



U.S. Department
of Transportation

**Federal Motor Carrier
Safety Administration**

Administrator

1200 New Jersey Avenue, SE
Washington, DC 20590

MAY 29 2013

The Honorable Barbara Mikulski
Chairwoman
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairwoman Mikulski:

Senate Report 112-157 accompanying the Transportation, Housing and Urban Development, and Related Agencies Appropriations Bill, 2013 (S. 2322), requested the Federal Motor Carrier Safety Administration (FMCSA) to submit a report on the Agency's ability to meet the requirement contained in Section 4138 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) to conduct compliance reviews on high-risk carriers. This letter report fulfills that request for Fiscal Year (FY) 2012.

In December 2010, FMCSA deployed the Safety Measurement System (SMS) as part of its Compliance, Safety, Accountability program to prioritize investigative and roadside resources. Independent analysis confirms that SMS more precisely identifies motor carriers that pose the highest safety risk and serves to better identify a motor carrier's specific performance problems. The FMCSA identifies high-risk carriers based on their roadside performance in SMS. In examining the crash involvement of carriers identified as high-risk under SMS, their crash rate is two times the national average. Since SMS implementation, FMCSA has identified high-risk carriers, those requiring investigations pursuant to SAFETEA-LU Section 4138, as "Mandatory" carriers. Prompt investigation of these carrier operations are a top priority for the Agency, and the investigation must occur within 12 months of being identified as Mandatory through SMS.

The FMCSA designed SMS with the intention that it would be improved over time as better technology, new data, and additional analysis became available. Accordingly, in December 2012, FMCSA implemented a set of enhancements to SMS. These changes reflect public input received during a preview period that began in March 2012. During that period, more than 19,000 carriers and 2,900 law enforcement personnel viewed the SMS preview data and provided comments. Testing of the enhanced SMS shows that the group of motor carriers with at least one Behavior Analysis and Safety Improvement Category above FMCSA's safety Intervention Threshold have a 3.9 percent higher crash rate and a 3.6 percent higher hazardous materials violation rate than those identified under the former SMS.

During FY 2012, FMCSA identified 7,138 carriers as Mandatory as seen in Table 1 below. In FY 2012, FMCSA and its State partners conducted 6,433 investigations of Mandatory carriers, and 1,187 Mandatory carriers went out of business or switched to intrastate operations, taking those operations outside of FMCSA jurisdiction. Factoring in carryover Mandatory inventory from FY 2011, a balance of 3,155 motor carriers remained in Mandatory status as of the end of FY 2012.

Quarter	Mandatory Carriers Identified	Investigations on Mandatory Carriers	Out of Business or Switched to Intrastate	Balance of Mandatory Carriers
FY 11- 2nd	5,214	1,339	200	3,675
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FY11 Totals*	8,559	4,159	763	
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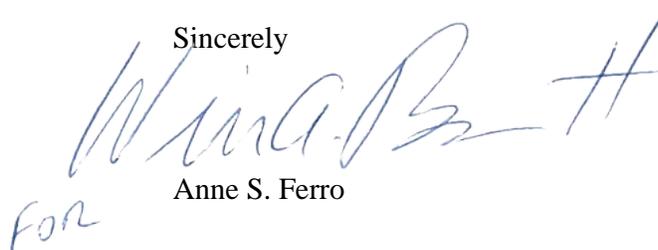
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The consistent balance of approximately 3,300 Mandatory carriers over multiple fiscal quarters indicates that the Agency is maintaining equilibrium between required and completed Mandatory carrier investigations.

A similar letter has been sent to the Ranking Member of the Senate Committee on Appropriations and to the Chairmen and Ranking Members of the Senate Subcommittee on Transportation, Housing and Urban Development, and Related Agencies; the House Committee on Appropriations; and the House Subcommittee on Transportation, Housing and Urban Development, and Related Agencies.

Should you need additional information or assistance, please contact John Drake, Director for Governmental Affairs, at (202) 366-1927 or by email at john.drake @dot.gov.

Sincerely

A handwritten signature in blue ink, appearing to read 'Anne S. Ferro', with a large 'H' at the end. The signature is written over the printed name 'Anne S. Ferro'.

for
Anne S. Ferro



U.S. Department
of Transportation

**Federal Motor Carrier
Safety Administration**

Administrator

1200 New Jersey Avenue, SE
Washington, DC 20590

MAY 29 2013

The Honorable Richard C. Shelby
Vice Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Vice Chairman Shelby:

Senate Report 112-157 accompanying the Transportation, Housing and Urban Development, and Related Agencies Appropriations Bill, 2013 (S. 2322), requested the Federal Motor Carrier Safety Administration (FMCSA) to submit a report on the Agency's ability to meet the requirement contained in Section 4138 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) to conduct compliance reviews on high-risk carriers. This letter report fulfills that request for Fiscal Year (FY) 2012.

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The consistent balance of approximately 3,300 Mandatory carriers over multiple fiscal quarters indicates that the Agency is maintaining equilibrium between required and completed Mandatory carrier investigations.

A similar letter has been sent to the Ranking Member of the Senate Committee on Appropriations and to the Chairmen and Ranking Members of the Senate Subcommittee on Transportation, Housing and Urban Development, and Related Agencies; the House Committee on Appropriations; and the House Subcommittee on Transportation, Housing and Urban Development, and Related Agencies.

Should you need additional information or assistance, please contact John Drake, Director for Governmental Affairs, at (202) 366-1927 or by email at john.drake @dot.gov.

Sincerely


for
Anne S. Ferro



U.S. Department
of Transportation

**Federal Motor Carrier
Safety Administration**

Administrator

1200 New Jersey Avenue, SE
Washington, DC 20590

MAY 29 2013

The Honorable Patty Murray
Chairman
Subcommittee on Transportation, Housing and
Urban Development, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Senator Murray:

Senate Report 112-157 accompanying the Transportation, Housing and Urban Development, and Related Agencies Appropriations Bill, 2013 (S. 2322), requested the Federal Motor Carrier Safety Administration (FMCSA) to submit a report on the Agency's ability to meet the requirement contained in Section 4138 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) to conduct compliance reviews on high-risk carriers. This letter report fulfills that request for Fiscal Year (FY) 2012.

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Table 1: Mandatory Carriers and Investigations Completed by Quarter				
Quarter	Mandatory Carriers Identified	Investigations on Mandatory Carriers	Out of Business or Switched to Intrastate	Balance of Mandatory Carriers
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The consistent balance of approximately 3,300 Mandatory carriers over multiple fiscal quarters indicates that the Agency is maintaining equilibrium between required and completed Mandatory carrier investigations.

A similar letter has been sent to the Ranking Member of the Senate Committee on Appropriations and to the Chairmen and Ranking Members of the Senate Subcommittee on Transportation, Housing and Urban Development, and Related Agencies; the House Committee on Appropriations; and the House Subcommittee on Transportation, Housing and Urban Development, and Related Agencies.

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Sincerely


for
Anne S. Ferro



U.S. Department
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**Federal Motor Carrier
Safety Administration**

Administrator

1200 New Jersey Avenue, SE
Washington, DC 20590

MAY 29 2013

The Honorable Susan Collins
Ranking Member
Subcommittee on Transportation, Housing and
Urban Development, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Senator Collins:

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Sincerely


 FOR
 Anne S. Ferro



U.S. Department
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**Federal Motor Carrier
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Administrator

1200 New Jersey Avenue, SE
Washington, DC 20590

MAY 29 2013

The Honorable Harold Rogers
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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Sincerely


for Anne S. Ferro



U.S. Department
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**Federal Motor Carrier
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Administrator

1200 New Jersey Avenue, SE
Washington, DC 20590

MAY 29 2013

The Honorable Nita Lowey
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Congresswoman Lowey:

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Sincerely


for
Anne S. Ferro



U.S. Department
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Administrator

1200 New Jersey Avenue, SE
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MAY 29 2013

The Honorable Tom Latham
Chairman
Subcommittee on Transportation, Housing and
Urban Development, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

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for Anne S. Ferro



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The Honorable Ed Pastor
Ranking Member
Subcommittee on Transportation, Housing and
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Committee on Appropriations
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Washington, DC 20515

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Senate Report 112-157 accompanying the Transportation, Housing and Urban Development, and Related Agencies Appropriations Bill, 2013 (S. 2322), requested the Federal Motor Carrier Safety Administration (FMCSA) to submit a report on the Agency's ability to meet the requirement contained in Section 4138 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) to conduct compliance reviews on high-risk carriers. This letter report fulfills that request for Fiscal Year (FY) 2012.

In December 2010, FMCSA deployed the Safety Measurement System (SMS) as part of its Compliance, Safety, Accountability program to prioritize investigative and roadside resources. Independent analysis confirms that SMS more precisely identifies motor carriers that pose the highest safety risk and serves to better identify a motor carrier's specific performance problems. The FMCSA identifies high-risk carriers based on their roadside performance in SMS. In examining the crash involvement of carriers identified as high-risk under SMS, their crash rate is two times the national average. Since SMS implementation, FMCSA has identified high-risk carriers, those requiring investigations pursuant to SAFETEA-LU Section 4138, as "Mandatory" carriers. Prompt investigation of these carrier operations are a top priority for the Agency, and the investigation must occur within 12 months of being identified as Mandatory through SMS.

The FMCSA designed SMS with the intention that it would be improved over time as better technology, new data, and additional analysis became available. Accordingly, in December 2012, FMCSA implemented a set of enhancements to SMS. These changes reflect public input received during a preview period that began in March 2012. During that period, more than 19,000 carriers and 2,900 law enforcement personnel viewed the SMS preview data and provided comments. Testing of the enhanced SMS shows that the group of motor carriers with at least one Behavior Analysis and Safety Improvement Category above FMCSA's safety Intervention Threshold have a 3.9 percent higher crash rate and a 3.6 percent higher hazardous materials violation rate than those identified under the former SMS.

During FY 2012, FMCSA identified 7,138 carriers as Mandatory as seen in Table 1 below. In FY 2012, FMCSA and its State partners conducted 6,433 investigations of Mandatory carriers, and 1,187 Mandatory carriers went out of business or switched to intrastate operations, taking those operations outside of FMCSA jurisdiction. Factoring in carryover Mandatory inventory from FY 2011, a balance of 3,155 motor carriers remained in Mandatory status as of the end of FY 2012.

Table 1: Mandatory Carriers and Investigations Completed by Quarter				
Quarter	Mandatory Carriers Identified	Investigations on Mandatory Carriers	Out of Business or Switched to Intrastate	Balance of Mandatory Carriers
FY 11- 2nd	5,214	1,339	200	3,675
FY 11- 3rd	1,533	1,487	290	3,431
FY 11- 4th	1,812	1,333	273	3,637
FY11 Totals*	8,559	4,159	763	
FY 12- 1st	2,049	1,801	402	3,483
FY 12-2nd	1,565	1,882	307	2,859
FY 12-3rd	1,905	1,409	226	3,129
FY 12 -4th	1,619	1,341	252	3,155
FY 12 Totals	7,138	6,433	1,187	
Totals	15,697	10,592	1,950	

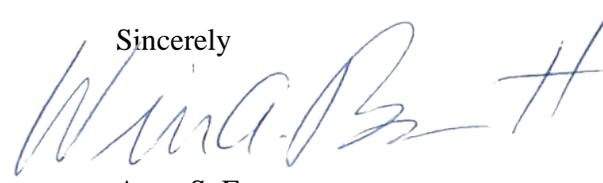
* December 2010 to September 2011.

The consistent balance of approximately 3,300 Mandatory carriers over multiple fiscal quarters indicates that the Agency is maintaining equilibrium between required and completed Mandatory carrier investigations.

A similar letter has been sent to the Ranking Member of the Senate Committee on Appropriations and to the Chairmen and Ranking Members of the Senate Subcommittee on Transportation, Housing and Urban Development, and Related Agencies; the House Committee on Appropriations; and the House Subcommittee on Transportation, Housing and Urban Development, and Related Agencies.

Should you need additional information or assistance, please contact John Drake, Director for Governmental Affairs, at (202) 366-1927 or by email at john.drake @dot.gov.

Sincerely


for
Anne S. Ferro