

**Prepared Remarks for Anne S. Ferro
FMCSA Administrator
SMC3 Connections 2013 Conference
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Introduction

Good morning. Thank you for inviting me to join you for another year of the SMC3 conference. It's been two years since joining you in Idaho. Today I'm happy to bring the perspective of the Federal Motor Carrier Safety Administration to everyone here.

FMCSA's Safety-First Mission

At FMCSA, our NUMBER ONE priority is safety. Everything we do, from rulemaking to enforcement and outreach and everything in between, ties back to our mission – to reduce crashes involving large trucks and buses.

Our agency is comprised of 1,100 Federal employees, headquartered in DC and with division offices in each state. In fact, over 75% of our employees work in our field offices and not at headquarters.

And more than half of our budget goes directly to states to support our safety-first mission.

3 Core Principles

At FMCSA, we believe that every trip should be a safe one. That's why each day we work to identify and weed out unsafe and non-compliant carriers, drivers, and vehicles.

To make safety a reality our work is framed by **three core principles**:

1. **Raise** the safety bar to enter the industry,
2. **Require** high safety standards to remain in the industry, and
3. **Remove** high risk carriers and drivers from operation.

Everything we do to enhance commercial motor vehicle (CMV) safety is meant to hit the critical points where important safety decisions are made.

FMCSA Work Plan

This morning, I want to touch on some of FMCSA's high priority safety initiatives and where they stand today. I'd like to start by touching on one long-term program that is a cornerstone of our enforcement efforts and is a prominent part of our agenda at FMCSA – *Compliance, Safety, Accountability*.

Compliance, Safety, Accountability

We believe safety is everyone's business which is why our improved enforcement model – CSA – is so important for all aspects of the motor carrier industry.

CSA is our safety enforcement platform, designed to improve compliance and safety in truck and bus operations so crashes can be prevented.

It's a safety performance measurement system that analyzes safety performance data collected through crash reports and at the roadside to help us identify and focus our resources on the most at risk companies.

CSA 2013 Priorities

FMCSA is committed to CSA's continual improvement and its Safety Measurement System or SMS which identifies carriers for inspection.

We engage all CMV stakeholders to improve our enforcement program and tools. That's why we created a CSA subcommittee as part of our Motor Carrier Safety Advisory Committee.

Our MCSAC CSA subcommittee met earlier this week. We readily review and consider all recommendations that come out of these meetings.

- This year, we are also focusing on a number of SMS-related initiatives.

- This summer we plan to complete our crash weighting research. We are also continuing to work toward publication in early 2014 of the safety fitness determination notice of proposed rulemaking.
- Now, I'd like to turn to your attention to a regulation that is taking effect the week after next – and one that we know will make big gains for safety.

Hours-Of-Service

Every person in every line of work bears the personal responsibility to report for work rested. Our transportation system depends on it.

Fatigue affects memory, attention to detail, communication ability, decision making, and situational awareness. It is also a clear leader among causes of CMV crashes.

Our hours-of-service rule, which goes into effect July 1st, reduces the effects of fatigue on drivers by cutting maximum allowable work hours from 82 to 70 hours per week, on average.

It also requires drivers to take at least one 30-minute break, at a time of their choosing if they intend to drive later than the 8th hour after coming on duty.

These provisions make clear that FMCSA will assess the maximum civil penalties allowed by law against drivers and companies that commit the most serious violations of the legal driving limits.

Drug & Alcohol Clearinghouse

Safe roadways depend on *responsible* employers and drivers that comply with the Agency's drug and alcohol testing requirements.

FMCSA prepared a notice of proposed rulemaking to establish a *Commercial Driver's License Drug & Alcohol Database* that would record positive drivers' test results for controlled substances and alcohol and other violations of the drug and alcohol testing regulations.

The rulemaking for a National Clearinghouse—supported by Congress and required by MAP-21—ensures that drivers who test positive or have refused to submit to testing, complete the return-to-duty process prior to returning to the road.

FMCSA believes that the National Clearinghouse will ensure that only qualified CDL holders operate commercial vehicles on our roads.

The proposed rule would require truck and bus companies to report verified positive drug and alcohol test results, test refusals, negative return-to-duty test results, and follow-up testing.

We expect to publish the notice of proposed rulemaking in the Federal Register later this summer.

Electronic Logging Devices

At FMCSA, we know that safety needs to be the focus at every turn. We know there are no shortcuts and no quick fixes when it comes to safety.

To do just that, FMCSA is moving forward with a supplemental notice of proposed rulemaking (SNPRM) on electronic logging devices. This SNPRM will address employee harassment and meet the Congressional requirements in the Moving Ahead for Progress in the 21st Century Act or MAP-21, our most recent authorization.

FMCSA plans to publish the SNPRM later this year. As we move forward on the new electronic logging rulemaking, we will continue to consider information and feedback that we receive from brokers, drivers, carriers, law enforcement personnel, and interested citizens.

MAP-21: A Strong Safety Bill

FMCSA continues to aggressively implement the new large truck and bus safety provisions in MAP-21, which includes 37 rulemakings, 34 programmatic changes, and 15 reports to be finished within two years.

Since the bill's enactment, our Agency has made progress implementing a number of provisions, including authority to order a rogue mover to return hostage goods to an aggrieved shipper and new exemptions for the agricultural community from certain safety rules.

As I mentioned earlier, we are preparing to issue a notice of proposed rulemaking for a Drug and Alcohol Clearinghouse for Drivers and a supplemental NPRM to require electronic logging devices for commercial motor vehicle drivers.

MAP-21 also introduced new registration requirements for motor carriers, brokers, and freight forwarders. Implementing many of these new requirements will be complicated and we are committed to implementing these changes the right way through rulemaking.

Specifically, we will implement by October 1, the MAP-21 requirement increasing the financial security requirements of brokers and freight forwarders to \$75,000.

Additionally we are working to implement new requirements for becoming a broker and the frequency for brokers to renew their registration.

We continue to carry out MAP-21 requirements. All in all, this new federal law will help FMCSA raise the bar for safety, making the roads safer for everyone.

Freight Policy Council

MAP-21 helps us continue to improve the way we move freight – which is a priority for the Department. At a Department-level, we created a high level, multi-modal internal Freight Policy Council which is chaired by Deputy Secretary John Porcari.

This council brings together senior leadership, modal administrators, as well as policy, budget, economic and research experts to oversee the implementation of MAP-21's freight provisions, including the development of the National Freight Strategic Plan.

We also created the National Freight Advisory Committee, which is made up of local, state and national transportation experts. This group will meet for the first time on June 25. They are expected to bring a fresh perspective to our national conversation on freight.

Safe, Secure Cross Border Trucking Program

On another front, I want to touch on progress we are making with our cross border trucking program with our neighbor to the south, Mexico.

The program continues to put safety first and paved the way for Mexico to lift tariffs it imposed. FMCSA has received 38 applications from Mexico-domiciled carriers in the pilot program.

So far, after extensive safety reviews:

- FMCSA granted authority to 10 carriers;
- 5 others are in varying stages of completing the process; and
- 23 carriers have been dismissed or have withdrawn;

This authority was granted after reviews of their operations to ensure that their drivers and trucks comply with all FMCSA safety standards. This extensive process includes a preauthorization safety audit, security vetting through the Department of Homeland Security, safety vetting by FMCSA, driver license record checks and vehicle inspections.

Each of the approved carriers has an electronic monitoring device installed in its approved trucks. In addition, approved carriers undergo frequent inspections during the first stage and a compliance review within the first 18 months of operations. Annual driver reviews are also conducted.

As we conduct the program, let me assure you that without exception, we are ensuring that Mexican drivers and trucks on American roadways are held to rigorous safety standards – just as American drivers and trucks are.

Making Safety Everyone's Priority

I'd like to end with a few words about why we believe in making safety everyone's priority. Yes, America's roads and highways are safer today than they've ever been. Truck-related fatalities dropped **28** percent between 2005 and 2011.

But when nearly **4,000** people are killed and **88,000** people are injured in large truck and bus crashes every year – we know we must do more.

Every single day, **10** people on average are killed in large truck crashes, and **241** people are injured. Many were CMV drivers themselves.

These are lives lost forever – fathers, mothers and friends, who got up that morning as they always do and didn't make it home. They are our daily reminder to correct the safety issues that continue to claim lives.

We make safety everyone's priority by developing robust safety programs such as CSA, we grow strong safety partnerships such as our partnerships with CVSA and IACP, and we work together to save lives, reduce injuries; all to have safe roads, if not the safest roads in the world.

Conclusion

I want to thank SMC3 for inviting me to speak today about some of our safety initiatives that reduce crashes and save lives.

We want the entire supply chain from shipper, carrier, freight forwarder and logistics provider – to think about safety when decisions are made, for their business and their customers. When

safety is everyone's priority, carriers and drivers will be responsible for their safety performance and safety on our roadways will improve.

At FMCSA, we are committed to shutting down unsafe companies and keeping unsafe drivers off the road. Making safety everyone's first priority is how we work to advance our fundamental safety mission – to protect the public and save lives.

Now, it is my turn to hear from you. I am happy to take your questions.

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