THE HISTORY OF DOMICILE REQUIREMENTS FOR COMMERCIAL DRIVERS REPORT TO CONGRESS

Pursuant to House Report 114-606 accompanying House Bill 5394 and the Joint Explanatory Statement accompanying the Consolidated Appropriations Act, 2017 (P.L. 115-31) March 2018

Introduction

The Joint Explanatory Statement accompanying the Consolidated Appropriations Act, 2017 (P.L. 115-31) directs the U.S. Department of Transportation to submit any reports set forth by House Report 114-606 accompanying House Bill 5394. In accordance with the House report, the Federal Motor Carrier Safety Administration (FMCSA) delivers this report on (1) the history of domicile requirements for commercial drivers, (2) feedback from States and other stakeholders, and (3) recommendations for improvements to the domicile requirements¹ to the House and Senate Committees on Appropriations.

The House Report requests that FMCSA "deliver a report to the House and Senate Committees on Appropriations on the history of domicile requirements for commercial drivers, including requirements for military personnel stationed outside of their home State, the feedback and concerns posed by States and other stakeholders, and the potential for improvements to domicile requirements for commercial permitting and licensing."²

History of the Domicile Requirements

Prior to the enactment of the Commercial Motor Vehicle Safety Act of 1986 (CMVSA), there were no minimum standards governing the issuance of licenses to drivers of commercial motor vehicles (CMV). This lack of minimum credentialing standards contributed to the high fatality rate in crashes involving large trucks and buses. In 1986 alone, crashes involving large trucks and buses accounted for 5,895 deaths in the United States.³ This equated to a fatality rate of .321 deaths per 100 million vehicle miles traveled.

While some States had specific minimum prerequisites for the issuance of commercial licenses, others did not. Drivers took advantage of this lack of uniformity by applying for a new license in a new State whenever they accumulated too many traffic infractions or points on their driving

¹ The principal relevant statutes, regulations and guidance are included in the Appendix.

² H.R. Rep. No. 114-606, at 36 (2016).

³ Large Truck and Bus Crash Facts 2015, United States Department of Transportation, Federal Motor Carrier Safety Administration (May, 2016), available at https://www.fmcsa.dot.gov/safety/data-and-statistics/large-truck-and-bus-crash-facts-2015 (last accessed August 1, 2017). (See "Trends Table 1. Large Truck and Bus Fatal Crash Statistics, 1975-2015.")

records.⁴ The new State, unaware of the driver's prior record, would issue a new license, allowing the driver to avoid license suspension or revocation and start accumulating new violations on a "clean" record in a new State. Some drivers spread their violations over licenses in two, three, or more States to avoid suspension or revocation of their licenses.

In response, Congress passed the CMVSA on October 27, 1986, which went into effect on July 1, 1987. The purpose of this Act was twofold: (1) to improve highway safety by ensuring that drivers of large trucks and buses were qualified to operate those vehicles and (2) to remove unsafe, unqualified drivers from our Nation's highways.⁵ During the drafting of this legislation, Congress initially considered establishing a national, federally issued commercial driver's license (CDL), but was persuaded by the States that driver licensing was inherently a State function.⁶ The CMVSA, therefore, preserved the States' lead role in CDL issuance but imposed minimum CDL licensing standards and required States to comply with them in order to avoid the withholding of certain Federal funds from apportionment.⁷ Central to this new legal framework was the "domicile requirement," which mandated:

The State shall issue commercial drivers' licenses only to those persons who operate or will operate commercial motor vehicles and *are domiciled in the State*; except that the State, in accordance with such regulations as the Secretary shall issue, may issue a commercial driver's license to a person who operates or will operate a commercial motor vehicle and who is not domiciled in a State which does issue commercial drivers' licenses.⁸

The Federal Highway Administration (FHWA), responsible for CMV and CDL oversight at the time, subsequently promulgated regulations. Its first final rule on *Commercial Driver Testing and Licensing Standards* articulated the "one driver/one record" principle for the first time.⁹ At that time, 49 CFR § 383.21 contained two exceptions, removed in subsequent amendments to the regulation, which allowed States to phase in the requirement. The regulation provided:

- (a) No person who operates a commercial motor vehicle shall at any time have more than one driver's license.
- (b) Exception:
 - (1) During the 10-day period beginning on the date such person is issued a driver's license, a person may hold more than one driver's license.

⁴ See Qualifications of Drivers; Single Classified Driver's License System, 51 Fed. Reg 27567, 27568 (Aug. 1, 1986).

⁵ *Id.* at 27567.

⁶ The Commercial Driver's License Task Force report to Congress (December 2008), available at https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/Commercial-Driver-License-Task-Force-Report-to-Congress.pdf (last accessed August 3, 2017).

⁷ Id.

⁸ The Commercial Motor Vehicle Safety Act of 1986, Pub. L. No. 99-570, 100 Stat. 3207-170, 3207-179, 3207-180 (codified as amended at 49 U.S.C. § 31311)(1986).

⁹ Commercial Driver Testing and Licensing Standards, 52 Fed. Reg. 47326 (Dec.11, 1987) (codified at 49 C.F.R. part 383) (stating "Section 383.21 currently requires that persons who operate CMVs shall have only one driver's license").

(2) A person may have more than one driver's license if a State law enacted before June 1, 1986, required the person to have more than one driver's license. After December 31, 1989, this exception shall not apply.¹⁰

On July 21, 1988, FHWA published another final rule, also titled *Commercial Driver Testing and Licensing Standards*, which defined the term "State of domicile" as "that State where a person has his/her true, fixed, and permanent home and principal residence and to which he/she has the intention of returning whenever he/she is absent." ¹¹ This definition is consistent with the generally accepted definition of the term domicile.¹²

The July 1988 final rule also further amended part 383 by adding 49 CFR § 383.23, which provided in pertinent part:

(2) Effective April 1, 1992, except as provided in paragraph (b) of this section, no person shall operate a commercial motor vehicle unless such person possesses a CDL which meets the standards contained in Subpart J of this part, *issued by his/her State or jurisdiction of domicile*.

(b) Exceptions. (1) If a commercial motor vehicle operator is domiciled in a foreign jurisdiction which, as determined by the Administrator, does not test drivers and issue a CDL in accordance with, or similar to, the standards contained in Subparts F, G, and H of this part, the person shall obtain a Nonresident CDL from a State which does comply with the testing and licensing standards contained in such Subparts F, G, and H.¹³

On May 9, 2011, FMCSA published the final rule, *Commercial Driver's License Testing and Commercial Learner's Permit Standards*, which established new minimum Federal standards for the issuance of the commercial learner's permit (CLP).¹⁴ The goal of the rule was to further enhance safety by ensuring that only qualified drivers received CDLs and were allowed to operate CMVs on our Nation's highways.¹⁵ It also implemented certain sections of the Transportation Equity Act for the 21st Century, ¹⁶ the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, ¹⁷ and the Security and Accountability For Every Port Act of 2006.¹⁸

 ¹⁰ Commercial Driver Licensing Standards; Requirements and Penalties, 52 Fed. Reg. 20574-01, 20582 (June 1987).
 ¹¹ Commercial Driver Testing and Licensing Standards, 53 Fed. Reg. 27628, 27629 (July 21, 1988)(codified at 49

C.F.R. part 383).

¹² See, e.g., Merriam-Webster's Dictionary, available at https://www.merriam-webster.com/dictionary/domicile (last visited July 24, 2017)(defining domicile as "a person's fixed, permanent, and principal home for legal purposes"); and Black's Law Dictionary (10th ed. 2014)(Westlaw).

¹³*Supra*, note 11 at 27649.

¹⁴ Commercial Driver's License Testing and Commercial Learner's Permit Standards, 76 Fed. Reg. 26854-01 (May 2011)(codified at 49 C.F.R. pt. 383, 384 and 385). The rule's original compliance date of July 8, 2014 ultimately was extended to July 8, 2015.

¹⁵ Id.

¹⁶ Transportation Equity Act for the 21st Century (TEA-21), Pub. L. No. 105-178, 112 Stat. 107 (1998).

¹⁷ Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU)[,] Pub. L. No. 109-59, 119 Stat. 1144 (2005).

¹⁸ Security and Accountability For Every Port Act of 2006 (SAFE Port Act), Pub. L. No. 109–347 (2006).

As part of the May 2011 rulemaking, FMCSA amended 49 CFR § 383.71 (Driver Application and Certification Standards), to require affirmative proof of domicile.¹⁹ The provision specifically mandated that an individual "provide proof that the State to which application is made is his/her State of domicile, as the term is defined in § 383.5," when applying for a CLP, an initial CDL, transferring a CDL or renewing a CDL.²⁰ The FMCSA also amended 49 CFR § 383.73 to place a similar obligation on the States to obtain proof of domicile from applicants in such situations and defined acceptable proof of domicile as "a document with the person's name and residential address within the State, such as a government issued tax form."²¹

Additionally, FMCSA promulgated a new regulation 49 CFR § 383.79 (Skills Testing Out-of-State Students), ²² in recognition of the growing trend of CDL applicants receiving skills training at facilities located outside their State of domicile. In the Federal Register notice, FMCSA recognized:

The new rule will facilitate driver training for applicants unable to train in the State of domicile. In addition, training schools often provide applicants with use of a truck for testing purposes. For many applicants, this is the only feasible option for testing. If applicants are required to return to their States of domicile for testing, they would have to secure use of a truck, obtain insurance and/or incur the cost of renting a truck simply to take the test. For many this is logistically or financially prohibitive.²³

Section 383.79 required the State of domicile to accept the results of a skills test administered by any other State, so long as the applicant also received training in the State administering the skills test.²⁴

On October 19, 2012, Congress signed the Military Commercial Driver's License Act of 2012 (Military CDL Act)²⁵ into law. This legislation, sponsored by Maine Senator Olympia Snowe allowed a State to issue a CDL to military personnel not domiciled within that State, if their temporary or permanent duty station is located within that State.²⁶ Section 5401(c) of the Fixing America's Surface Transportation Act required FMCSA to implement the Military CDL Act.²⁷

The FMCSA published the corresponding final rule to the Military CDL Act, *Commercial Driver's License Requirements of the Moving Ahead for Progress in the 21st Century Act*

¹⁹ Commercial Driver's License Testing and Commercial Learner's Permit Standards, 76 Fed. Reg. 26854-01, 26882 (May 2011)(codified at 49 C.F.R. part 383, 384 and 385).

 $^{^{20}}$ Id.

²¹ *Id.* at 26881 (codified at 49 C.F.R. § 383.73).

²² Id. at 26887. This new rule was published on May 9, 2011. The rule was effective on July 8, 2011 and the date the States must have been in compliance with the requirements was July 8, 2014. The FMCSA extended the final compliance date July 8, 2015, pursuant to 78 Fed. Reg. 17875, 17877 (March 25, 2013).

²³ *Id.* at 26859 (codified at 49 CFR §383.79).

²⁴ 49 C.F.R. § 383.79.

²⁵ Military Commercial Driver's License Act of 2012, Pub. L. 112-196, 126 Stat. 1459 (2012).

²⁶ Id.

²⁷ For a brief but thorough history of this legislation and subsequent rulemaking, see Commercial Driver's License Requirements of the Moving Ahead for Progress in the 21st Century Act (MAP-21) and the Military Commercial Driver's License Act of 2012, 81 Fed. Reg. 70634, 70635 (October 13, 2016).

(*MAP-21*) and the Military Commercial Driver's License Act of 2012²⁸ (Military CDL Rule), on October 13, 2016, which became effective on December 16, 2016. While the Military CDL Act allows a State to issue CDLs to military personnel not domiciled in the State, it would be difficult for service members desiring to maintain legal domicile in their actual "home" State to take advantage of this procedure. Because CDLs and other drivers' licenses are often considered proof of domicile, obtaining a CDL from the State where a service member is stationed could result in him or her losing domicile in his or her "home" State along with any corresponding benefits (e.g., tax breaks). The Military CDL Rule maintains the link between the State issuing the CDL and the State of domicile requirement mandated by the CMVSA, while easing the practical burden of the domicile requirement on military personnel. Section 383.79 now allows a State where active duty military service members; administer both the knowledge and skills tests to the service member; and destroy his or her old license. The State of domicile would then issue the CLP or CDL to the military service member.²⁹

Feedback from States and other Stakeholders

A majority of States voluntarily implemented the regulation requiring proof of domicile. However, other States resisted the change and criticized the Agency in two ways. Some believed States should have the autonomy to license individuals as they saw fit and argued that FMCSA was impinging upon States' rights by specifying what was required for acceptable proof of domicile. Others criticized FMCSA for not providing enough guidance regarding acceptable and adequate proof of domicile. States complying with the regulation on proof of domicile began refusing to accept transfers of CDLs issued by States that refused to comply with the requirement.

Since July 2015, the date States were required to come into compliance with the domicile requirement, FMCSA has worked closely with the States to resolve these concerns and continuing problems. In some cases, FMCSA has provided individual technical assistance to the State licensing agency. The FMCSA has also met and discussed potential solutions with representatives of companies offering CMV training. The American Trucking Associations (ATA) has been actively involved, acting as an intermediary between the trucking industry and FMCSA in identifying solutions. The ATA raised concerns regarding State of domicile in its comments to the notice of proposed rulemaking for the Military CDL Rule. These comments were summarized in the preamble to the final rule in the Federal Register.³⁰ They suggested that out-of-State knowledge testing be expanded for all CLP/CDL applicants, not just those transitioning from military service. The FMCSA declined to address the issue at that time, as it was well outside the scope of the proposed rulemaking.

In January 2017, ATA wrote a letter requesting that FMCSA permit States to enter compacts that would allow knowledge testing to be completed out of State and for the test results to be

 ²⁸ Commercial Driver's License Requirements of the Moving Ahead for Progress in the 21st Century Act (MAP-21) and the Military Commercial Driver's License Act of 2012, 81 Fed. Reg. 70634 (October 13, 2016).
 ²⁹ See 49 C.F.R. § 383.79(b).

³⁰ Commercial Driver's License Requirements of the Moving Ahead for Progress in the 21st Century Act (MAP-21) and the Military Commercial Driver's License Act of 2012, 81 Fed. Reg. 70634, 70636 (October 13. 2016).

accepted by the State of domicile. After thorough review and consideration of this issue, FMCSA determined that there is no statutory or regulatory prohibition against allowing the general knowledge test³¹ to be administered by a State other than the State of domicile, nor is the State of domicile prohibited from accepting such test results. In a continued effort to ease the regulatory burden on both CMV drivers and the States, FMCSA and DOT leadership published guidance in the Federal Register on August 3, 2017, clarifying this issue.³² This guidance allows States to accept CLP applications from individuals who are not domiciled in the State but who receive CDL training within the State, and to administer the knowledge test to these individuals.³³

Recommendations for Improvements to Domicile Requirements

The FMCSA's position has been and continues to be that the domicile requirement, first mandated by Congress 30 years ago in the CMVSA, is a fundamental CMV safety requirement. The domicile requirement underpins the "one driver/one record" concept at the core of the CMVSA and the Motor Carrier Safety Improvement Act of 1999 (MCSIA). These statutes sought to improve highway safety by ensuring that drivers of large trucks and buses were qualified to operate those vehicles and to remove unsafe, unqualified drivers from the highways. For these reasons, FMCSA continues to support the mandates found in the CMVSA and MCSIA, including current Federal domicile requirements. The Agency will continue to partner with States, industry groups, safety advocates, and other stakeholders to identify solutions to ease regulatory burdens without undermining the safety gains associated with the domicile requirement.

³¹ The general knowledge test is standardized and the same body of questions are used throughout the 51 states and jurisdictions.

³² Commercial Driver's License Standards: Regulatory Guidance Concerning the Issuance of Commercial Learner's Permits, 82 Fed. Reg. 148 (August 3, 2017).

APPENDIX

CURRENT LAWS, REGULATIONS, AND GUIDANCE PERTAINING TO DOMICILE

Statute

49 U.S.C. § 31311:

- (a) General.--To avoid having amounts withheld from apportionment under section 31314 of this title, a State shall comply with the following requirements: ...
 - (11) The State may issue a commercial driver's license to an individual who has a commercial driver's license issued by another State only if the individual first returns the driver's license issued by the other State.
 - (12)(A) Except as provided in subparagraphs (B) and (C), the State may issue a commercial driver's license only to an individual who operates or will operate a commercial motor vehicle and is domiciled in the State.
 - (B) Under regulations prescribed by the Secretary, the State may issue a commercial driver's license to an individual who--
 - (i) operates or will operate a commercial motor vehicle; and
 - (ii) is not domiciled in a State that issues commercial driver's licenses.
 - (C) The State may issue a commercial driver's license to an individual who--
 - (i) operates or will operate a commercial motor vehicle;
 - (ii) is an active duty member of--
 - (I) the armed forces (as that term is defined in section 101(a) of title 10); or
 - (II) the reserve components (as that term is defined in section 31305(d)(2) of this title); and
 - (iii) is not domiciled in the State, but whose temporary or permanent duty station is located in the State.

Federal Regulations

49 CFR §383.3:

State of domicile means that State where a person has his/her true, fixed, and permanent home and principal residence and to which he/she has the intention of returning whenever he/she is absent.

49 CFR §383.23 (in pertinent part):

(a) General rule (2) Except as provided in paragraph (b) of this section, no person may legally operate a CMV unless such person possesses a CDL which meets the standards contained in subpart J of this part, issued by his/her State or jurisdiction of domicile.

49 CFR §383.71(in pertinent part):

(a) Commercial Learner's Permit. Prior to obtaining a CLP, a person must meet the following requirements: . . . (vi) The person must provide proof that the State to which application is made is his/her State of domicile, as the term is defined in § 383.5. Acceptable proof of

domicile is a document with the person's name and residential address within the State, such as a government issued tax form.

- (b) Initial Commercial Driver's License. Prior to obtaining a CDL, a person must meet all of the following requirements: . . . (10) The person must provide proof that the State to which application is made is his/her State of domicile, as the term is defined in § 383.5. Acceptable proof of domicile is a document with the person's name and residential address within the State, such as a government issued tax form.
- (c) License transfer. When applying to transfer a CDL from one State of domicile to a new State of domicile, an applicant must apply for a CDL from the new State of domicile within no more than 30 days after establishing his/her new domicile. The applicant must:
 ... (4) Surrender the CDL from the old State of domicile to the new State of domicile; and... (7) Provide proof to the State that this is his/her State of domicile, as the term is defined in § 383.5. Acceptable proof of domicile is a document with the person's name and residential address within the State, such as a government issued tax form. ...
- (f) Non-domiciled CLP and CDL.
 - (1) A person must obtain a Non-domiciled CLP or CDL:
 - (i) If the applicant is domiciled in a foreign jurisdiction, as defined in § 383.5³⁴, and the Administrator has not determined that the commercial motor vehicle operator testing and licensing standards of that jurisdiction meet the standards contained in subparts G and H of this part.
 - (ii) If the applicant is domiciled in a State that is prohibited from issuing CLPs and CDLs in accordance with § 384.405 of this subchapter. That person is eligible to obtain a Non-domiciled CLP or CDL from any State that elects to issue a Nondomiciled CLP or CDL and that complies with the testing and licensing standards contained in subparts F, G, and H of this part.

49 CFR §383.73(in pertinent part):

- (a) Commercial Learner's Permit (vi) Require compliance with the standards for providing proof of citizenship or lawful permanent residency specified in § 383.71(a)(2)(v) and proof of State of domicile specified in § 383.71(a)(2)(vi).
- (b) Initial CDL. Prior to issuing a CDL to a person, a State must: . . . (6) Require compliance with the standards for providing proof of citizenship or lawful permanent residency specified in § 383.71(b)(9) and proof of State of domicile specified in § 383.71(b)(10).
- (c) License transfers. Prior to issuing a CDL to a person who has a CDL from another State, a State must: . . . (7) Require compliance with the standards for providing proof of citizenship or lawful permanent residency specified in § 383.71(b)(9) and proof of State of domicile specified in § 383.71(b)(10). . . .
- (f) Non-domiciled CLP and CDL.
 - (1) A State may only issue a Non-domiciled CLP or CDL to a person who meets one of the circumstances described in § 383.71(f)(1).

49 CFR §384.212:

(a) The State may issue CDLs or CLPs only to persons for whom the State is the State of domicile as defined in § 383.5 of this subchapter; except that the State may issue a Non-

³⁴ "Foreign" means outside the fifty United States and the District of Columbia. 49 CFR 383.5.

domiciled CLP or CDL under the conditions specified in §§ 383.23(b), 383.71(f), and 383.73(f) of this subchapter.

(b) The State must require any person holding a CDL issued by another State to apply for a transfer CDL from the State within 30 days after establishing domicile in the State, as specified in § 383.71(c) of this subchapter.

Special Provisions for military personnel:

49 CFR §383.79:

- (b) Military service member applicants for a CLP or CDL-
 - (1) State of duty station. A State where active duty military service members are stationed, but not domiciled, may:
 - (i) Accept an application for a CLP or CDL from such a military service member who has
 - (A) A valid driver's license from his or her State of domicile,
 - (B) A valid active duty military identification card, and
 - (C) A current copy of either the service member's military leave and earnings Statement or his or her orders;
 - (ii) Administer the knowledge and skills tests to the military service member, as appropriate, in accordance with subparts F, G, and H of this part, or waive the skills test in accordance with § 383.77; and
 - (iii)Destroy a driver's license on behalf of the State of domicile, unless the latter requires the license to be surrendered to its own driver licensing agency.
 - (2) Electronic transmission of the application and test results. The State of duty station must transmit the completed application, the results of knowledge and skills tests, and any supporting documents, by a direct, secure, and efficient electronic system.
 - (3) State of domicile. Upon completion of the applicant's application and testing requirements under § 383.71, and the State's test administration requirements under § 383.73, the State of domicile of the military service member applying for a CLP or CDL may
 - (i) Accept the completed application; the results of knowledge and skills tests administered to the applicant by the State where he or she is currently stationed, or the notice of the waiver of the skills test, as authorized by paragraph (b)(1)(ii) of this section; and any supporting documents; and
 - (ii) Issue the applicant a CLP or CDL.

Guidance

Regulatory Guidance to 49 CFR Part 383—Commercial Driver's License Standards Section 383.73 State Procedures:³⁵

Question: May States accept applications for a CLP from individuals who are not domiciled in the State but who receive CDL training within the State, and administer the knowledge test to these individuals?

Guidance: Yes. Section 383.73 does not prohibit States from accepting and processing CLP applications from out-of-State applicants (e.g., individuals who are not domiciled in the State but who receive training there) and administering the knowledge test to such applicants, provided there is agreement between the testing State and the applicant's State of domicile. In particular: (1) The testing State must administer the general knowledge test in accordance with 49 CFR part 383, subparts F, G, and H; (2) transmission of general knowledge test results and any other supporting documentation shall occur by a direct, secure, electronic means to the State of domicile; and (3) in accordance with § 383.73(h), only the State of domicile may create the CDLIS record and issue the physical CLP. Ultimately, the responsibility for compliance with all requirements of § 383.71 and § 383.73 remains with the State of domicile. Under 49 CFR 383.79, States of domicile are already required to accept skills test results from other States; this guidance clarifies that States of domicile may (but are not required to) accept knowledge test results from other States in the same manner. This guidance shall not be construed to allow a State to issue a CLP or CDL to an individual who is not domiciled in that State. Both the CLP and the CDL must be issued by the State of domicile, as required by 49 U.S.C. 31311(a)(12)(A).

³⁵ Commercial Driver's License Standards: Regulatory Guidance Concerning the Issuance of Commercial Learner's Permits, 82 Fed. Reg. 148 (August 3, 2017).