Regulatory Update

Dr. Gary Petty
President & CEO
National Private Truck Council

Introduction

- Regulatory Background – Tom Bray
- Beyond Compliance – Tom Moore, CTP
- FMCSA Perspective – Jack Van Steenburg
- Housekeeping issues:
  - You will be muted during the event.
  - Please use the Q&A feature to send questions. We'll try to answer them during the Q&A period if they are not covered in the presentation.

Regulatory Background

Thomas Bray
Sr. Editor, Transportation Management
J. J. Keller & Associates, Inc.
Regulatory Agencies

- Department of Transportation
  - NHTSA – Vehicle safety standards
  - FMCSA – Motor carrier safety
  - FHWA – Highways
- Department of Labor
  - OSHA – General worker safety and whistleblower protections (including drivers)

CMV Fatality Rate Over Time

Final Rules Being Implemented

- CDL Federal Medical Card Merger
- National Registry of Certified Medical Examiners (NRCME)
- CDL/CLP changes
- Unified Registration System (URS)
J. J. Keller & Associates, Inc. and National Private Truck Council (NPTC) Webcast: 

**Regulatory Update**

October 22nd, 2014

---

**Active Proposals**

- Prohibition against coercion
- Electronic signatures and documents
- Electronic Logging Devices (formerly “EOBRs”)
- Drug and Alcohol Clearinghouse
- NRCME Part 2
- Driver vehicle inspection reports
- Electronic Stability Control
- New entrant safety assurance
- Entry-level driver training

---

**In The Pipeline, But Not Started**

- Safety Fitness Determination Regulations
- Heavy vehicle speed limiters
- Insulin-dependent drivers
- Update to insurance minimums and requirements
- New entrant safety assurance
- Additional MAP-21 requirements

---

**Beyond Compliance**

Tom Moore, CTP  
Sr. Vice President  
National Private Truck Council

---

Onboard Technology

Hiring Qualification

- Minimum Age: 22.4
- Minimum Experience: 2.4 yrs.
- Average Age of New Hire: 38.6

Low Driver Turnover

Average Retention 14.5 years
Incentive Programs

- Yes: 62%
- No: 30%
- No Answer: 8%

Average Incentive = 5.5%

Incentive Components

- Safety Compliance: 100%
- New Hire Recruitment: 80%
- Fuel Economy: 60%
- Productivity: 40%
- Company Goals: 20%
- Attendance: 10%
- On-Time Performance: 5%
- Idle Time: 5%
- Retention: 5%
- Appearance: 0%

FMCSA Issues Update

Jack Van Steenburg
Assistant Administrator and Chief Safety Officer
Federal Motor Carrier Safety Administration
Our Mission

Placing safety as our highest priority:
Reduce crashes, injuries, and fatalities involving CMV transportation through education, innovation, regulation, enforcement, financial assistance, partnerships, and full accountability.

The Problem

- NHTSA 2012 FARS data showed:
  - 33,561 people lost their lives on America’s roadways in motor vehicle crashes
  - 3,921 from crashes involving a large truck
  - 280 from crashes involving a bus
  - 697 or 18% of fatalities in large truck crashes were large truck occupants
    - 8.9% increase in fatalities over 2011

Total Freight Motor Carriers, 2012

533,435 Total Carriers

- For Hire, 247,753, 48%
- Private, 222,296, 42%
- Others, 22,800, 4%
- Both, 40,586, 8%
Crash Statistics by Carrier Class, CY 2012

<table>
<thead>
<tr>
<th>Carrier Class</th>
<th>Total Crashes</th>
<th>Crash Rate per 100 PUs</th>
<th>Vehicles OOS Rate</th>
<th>Drivers OOS Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Hire</td>
<td>61,834</td>
<td>3.08</td>
<td>18.6%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Private</td>
<td>15,871</td>
<td>1.07</td>
<td>18.5%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Both</td>
<td>8,124</td>
<td>1.90</td>
<td>16.8%</td>
<td>3.3%</td>
</tr>
<tr>
<td>All Others</td>
<td>1,028</td>
<td>1.10</td>
<td>20.9%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Total</td>
<td>86,657</td>
<td>2.16</td>
<td>18.5%</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

FMCSA’s Five Priorities for 2015
FMCSA’s leadership team has identified five high priority items for the upcoming year:

1. Compliance, Safety Accountability (CSA) Phase III
2. Electronic Logging Devices final rule
3. Inspection Modernization
4. A Safety Fitness Determination (SFD) rule
5. Unified Registration System

CSA Phase III
- Represents next generation of Compliance, Safety, Accountability
- The full use of interventions in all states
- National implementation of off-site reviews
- Use of cooperative safety plans
Electronic Logging Devices

- Publish a final rule in 2015
- Requires motor carriers to replace handwritten logbooks with ELDs to improve HOS data quality
- Makes it more difficult to violate HOS rules and falsify logs

Inspection Modernization

3) Inspection Modernization
- Upgrades to inspection software to provide smart logic; add direct access to QueryCentral for OOS notices. Scheduled for Jan 2015.
- Plan future software support for roadside inspections
- Work on improving uniformity in roadside inspections.

Safety Fitness Determination

4) Safety Fitness Determination
- Publish a proposed SFD rule to change the way we make an unfit determination of a carrier
  - enables use of crash and roadside inspection data in addition to the findings from investigations
  - will allow us to assess the safety fitness of a broader group of motor carriers
Unified Registration System

4) Implement the Unified Registration System
   - New system goes into effect October 2015
   - Combines 16 different forms currently use into the MCSA-1, a single, online “smart form”
   - Biennial update; deactivated 102,000 USDOT numbers since March.
   - Risk-based screening algorithm

In the Works

Alternative Compliance
   - Could include use of safety technologies or safety management practices
   - Determine incentives or benefits of voluntary adoption of safety measures
   - Publish a Federal Register notice seeking input

Driver Recognition
   - Looking for ways to recognize safe CMV drivers.
   - Praise drivers for doing the right things and not just penalize those who do wrong

FMCSA Regulatory Update

- HOS
- National Registry
- Drug and Alcohol Clearinghouse
- Entry level driver training
- Financial responsibility
**Hours-of-Service**

Began July 1, 2013:
- Maximum allowable work hours cut from 82 to 70 hours per week, on average
- Drivers required 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

*Source: Evergreen Safety News*

**National Registry**

- Beginning May 21, 2014, all medical certificates issued on or after that date must come from eligible health care professionals, known as Medical Examiners, listed on our National Registry of Certified Medical Examiners
- We have 35,385 certified medical examiners as of September 29
- Our Medical Examiners must look at a range of conditions to determine a driver’s medical fitness

**Drug & Alcohol Clearinghouse**

The clearinghouse will:
- Record drivers’ positive test results for controlled substances and alcohol
- Record refusals and other violations of the drug and alcohol testing regulations
- Ensure CDL drivers complete the return-to-duty process
- Require employers to check before hiring
- Published NPRM in February, comment period ended in May with 161 comments submitted to the docket on the NPRM
Entry Level Driver Training

- Looking at the feasibility of a negotiated rulemaking to require more behind the wheel training for new CMV drivers.
- Several groups have asked the D.C. Circuit to issue a mandamus order requiring the Agency to complete the driver-training rulemaking.

Webcast sponsor: J. J. Keller’s Driver Vehicle Inspection Report (DVIR) Auditing Service

Financial Responsibility

- Submitted report to Congress – current minimum insurance levels DO NOT cover costs in a number of crashes.
- Considering a rulemaking that would update the financial responsibility of commercial carriers.
  - Issued an Advance Notice of Proposed Rulemaking (ANPRM) seeking public input.

Webcast sponsor: J. J. Keller’s Driver Vehicle Inspection Report (DVIR) Auditing Service

FMCSA Research Update

Three-Pronged Approach to Studying Hours of Service
- HOS research focused on safety, productivity, and driver health.
- Safety Benefits of HOS rule change:
  - analyzing six months of reported crash data that suggest a modest reduction in nighttime crashes.
  - With a full year’s worth of data, we will be in a better position to draw more definitive conclusions.
- Productivity:
  - plan to analyze driver logs to better understand how compliance with the new rules has altered driving schedules.
  - we want to know if the new HOS rules have shifted trucks from nighttime to daytime driving as some have claimed.
- Driver health:
  - plan to test the feasibility of allowing drivers more flexibility to get the rest they need. Will launch a pilot program next year to study split sleep.
J. J. Keller & Associates, Inc. and National Private Truck Council (NPTC) Webcast:  
**Regulatory Update**  
October 22\textsuperscript{nd}, 2014

---

**Our Vision**  
Save lives by striving toward a crash-free and fully accountable CMV transportation life-cycle.

---

**Question & Answer Session**  
Please continue to submit your questions.

---

**Closing Remarks**  
Visit [www.jjkeller.com/nptcinfo](http://www.jjkeller.com/nptcinfo)  
- Today’s recording and PPT will be available within 1 week  
- View J. J. Keller & NPTC archived webcasts  
- Sign-up for future webcasts
Thank you for participating in today’s webcast!

Visit: www.jjkeller.com/nptcinfo
For today’s presentation and learn more about future NPTC and J. J. Keller webcasts.