

**Remarks by Anne S. Ferro  
FMCSA Administrator  
National Industrial Transportation League  
Annual Membership Meeting  
November 13, 2011  
Atlanta, GA**

***Introduction***

Good afternoon, everyone. It is a pleasure to speak to his group of shipping leaders. In FMCSA's work to raise the bar for roadway safety we are indeed attached to the hip.

As customers of the trucking industry, your businesses are impacted by all of our initiatives, programs and regulations so it is important that you know what they are and how they advance safety on our nation's roadways.

This is not your grandfather's or grandmother's trucking regulator. First and foremost, safety is FMCSA's NUMBER ONE priority, an agency created 11 years ago to saves lives by implementing rules and programs that reduce severe and fatal crashes with trucks and buses. "When it comes to safety, says Secretary LaHood, we will NOT take a back seat to ANYONE."

***FMCSA Core Principles***

As an agency, FMCSA regulates more than 500,000 trucking companies and nearly 4,000 interstate motorcoach companies. We oversee the physical qualification standards and the drug and alcohol testing requirements covering some 10-12 million commercial driver license holders.

To accomplish our safety-first mission, we are strategically focused on three core principles: One is to raise the safety bar to enter the motor carrier industry; two, is to maintain high safety standards to remain in the industry.

And our third core principle is to remove high-risk drivers and carriers from operating. Everything we do is linked to one or more of these principles.

Some people feel that to be competitive in business, safety takes a back seat. My message to you is this: safety drives competitiveness or to put it another way: *safety IS good business.*

### ***Compliance, Safety, Accountability***

Now, let me turn to some of FMCSA's initiatives and regulations of most interest to you. I'll start with Compliance, Safety, Accountability, or CSA – a top priority for FMCSA that supports our safety-first mission.

We focus on reducing crashes we must direct our resources to the companies that present the highest risk and use the data to do this. It has been 11 months since we rolled out CSA and its safety measurement system.

As you know, SMS looks at all safety violations and groups them into seven Behavior Analysis and Safety Improvement Categories (BASICs). The BASICs are unsafe driving, fatigued driving (hours of service), driver fitness;

controlled substances and alcohol; vehicle maintenance; cargo security; and crash history.

CSA enables FMCSA and State Partners to contact more commercial motor carriers earlier to correct safety problems and ensure compliance with safety regulations.

During our 30 month operational test, we found that CSA interventions are effective in improving motor carriers' safety behavior. The warning letter was highlighted as being particularly effective.

Twelve months after test carriers received warning letters, SMS results showed that 83 percent of them had resolved identified safety problems!

CSA interventions allow the Agency to use enforcement resources more effectively and efficiently because they focus on carriers that exhibit higher crash risk.

CSA allows FMCSA to intervene with approximately three times the number of motor carriers than the previous model which relied solely on violations that put a driver or vehicle out of service instead of all violators that show where a company is trending.

We have made changes to CSA and we remain open to changes that will strengthen the effectiveness of CSA. We've set up a process by which areas for improvement are identified, analyzed, publicized, and tested before being released.

We are seeing a 37 percent increase in the number of DataQ's submitted to challenge violations for a carrier or driver this year compared to the same time period last year. This means that carriers and drivers are looking at their information and working to make sure it is accurate.

By design, we will continually improve SMS as we learn more about its impact on safety and as technology improves. The CSA Team will release changes to SMS biannually and will provide plenty of notice to stakeholders prior to public release.

We are currently working on a suite of improvements and expect to provide an industry preview of the SMS improvements in early 2012. We are targeting late spring of 2012 to release them publicly.

As we move forward on our SMS improvement plans, we will communicate them in more detail so please stay tuned and subscribe to the CSA Outreach Website which we use to disseminate important information.

### *How to Use CSA to Select A Carrier*

There are two major reasons carriers may be prioritized for further monitoring or targeted for an intervention. The first is if the BASIC on-road percentile exceeds the threshold. Second is if they have received a serious violation during an investigation within 12 months of the safety measurement system results date.

The Safety Measurement System On-Road percentile thresholds were determined based on crash risk. We found the strongest relationship to crash risk is with unsafe driving, fatigued driving and crash indicator BASICs. High BASIC percentiles indicate poor performance and high noncompliance with our safety regulations.

As shippers you should use SMS BASIC information as a risk indicator of a carrier as compared to other carriers in the safety event grouping. You can find carrier SMS information online at <http://ai.fmcsa.dot.gov/sms/>

### *CSA Outreach*

We expect to continue to grow the CSA program and reap its benefits. In less than a year we have made great progress of our enforcement programs because of CSA. We are better able to identify the why of a problem instead of just the what.

As I travel around the country, I hear how CSA has grown in acceptance in such as short time among carriers, drivers, insurers and shippers too.

We appreciate how you have embraced CSA and the webinars offered by shippers.

We have certainly gotten the word out and people are responding. We have had 2.5 million visits to our CSA web site and fielded more than 7,400 questions by those affected by CSA since the website's inception two years ago. More than 20,000 folks are receiving CSA updates through a website subscription service.

If you participate in LinkedIn, the world's largest professional networking site, you will find a CSA discussion group. According to this site, carriers, insurers, brokers and shippers all use the safety measurement system to screen carriers and drivers.

Overall, it appears that carriers are motivated to improve their safety performance. Everyone is in agreement that good safety scores give a carrier an advantage in the marketplace. Safety conscious drivers are watching their scores and paying attention to the vehicles they drive.

Industry understands that CSA is here to stay. It is an integral part of the programs your transportation service providers are working with. We want to work with NITL members to increase your understanding and ability to identify carriers with safety performance problems and avoid selecting ones with safety risks.

To better assist your understanding of CSA, our team is compiling a fact sheet targeted to shippers that will be available by the end of this year. We also plan to hold a CSA webinar for the shipping community in the first quarter of 2012. This will help us understand your concerns and issues.

### ***Current Status of Rulemakings***

Next to enforcement work, which is carried out using the CSA platform, rulemakings are a central component to how we achieve our safety mission. They come about for one reason only: they improve safety. The winners are everyone who travels on our highways and roads.

### ***Hours of Service***

Nothing peaks interest more than the proposed hours of service safety regulation.

But all I can say is that we recently sent our rule to the Office of Management and Budget and we will continue to work toward publishing a final rule as quickly as possible.

The parties to the settlement agreement will file their next status report with the Court on November 28, 2011.

### ***EOBRs***

An important part of FMCSA's safety strategy that monitors, substantiates and enforces compliance is the use of electronic on-board recorders or EOBRs.

We appreciate that many industry and safety groups have come out in favor of electronic logs to monitor driver's hours of service. EOBRs give visibility to the service you pay for and count on.

In 2010, we published a final rule that required EOBRs for carriers with serious hours-of-service violations. Earlier this year, we published a proposed rule that would require installation and use of EOBRs in a large number of trucks whose drivers use record-of-duty status logbooks.

In late August, however, a Federal Appeals Court vacated the 2010 EOBR regulation that affected carriers with serious hours-of-service violations.

While we are not appealing the Court's decision, we remain committed to raising the bar for commercial vehicle safety.

The next steps on EOBRs remain a topic of much discussion and work, including work being done by FMCSA's Motor Carrier Safety Advisory Committee on EOBR functional specifications for a future rulemaking, so please stay tuned for future updates on it.

### ***Unified Registration System***



Earlier this fall, FMCSA published a proposed rule that would require all entities including carriers, brokers and freight-forwarders to register in the Unified Registration System. The comment period closes December 27. Once this rule is final, it will help FMCSA more efficiently track all carriers by streamlining the existing registration process.

### ***Distracted Driving Initiatives***

There are several rules to mention which taken together are intended to curb our national distracted driving habits. However, FMCSA is meeting this epidemic head on.

Last year we issued a new national safety regulation that bans texting for commercial truck and bus drivers. Now we have a final rule that bans hand-held cell phone use for commercial drivers. This rule is expected to be published within days. Stay tuned for more news on cell phones by checking our web site.

Together, both of these rules will go a long way toward keeping a driver's full attention focused on the road and save lives in the process.

Drivers and carriers that operate while distracted are not the kind of businesses you want to deal with because it is dangerous and potentially deadly.

All together, there are tremendous benefits to these rulemaking proposals and CSA. Unsafe driving behavior will be closely monitored. Bad drivers, vehicle and carriers will be taken off the road.

All of these initiatives are good business practices. Unsafe behavior can't and shouldn't be rewarded by our nation's producers and manufacturers. The traveling public must be protected from unsafe drivers and carriers.

### ***Driver Detention Time/Improve Safety Culture***

We all know that some wait time at shipping and receiving facilities is to be expected in complex supply chain operations. FMCSA believes that more can be done to reduce the impact of excessive loading and unloading wait times on hours of service violations.

Excessive detention time could impact the ability of drivers to perform within the hours of service safety regulations. We need a real change in our transportation culture to recognize that safety means more than complying with safety rules. It means changing work-rest schedules that contribute to fatigue.

To help FMCSA get a clearer understanding of the impact of detention time and its relationship to hours of service violations, FMCSA is dedicated to examining the issue of detention time using the most reliable data and research.

To do this, FMCSA will begin a multi-year study in Fiscal Year 2012 to examine the nature of the problem of detention or waiting times and the potential safety impacts that can occur as a result of long detention times. In the long run, this study will help us understand if federal action is warranted.

In the meantime, I ask you as shippers to do all you can to avoid unduly detention of drivers at your shipping facilities. These delays may have a potentially negative effect on a driver's ability to make deliveries on time, comply with hours of service regulations, and drive safely in an effort to make up lost time.

### ***Safe, Secure Cross Border Trucking Program***

Now I will touch on what our cross border trucking program with Mexico is exactly designed to do and the good news it brings for American shippers.

The new pilot program continues to put safety first and paved the way for Mexico to lift costly tariffs it imposed more than two years ago. It provides greater opportunities for free trade between the U.S. and Mexico that wasn't possible – even weeks ago.

As part of the agreement reached earlier this year with Mexico, the remaining 50 percent of the \$2.4 billion retaliatory tariffs against American agricultural, consumer and other products were lifted after we recently granted operating authority to the first pilot program participant.

American farmers of apples, grapes, pears, potatoes, pork, Christmas trees and other products are now able to compete on equal footing and increase American exports.

The good news is this program gives American carriers' reciprocity and that American carriers are now allowed to transport goods into Mexico that opens a big market for your businesses.

For FMCSA, we are ensuring that Mexican drivers and trucks on American roadways are held to rigorous safety standards – just as American drivers and trucks are.

### ***Conclusion***

In closing, we want safe driving for everyone and are committed to working with all segments of the supply chain including the customers of trucking – the members of NITL. We need everyone to be actively engaged in safety because every truck, every trip and every driver makes a difference on our roads.

We want shippers to think about safety when decisions are made on which carrier to use and when demands are made that conflict with work-rest schedules. Put safety FIRST. We do at the DOT EVERY DAY.

I'll be happy to answer your questions. Thank you all.