partners' to evaluate the safety performance of less than 3percent of the approximately 525,000 active carriers each year. Moreover, our current regulations for issuing statutorily-required safety fitness determinations for motor carriers is tied to the CR, meaning the Agency cannot incorporate on-road performance to issue a safety fitness determination on a carrier, no matter how far a motor carrier's on-road performance may have slipped or improved.

To address these shortcomings, the Agency worked to improve its ability to improve safety and compliance, resulting in the CSA program we have today.

The Three Components of CSA

CSA consists of three components: (1) the system, (2) the process and (3) the rule. The system is the Safety Measurement System (SMS), which uses all available inspection and crash data to assist the Agency in prioritizing motor carriers for review. The process refers to the Agency's intervention tools, designed to allow the Agency to reach more carriers with its limited resources. Finally, the rule refers to the Safety Fitness Determination rulemaking that would allow the Agency to utilize all available roadside inspection data in conjunction with on-site investigative data to rate the safety performance of motor carriers, and to determine whether they are fit to continue to operate. The Agency plans to issue a notice of proposed rulemaking on the Safety Fitness Determination early next year.

Throughout the process of developing and rolling out CSA, FMCSA has involved all of our stakeholders and actively sought out comments and input from all interested parties.

For example, last month the Agency established a CSA subcommittee within the Motor Carrier Safety Advisory Committee (MCSAC) to provide concepts, ideas, and recommendations on the program. This MCSAC subcommittee will be another avenue for the Agency to receive

input regarding CSA from an established forum of representatives from across the spectrum of safety and other motor carrier stakeholders.

Additionally, the Agency also announced last month its latest round of improvements to CSA, which incorporate public comments received from a preview of proposed changes to the Agency's SMS website. These changes to the CSA program follow public input and demonstrate the Agency's commitment to a program of continuous improvement and transparency, and reflect our commitment to regularly invite and consider concerns of our stakeholders.

The Safety Measurement System

SMS is the tool FMCSA uses to allocate its resources toward the highest risk motor carriers to improve safety. The SMS analyzes compliance and safety violations discovered during roadside inspections along with data gathered during investigations and reportable crashes to measure a carrier's performance in seven Behavior Analysis Safety Improvement Categories, or BASICS. The BASICS are: (1) Unsafe Driving, (2) Fatigued Driving (Hours-of-Service), (3) Driver Fitness, (4) Controlled Substances/Alcohol, (5) Vehicle Maintenance, (6) Cargo-Related, and (7) Crash Indicator. The BASICS group violations into specific and distinct categories related to unsafe or non-compliant behavior, providing the Agency a more comprehensive, robust and granular view of the specific performance and compliance issues of individual motor carriers. SMS has sufficient performance data to make an intervention prioritization assessment in at least one BASIC for nearly 200,000 of the approximately 525,000 active interstate or intrastate hazardous materials motor carriers for which FMCSA has safety oversight

responsibilities. More importantly, analysis reveals that those same 200,000 motor carriers are involved in approximately 93 percent of the crashes reported to FMCSA by our State partners.

Additional analysis by FMCSA and the University of Michigan Transportation Research Institute (UMTRI) shows that SMS is an effective tool to identify the motor carriers at highest risk of crashes. In fact, UMTRI found SMS is a significant improvement over the prior SafeStat system in identifying carriers with high crash rates and FMCSA effectiveness testing has demonstrated that motor carriers designated as high-risk by SMS BASICs have future crash rates that are more than double the crash rates of all active carriers. With respect to the individual BASICs, both FMCSA and UMTRI analyses show particularly strong associations between high scores in the Unsafe Driving and Fatigued Driving (Hours-of-Service) BASICs and future crash rates.

FMCSA has been transparent in explaining that analysis does not suggest an association between some BASICs and future crash rates. What we have seen, however, is a relationship between non-compliance in one BASIC and non-compliance and unsafe behaviors in other areas. For example, three out of four motor carriers that are above FMCSA's intervention threshold in the Driver Fitness BASIC are also above our intervention threshold in at least one other basic. FMCSA uses such correlating information to optimize its resources by placing more emphasis on those BASICs where non-compliance has a stronger statistical association with future crashes, for example, speeding and driving over allowable hours. At the same time, FMCSA holds motor carriers accountable for BASICs that measure compliance with important safety regulations such as ensuring their drivers are properly licensed and medically qualified.

FMCSA's deployment of SMS has significantly raised safety awareness throughout the motor carrier industry. In calendar year 2011, the public website that provides a motor carrier's status in the SMS prioritization system hosted nearly 30 million user sessions, up from 4 million user sessions under the prior public SafeStat system in calendar year 2010. FMCSA continues to receive feedback that this increased awareness and transparency has raised the status of safety within corporate cultures and we are seeing this increased awareness in improved safety compliance and performance data. For example, violations per roadside inspection were down by 8 percent in 2011, and driver violations per inspection were down by 12 percent. This is the most dramatic improvement in violation rates in the last 10 years.

While FMCSA recognizes the clear safety benefits from being transparent and making carrier prioritization status in the SMS largely available to the public, FMCSA is also cognizant of the need to provide proper context to the data and to be responsive to stakeholder concerns. To that end, FMCSA clearly states on its SMS public website that SMS data only prioritizes motor carriers for safety interventions and do not constitute formal safety ratings. The Agency also encourages the public to use all available safety data, including not only SMS, but Licensing and Insurance information, and formal safety ratings.

We recognize that FMCSA's use of crash data in SMS is a concern for some of FMCSA's stakeholders, particularly, the fact that the State-reported crash data utilized by the Agency does not distinguish crashes based on whether they are the responsibility, or "fault," of the motor carrier. We acknowledge the perception of unfairness of a system that uses data from crashes that are not the fault of the carrier in question. However, FMCSA utilizes crash history data because repeated analyses have shown that crashes -- regardless of the carrier's role in the crash -- are a strong predictor of future crashes. The Agency has clearly stated that the crash

data are based on crash involvement, without determination of responsibility. In addition, the Crash BASIC itself is not shown to the public.

FMCSA is looking at various options to best use crash data to identify carriers that have the greatest risk of future crashes. As part of this effort, FMCSA is pursuing a program called “crash weighting.” The premise of the program is to identify crashes for which a carrier had greater responsibility, and consider weighting them differently than other crashes in the SMS. Earlier this year the Agency presented its draft proposal to the Motor Carrier Safety Advisory Committee (MCSAC). Based on questions from MCSAC members following the presentation, it became clear that our proposal warranted further study to ensure that the Agency develops the most effective, efficient and fair process to address the approximately 130,000 crashes that are reported each year.

Two months ago, the Agency released the scope and schedule for a crash weighting study. As part of this study, the Agency is reviewing the uniformity and consistency of police accident reports; the process for making “final” crash determinations; the process for accepting public input; and the actual effect on SMS’s ability to better identify carriers that have a high crash risk. As part of this effort, the Agency released the results of a report that analyzed the coding accuracy and consistency of Police Accident Reports for consideration as a potential source of information for determining a motor carrier’s role in crashes. While this study provided useful information, it did not address key questions that will be examined as part of our study, including whether or not the carrier’s role in the crash is a better indicator of future crash risk and what other information including public input should be used in a comprehensive crash weighting system. FMCSA intends for this study to guide the Agency in determining if crash weighing makes SMS a better, sharper tool, and if so, what demands would be placed on the

Agency to administer such a system. The Agency intends to release the results of this study in the summer of 2013. Based on the results, FMCSA will develop the Agency's plan forward for determining a carrier's role in a crash and the potential use of this new information in the Agency's safety programs – including SMS.

FMCSA is committed to continuously improving the SMS. Throughout the life of the program, we have carefully considered constructive feedback from the motor carrier industry, drivers, enforcement personnel, safety advocates, and other stakeholders in making data-driven and analysis-based refinements. In fact, FMCSA recently announced improvements to CSA that incorporate public comments received from a preview of proposed changes to the Agency's SMS website. The changes are the latest round of improvements to the CSA program and will address longstanding concerns and include the creation of a new Hazardous Materials Compliance BASIC, to increase the focus on violations that can lead to severe consequences of a crash involving hazardous materials. Other changes that were included address longstanding concerns of the industry, while aiming to improve the effectiveness of SMS to identify carriers with poor safety and compliance histories. The Agency also has recently addressed the relative weighting of suspended license violations, to focus resources on drivers that are suspended for safety related reasons. In a future effort we are going to continue the process of improvement by assessing the impact of adjusting the unsafe driving and crash basic denominator for higher fleet utilization and analyzing the weights applied to certain high-volume violations as well as considering the MCSAC's recommendation to simplify the violation severity weighting system.

The key to SMS is quality data. In addition to the 130,000 reported crashes annually, the SMS utilizes data from 3.5 million roadside inspections conducted by our State partners each year. It is worth noting that one-third of these inspections have no violations, which shows it is possible for carriers to improve their SMS scores with clean inspections. To manage our Data Quality initiatives, the Agency has developed the “DataQs” system to allow individuals and carriers to submit challenges to correct erroneous data in the system. The challenges are routed to the issuing State for review. Currently, of the 3.5 million inspections, less than one percent is challenged and the States have been responsive to those requests.

We continue to work with the States to ensure uniformity and consistency in the handling of DataQs requests. For example, the Agency has prepared a detailed guidance manual for State DataQs analysts, which is also posted on our website.

We are committed to continually working with our enforcement stakeholders, including the States and the Commercial Vehicle Safety Alliance to improve the quality of data submitted to SMS to ensure the SMS is the most effective tool possible.

Interventions

The Agency’s second major component of CSA is the intervention process. As stated above, prior to CSA, the Compliance Review (CR) was the primary intervention and investigative tool FMCSA used to compel compliance and to determine the safety fitness of large truck and bus companies. The CR is labor intensive and, in turn, limits the number of carriers with problem-indicators that FMCSA can investigate. The FMCSA now has more tools in its toolbox from which to choose in response to a motor carrier’s compliance and safety performance. These include warning letters and focused and comprehensive investigations.

Additionally, the Agency is in the process of preparing to deploy off-site investigations in all States.

The interventions approach is designed to compel compliance and remedy demonstrated on-road performance deficiencies early, before a crash occurs. A motor carrier that has not demonstrated past safety and compliance deficiencies, but is beginning to do so, will receive a warning letter from FMCSA highlighting the specific BASICs that may require attention. This letter serves to notify the carrier of the SMS results and provides them an opportunity to address any safety management practices prior to a more significant intervention taking place. UMTRI analysis of this intervention tool indicates that 83 percent of carriers that receive a warning letter and no further interventions had resolved the identified safety or compliance problem within twelve months of receiving the letter. The Agency monitors a carrier's performance following the warning letter, and should the carrier's compliance improve, the carrier is no longer identified for further intervention.

The Agency has received various responses from industry regarding these warning letters, with some carriers expressing appreciation for the early notification and opportunity to make changes in safety management practices prior to a more significant and time consuming intervention.

The SMS BASICs provide specific measurement of a motor carrier's compliance and allows the Agency to conduct a "focused intervention." By focusing on specific problems and highlighting the area of concern, the Agency interventions are more strategic and less labor intensive than the CR and more efficient for the carrier. This focused intervention model ultimately improves compliance behavior, and reaches more carriers while being less intrusive

and time consuming for all parties. Smaller motor carriers and owner operators subject to focused investigations or offsite investigations will spend less time in the office working with the safety investigator, and more time on the road in operations. Analysis of the 30-month CSA Operational Model Test, demonstrated an overall 35 percent increase in the number of carriers reached per safety investigator, in comparison to the prior SafeStat / CR model and these focused interventions take less time and cost approximately 53 percent less than CRs.

CSA has changed the investigative process as well. Federal and State safety investigators are trained not just to identify violations, but also to identify the root cause of the safety deficiency and review these root causes with carrier officials. This approach is known as the Safety Management Cycle. As an example, with hours-of-service violations the root cause could be training and communication, or a lack of internal oversight policies, practices and procedures on the part of the motor carrier. We believe that by working with those motor carriers that demonstrate a willingness to correct their safety deficiencies, identifying the root cause not only facilitates quicker corrective action, but corrective action that will be more sustainable over time. Later this year the Agency will begin performing offsite investigations nationwide. In an offsite investigation, the carrier submits documentation to a division office for review, without the need for a safety investigator to visit the motor carrier's place of business.

Analysis of the CSA Operational Model test indicated that the CSA focused investigation, incorporating the Safety Management Cycle, can be more effective than the traditional compliance review. The Agency will continue to conduct comprehensive onsite investigations on those motor carriers that demonstrate safety deficiencies across multiple BASICS, as well as on passenger carriers and certain hazardous materials carriers, because of their inherent risk. In addition, the Agency will continue to fully meet its Congressional mandate

with respect to high risk motor carriers by requiring that this population receive onsite investigations of their safety practices. As discussed below, until an Agency rulemaking is completed, the on-site investigation will remain the Agency's method for issuing safety fitness determinations under current rules.

In summary, by leveraging SMS and more focused interventions, the CSA program improves safety performance, provides less resource- and time-consuming interventions for both the Agency and motor carriers, and allows the Agency to reach more carriers. These interventions are more effective and designed to identify compliance problems early, before crashes occur.

Safety Fitness Determinations Rulemaking

The third component of the CSA model is a revision to the Safety Fitness Determination (SFD) methodology specified under current regulation. This proposed new methodology will be published for notice and public comment in a Notice of Proposed Rulemaking early next year. The proposed new SFD would be designed to replace the current labor-intensive process in which the Agency may propose and issue a safety rating only following an onsite CR investigation. With current resources, the Agency is limited to issuing safety fitness ratings through the approximately 18,000 onsite reviews conducted each year, on a population of 525,000 active carriers. The new SFD process would propose use of all available data in the system to make this determination. The SFD rulemaking also would address a long-standing National Transportation Safety Board recommendation, H-99-006, to "Change the safety fitness rating methodology so that adverse vehicle and driver performance-based data alone are sufficient to result in an overall unsatisfactory rating for the carrier."

Conclusion

I would like to thank you for the opportunity to provide these comments. I feel strongly that over the last few years, FMCSA has made significant progress in implementing CSA and improving the efficiency and effectiveness of our program. The net result is improved safety in commercial motor carrier operations. We are continuing to build on these successes as we finalize the program, through data-driven decision making and processes as transparent and inclusive as possible.

Thank you again for this opportunity to appear before you today.