Prepared Remarks for Rose McMurray FMCSA Chief Safety Officer National Association of Small Trucking Companies Hendersonville, TN June 11, 2010

Introduction

Good morning and thank you for the invitation to speak at your conference.

With me today is John Dierberger our senior management official in Tennessee and another member of our team happy to answer any questions you have about our agency and its programs.

I am especially pleased to be here with the companies that form the backbone of America's freight system.

Small trucking companies represent the overwhelming number of companies my agency regulates and with whom we need to have a more active relationship.

Trucks, as you well know, are absolutely vital to our nation's economic well-being.

One in 20 workers in the U.S. are employed in trucking-related industries.

Thank you for what you do-in getting goods to all of us who so heavily depend on themand in doing so safely.

In recent years the number of truck-related fatalities has been steadily falling. We are encouraged that what we are collectively doing to improve highway safety is working.

FMCSA has recently entered its 11th year and as we look ahead we are focused on ways to improve safety for everyone who travels on our nation's highways.

This includes you and your drivers, as well.

Safety Projects

Before I describe our new enforcement initiative (which you asked me to address this morning) let me just mention a few other important issues we're dealing with in Washington.

Let me begin with the Secretary of transportation's major safety project-reducing distracted driving.

There are a number of DOT efforts surrounding the problem of distracted driving but let me describe the trucking impact.

It has always been a requirement that truck drivers maintain the highest safety standards when they operate their vehicles-this includes not engaging in risky behavior which would include not texting while driving.

But to be specific, we issued a reminder of that requirement and then followed up with a proposed rule to ban text messaging.

Our research shows that drivers who send and receive messages take their eyes off the road for an average of 4.6 seconds.

It may not sound like much but count that off and I'm sure you'll agree that 4.6 seconds is a significant amount of time in which to encounter a hazard-

- Stopped traffic,
- A cutoff by a 4-wheeler,
- And other events that are dangerous.

Once we issue a final rule on texting, we will be developing a second rule examining the full range of other in-vehicle distractions...

..like dispatch systems, using CB radios, etc. And hopefully develop a competent and coherent proposal that reduces risk but doesn't unnecessarily affect the legitimate needs for communication with and by, the driver.

As we carry on with these projects, we ask that you as business owners communicate the importance of making safe driving the number 1 priority of your drivers. A second high visibility project is the drafting of Hours of Service rule.

As you might know, the Obama administration agreed to re-look at the data and evidence on fatigue and....

... Fatigue-related crashes with the goal of ensuring our Hours of Service requirements for your drivers is rooted in evidence and performance data.

In order to provide a maximum chance for the industry and especially drivers to provide their views, we held 5 listening sessions this year...

..and have searched out any new reports or trucking accident data that would help us determine what would be the best duty hour requirements.

Our team is busily examining that information and drafting the rule notice that needs to be out for public comment by the fall.

I urge you to take a critical look at our proposal when it's released and react to it.

And, most importantly, offer us any facts and operating data that can help us get this rule right once and for all.

New Enforcement Initiative

There are a host of other big issues we're dealing with-medical requirements for CDL holders, Mexican crossborder trucking, electronic on board recorders, New Entrant standards.

Believe me-there is no shortage of tough issues we face.

Perhaps none as challenging as the introduction of a re-vamped and re-tooled enforcement program..

..that we know has the attention of the entire trucking industry.

And that is our comprehensive safety analysis 2010 program or "CSA".

Our agency is guided by the policy that only safe commercial truck and bus companies should be able to operate on roadways we all share.

Our Administrator has directed that everything we do should be aimed at finding measures that

- Raise the bar to enter the truck/bus industry
- Expect companies and drivers to maintain the required safety standards
- And remove companies and drivers that don't.

Contrary to some people's views of government, our interest is <u>not</u> to fine or penalize people-

---it's to provide a means for us to identify the companies and drivers who have poor safety records and then find remedies to improve their performance.

CSA 2010 was born out of a need to "work smarter"-not unlike the challenges small business owners like you face all the time.

We simply had an overwhelming number of companies we had to oversee (currently > 500k), a rigid and labor intensive oversight process (the compliance review audit tool)...

...and the inability to truly know the current and up to date safety condition of those thousands of companies.

Six years ago we set out to find that better mousetrap-one that would capture a fuller picture of a company's on the road performance of both its vehicles and drivers.

. one that could allow us to have contact with more companies from those companies with high risk safety profiles to companies having issues in a single area because we know that contacts between us and you increase safety performance.

We will now use operating information, mainly from a greater use of roadside inspections that will convey a company's operations on 7 measures, instead of the 4 we use today.

CSA 2010 will give us early indicators of specific shortcomings in these 7 areas and will provoke us to contact you and remind you of your obligations to operate safety.

This intervention can range from a simple warning letter to a formal notice of claim proposing a civil penalty. The intervention correlates with the number and severity of the violations.

We will be able to monitor overtime whether you have taken steps to improve any weaknesses and, if you haven't, you will be subject to more serious scrutiny and penalties.

Every month your safety record will be updated and you will be able to see your safety record built. So will your customers and insurance carriers. We hope this will motivate you to maintain good company safety practices.

As we developed this CSA console it was important that we did this openly and with public input.

We had 11 listening sessions where you reacted to our early ideas. On the basis of that

feedback we made adjustments to our model and then adjusted even more during our 9 state operational model tests.

The test state experience has been successful, proving the concept is working although, as in most test situations we are still making adjustments that we knew would be needed as the tests unfolded.

So-how do you, as a small business owner, prepare for CSA 2010?

Obviously attention to safety is key.

But there are several suggestions I offer this group:

- Go online to our FMCSA website and review the data we have on file for your company
- 2. Follow the directions and get corrected data that is in error
- 3. Most importantly, ensure your drivers clearly understand that their actions will now reflect more directly on your company's safety rating.

That's because every violation, including vehicle maintenance issues uncovered at the roadside will count, not just Out-Of-Service violations, which is currently the case.

4. Make sure your drivers are trained, medically certified and properly licensed.

So simply put-there is nothing to fear about this new system-provided you hire safe drivers, maintain your vehicles and monitor your roadside inspection reports for accuracy and follow-up corrective actions.

More than ever, that roadside inspection will be a critical measure of your safety rating.

Later this year we will issue a proposed rule that explains the new safety rating process. We understand that small carriers wear many hats. We want to help!

Don't forget to use your FMCSA division office as a go-to resource. Know the FMCSA division phone number in your state.

Call them for answers to any questions. Our safety investigators travel throughout the state and can arrange to travel to your business...

..if an in-person visit would clarify questions for you and your drivers.

We know that small carriers don't typically have a dedicated safety director on staff.

Carriers of a small size might consider banding together and pooling resources to hire a contractor who could periodically make safety visits to multiple carriers at once.

Of course, work together with <u>NASTC</u> to continue to receive timely information on all FMCSA developments and guidance.

Belonging to an association is an excellent way to keep up to date with regulatory and operational changes in a timely way.

Another option that would boost your safety know-how in the CSA 2010 era...is to contact your insurance company and ask for a risk assessment.

These assessments are often used by larger carriers but there is no reason why a smaller carrier cannot....

..take advantage of the resources available from your insurance company.

Power Point Slides

Another idea, take advantage of the pre-employment screening program when new drivers are hired.

You may find the pre-employment screening program to be a useful tool.

The program is unrelated to CSA 2010 but can help a carrier make informed decisions that can lead to hiring safer drivers to begin with.

The program offers access to up to five years of driver crash data and three years of inspection data regardless of state.

Overall, CSA 2010 will help all carriers better track their safety performance in a timely way - which can positively impact your bottom line and reduce your exposure to higher insurance costs.

Conclusion

I am confident that when CSA 2010 "goes live" and is fully operational in all fifty states later this year, CSA 2010 will reduce the number and the severity of crashes. Above all, CSA 2010 will help save lives.

Thank you again for this timely opportunity to join you today - and to listen and learn

from you. I look forward to our work together as we enter the home stretch for CSA 2010.

Thank you all.