Memorandum

U.S. Department
Of Transportation

Federal Motor Carrier
Safety Administration

Subject: **ACTION:** Change in New Entrant Program Procedures for Passenger Carriers

Date: FEB 22 2005

From: William R. Paden
Associate Administrator for
Enforcement and Program Delivery

In Reply Refer To:
MC-ECP

To: Field Administrators
Division Administrators

The purpose of this memorandum is to provide guidance for implementing new procedures for passenger carriers in the new entrant program.

Background

On May 13, 2002, the Federal Motor Carrier Safety Administration (FMCSA) published its New Entrant Safety Assurance Process Interim Final Rule. The new regulations established minimum requirements for any new carrier applying for a new USDOT number on or after January 1, 2003. These regulations apply in the same manner to passenger carriers as property carriers.

Policy

In response to recent passenger carrier accidents and FMCSA's recognition that new entrant passenger carriers should be subject to expedited safety audits to ensure safety management controls are in place, safety audits will be performed on all new entrant passenger carriers within nine months after beginning operations. This policy change is effective on March 1, 2005. This policy change will be reflected in the MCMIS software by March 1.

Appropriate revisions to the Field Operations Training Manual will be included in the new version that will be released in April 2005. New entrants that transport passengers will be otherwise subject to the same procedures that apply to all new entrant motor carriers. For example, new entrant passenger carriers will still remain in the new entrant program for 18 months like all new entrants. There is simply an earlier deadline for a safety audit to be performed on a new entrant passenger carrier. It is estimated that this policy change will affect approximately 700 to 1,100 passenger carriers annually. This policy change is in the best interest of the American traveling public who expect commercial passenger transportation to be fatality free.

If you have any questions or need additional information, please contact Phil Hanley at (202) 366-6811 or via e-mail at phil.hanley@fmcsa.dot.gov.