Remarks by Anne S. Ferro FMCSA Administrator "Improving Passenger Carrier Safety" United Motorcoach Association Long Beach, CA February 9, 2012

Introduction

Good morning, everyone. Thank you, Vic, for having me back and for inviting me to address your members and to join Chairman Hersman. I am always pleased to talk about how we can work together on motorcoach safety and what we can all do to save lives by reducing crashes.

First of all, thank you to those who participated in the National Motorcoach Safety Summit in Washington, D.C. last September and the roundtables leading up to it over the summer.

Safety is US DOT's number one priority and clearly shapes our agenda in keeping bus passengers as safe as possible and to hold unsafe bus companies accountable for achieving safety compliance.

I appreciate your diligence in raising the bar for safety. We cannot make our roads safe without you.

FMCSA's Safety-First Mission

FMCSA was established 12 years ago to save lives by reducing crashes with commercial motor vehicles.

We do this through a mix of programs, rules and enforcement tools framed on three guiding principles: to raise the safety bar to enter the industry; to require high safety standards to operate, and to remove high-risk carriers, drivers and vehicles from operating. Everything we do can be tied back to one or more of these core principles.

Enforcement/Strikeforces

Last year was the worst in recent history for motorcoach safety. There were 8 tragic crashes involving motorcoaches which have caused 28 occupant deaths and numerous injuries.

Congress held two hearings last year on motorcoach safety because any death is one too many. FMCSA is moving to make changes in our rules, enforcement programs and research that could prevent future tragedies. That is why we held the Summit back in September which followed 4 regional roundtables.

Another way we are working to achieve higher safety standards and remove unsafe drivers and carriers is through focused safety strike forces at the busiest travel destinations across the country and areas of non-traditional curbside service so we can reach a greater number of carriers

While I am unable to tell you where and when upcoming enforcement activities such as strike forces are being planned, I can tell you that every region in the country will have wide participation from federal, state and local law enforcement

focusing on inspecting motorcoaches and taking strong actions against unsafe carriers, drivers and vehicles whenever they are found.

FMCSA and our state law enforcement partners conducted more than 114,000 inspections and 1,500 compliance reviews on passenger carriers in fiscal year 2011.

Last year, we issued "imminent hazard" out-of-service orders to 12 passenger carriers and "unsat/unfit or no pay" out of service orders to 110 passenger carriers. These were drastic actions taken against carriers that would not come into compliance with our regulations and had to be removed from the road.

Ultimately, we will leave no stone unturned in our efforts. To help us, I've asked Congress to adopt new zero tolerance policies against unsafe bus companies, and to give us new authority to ensure that passengers are as safe as possible.

Through a wide-ranging Motorcoach Safety Action Plan, we have identified initiatives that will require seat belts and electronic on-board recorders to replace paper records of driver hours, and improved consumer awareness.

A recent study by NTSB on curbside motorcoach safety offered additional insight into the alarming crash rate for discount motorcoaches versus more traditional bus operations. The study found that the rate for curbside carriers involved in fatal crashes was seven times the rate of buses operating out of terminals.

3

The curbside nature of these operations makes inspections and enforcement more challenging. But, we will not yield. In response, we have partnered with state and local law enforcement to increase our inspection activities so that we can intervene more quickly with unsafe companies and take action to shut down their operations.

All of this strong enforcement activity feeds into CSA which is one of the agency's most important initiatives.

Compliance, Safety, Accountability

Through Compliance, Safety, Accountability or CSA, we've established an enforcement platform that greatly strengthened our focus on at-risk carriers.

It is proving the concept that what gets measured – gets done. Both large and small carriers are using the SMS to monitor and improve their scores. We often hear reports of carriers that bring scores down below the alert status by using the system to identify and correct problems. Most carriers improved their scores after receiving a warning letter or other intervention. CSA gives carriers tools to improve their BASIC percentiles before a crash.

SMS collects data on a sizable population of carriers, particularly those carriers involved in crashes. Despite reports to the contrary, we have sufficient data on 200,000 active carriers. More importantly, these 200,000 carriers are responsible for 92 percent of reported crashes.

4

On a separate track, the pre-employment screening program or PSP is available to help companies ensure that they are hiring the safest drivers.

Through PSP, companies have access to driver safety inspection and crash records from our national database. All of this is valuable information to have in hand – BEFORE a driver is hired because hiring the safest drivers creates a good framework for success.

Recent Process Improvements

Because safety is our Number One priority, we held a public listening session last month at the ABA conference to hear the industry's thoughts and ideas as we consider if there should be changes to the hours of service requirements for motorcoach drivers.

At the listening session, many spoke in favor of the current hours of service rule but many also felt that increased enforcement would make the industry safer. We also heard that electronic on board recorders are a beneficial way to track driver hours of service and ensure compliance. And drivers actually like them or so we were told!

We heard comments that operators face a tough challenge in combining safe driving with customer service for each and every trip. This expectation makes hours of service a challenge for operators and for retaining qualified drivers.

5

Common sense tells you that a rested driver is a safe one. That is why FMCSA is considering new studies on fatigue dealing particularly with motorcoach drivers.

I can also tell you that our Motor Carrier Safety Advisory Committee is working with our Medical Review Board to finalize recommendations on standards for drivers with obstructive sleep apnea and suggested treatment options. Our current guidance is that if a driver is diagnosed with obstructive sleep apnea and he or she is not undergoing treatment for the condition, the driver should not be medically certified to operate a commercial motor vehicle.

The guidance provided by the MCSAC and MRB will take us steps closer to addressing safety problems resulting from health issues, work hours and fatigue. Our goal is to develop and implement solutions in order to save lives – because this will make a difference in safety on our roads.

Distracted Driving

During this past year, we published the second of two new safety rules which tackle our national distracted driving epidemic. Just a month ago, a new national safety law took effect that bans hand-held cell phone use for commercial drivers. This come after a safety regulation that bans texting for commercial truck and bus drivers issued in October 2010.

Drivers who break the law face penalties of up to \$2,750 for each offense and disqualification from operating a CMV after multiple offenses. Companies that

6

allow their drivers to use hand held cell phones while driving can face a maximum penalty of up to \$11,000.

We've been battling this issue for three years. Now, we have rules that will go a long way toward keeping a driver's full attention focused on the road and save lives in the process. No call is so important that your drivers should risk their lives and the lives of innocent people in their vehicle.

Moving Forward

This year we are moving forward with more key strategies to protect the public's safety.

They include electronic on-board recorders, regulations concerning medical examiners, a drug and alcohol clearinghouse for drivers and a new tool to reach consumers with up-to-date safety data.

Let me take them one at a time. EOBRs continue to be an important part of FMCSA's safety strategy that monitors, substantiates and enforces compliance.

We are NOT appealing a Federal Court decision that vacated the 2010 EOBR regulation that affected carriers with serious hours-of-service violations. But we are taking some important next steps.

At its December meeting, we tasked FMCSA's MCSAC to develop EOBR specifications which we expect to see later this year.

7

We are also moving forward to identify and adopt technical specifications for a broader EOBR mandate and are addressing hours-of-service supporting documents such as fuel and toll recipients.

We plan on holding listening sessions to gather information on how EOBRs have been used to harass truck and bus drivers. We hope to learn from drivers and carriers about their experience with harassment and how to prevent it.

As we gather input, we will move forward to advance a rule that makes sense.

Another rule on the front burner will set training and testing standards for medical professionals who perform driver physicals through the establishment of a National Registry of Certified Medical Examiners. This rule is required by federal legislation that authorizes the federal motor carrier safety programs.

Under this rule, all healthcare professionals who perform the DOT physicals would be required to demonstrate their understanding of FMCSA's medical standards and apply the rules correctly every time they examine a truck or bus driver. Medical examiners would be required to complete a training course and pass an examination to prove they understand FMCSA's medical standards. In the future, drivers will only be able to use certified examiners for their medical exams and certificates.

8

FMCSA will make information about certified medical examiners publicly available through our web site so that carriers and drivers can locate certified medical

examiners in their area.

Our goal is to ensure that the doctors understand FMCSA's medical standards to avoid issuing medical cards to drivers who should not be operating commercial vehicles. The final rule is currently under review at the Office of Management and Budget.

Later this year, on the rulemaking front, we have plans to issue a notice of proposed rulemaking that would establish a clearinghouse to track commercial drivers' positive drug and alcohol tests and refusals. The rule would require employers to check the database before hiring.

Carriers would be allowed to check the database for names of drivers who apply for employment with their consent against the database.

Finally, at the September National Motorcoach Safety Summit, Secretary LaHood announced the development of a free smart phone "App" that will give people a quick and easy way to look up the safety record of ANY motorcoach company <u>before</u> booking a trip. The safety records are paid for by your taxpayer dollars and are free to consumers – the public doesn't have to pay for this information.

This App will allow people to get carrier safety information quickly while on the run. FMCSA developed the App for iPads and iPhones that have the ability to

9

connect with the Internet. Apple has agreed to make this App available in the Apple iTunes Store to reach more people who use Apps.

We are close to delivering on this promise. Look for an announcement soon on the FMCSA web site on its availability.

This App combined with a new consumer safety checklist and a beefed-up toll free hotline will arm Americans in their ability to choose the safest way to make a trip using a motorcoach.

When consumers are armed with good information, they'll choose the safest – not necessarily the cheapest way – to get from one place to another.

It is our hope that the App may create another strong incentive for unsafe bus companies to improve their safety records. When the App is released, let your drivers know. Your customers will ask questions based on this easy to find information.

The bottom line is: we want the public to know that the cheapest option is often NOT the safest one.

Conclusion

Drivers make the difference. Your leadership and company culture must embody this. We will press forward to praise the bar, effective and focused enforcement and transparent rules and program development.

We are moving forward because we want to make real and sustainable progress. We are committed to working with you to do the same.

###