Before the

SUBCOMMITTEE ON HIGHWAYS AND TRANSIT
TRANSPORTATION AND INFRASTRUCTURE COMMITTEE

UNITED STATES HOUSE OF REPRESENTATIVES

Statement of

AMERICAN TRUCKING ASSOCIATIONS, INC.

On

TRANSPORTATION REAUTHORIZATION

Barbara Windsor
Chief Executive Officer, Hahn Transportation, Inc.
New Market, MD

September 19, 2002

AMERICAN
TRUCKING
ASSOCIATIONS

Driving Trucking's Success

The American Trucking Associations, Inc.
2200 Mill Road
Alexandria, VA 22314

Chairman Petri, Representative Borski, members of the Subcommittee, thank you for the opportunity to express the trucking industry's perspectives regarding TEA 21 reauthorization. I am Barbara Hahn Windsor, CEO of Hahn Transportation, Inc., a bulk transporter of agricultural commodities and petroleum products based in New Market, Maryland. We operate approximately 175 trucks primarily in the Mid-Atlantic region.

I am appearing before the Subcommittee today on behalf of the American Trucking Associations, Inc. (ATA). ATA is the national trade association of the trucking industry. We are a federation of affiliated State trucking associations, conferences, and other organizations that together include more than 37,000 motor-carrier members, representing every type and class of motor carrier in the country. We represent an industry that employs nearly ten million people, providing one out of every fourteen civilian jobs. While we are a highly diverse industry, we all agree that a good highway system is crucial to our Nation's economy, to the safety of all drivers, and to our bottom line. This includes the more than 3 million truck drivers who travel over 400 billion miles per year to deliver to Americans 86 percent of their transported food, clothing, finished products, raw materials, and other items.

In February 2002, ATA released our preliminary TEA 21 reauthorization document. That document, which has been updated for this hearing, forms the basis for my testimomy. Attached as a supplement is a second document, which describes some of these issues in greater detail, and provides a basis for why significant reforms need be made to the existing federal program.

TRANSPORTATION REAUTHORIZATION POLICY STATEMENTS

Preliminary Report

AMERICAN TRUCKING ASSOCIATIONS

Driving Trucking's Success

February 2002
(Revised September 2002)

The American Trucking Associations, Inc.
2200 Mill Road
Alexandria, VA 22314

TABLE OF CONTENTS

FOREWORD 1

EXECUTIVE SUMMARY 2

TRANSPORTATION FUNDING AND TAXATION 4

ISSUE: Protect the Highway Trust Fund Firewall and Ensure that Highway User Revenues are Dedicated to Projects and Programs of National Significance 4

ISSUE: Oppose the Imposition of New Highway User Fees or Increases in Current User Fees 4

ISSUE: Streamline the Environmental Review Process for Highway Projects 5

ISSUE: Improve the Freight Planning Process 6

ISSUE: Prevent Diversion of Federal Highway Funds to Non-Highway Freight Projects 7

ISSUE: Ensure the Availability of Parking Facilities for Truck Drivers 8

ISSUE: Prevent the Imposition of New Interstate Highway Tolls 8

ISSUE: Ensure the Smooth Flow of Freight Traffic at International Land Borders 9

ISSUE: Broaden the Focus of Transportation Investment to Include Enhanced Highway Operations 10

ISSUE: Replace the Single State Registration System (SSRS) 10

DRIVER SAFETY 11

ISSUE: Prevent DOT from Issuing New Regulations on Entry Level Driver Training 11

ISSUE: Prevent DOT from Abolishing or Weakening Driver Hours of Service Exemptions 12

ISSUE: Enhance Highway Safety for All Vehicles by Focusing Research on Human Driver Behavior, Including Risk-Adaptation and Driver Decision-Making Processes 14

ISSUE: Oppose the Mandating of On-Board Recorders 15

ISSUE: Protect the Minimum Wage and Overtime Exemption Provisions of the Fair Labor Standards Act 15

VEHICLE SAFETY 17

ISSUE: Determine the Most Effective Method for Incorporating Reliability Performance Standards into the Federal Motor Vehicle Safety Standards for Commercial Vehicles 17

ISSUE: Ensure That Commercial Vehicles are Well-Maintained Throughout Their Lifecycles by Improving the Regulatory Development and Implementation Process For In- Service Equipment 17

ISSUE: Oppose the Mandating of "Safety Equipment" and its Exemption from the Federal Excise Tax 18

ISSUE: Oppose a Transponder Mandate 19

ISSUE: Oppose Federal Funding for Research on Technology that is Emerging on its Own 19

ISSUE: Close the Safety Loophole on Interchanged Intermodal Equipment 20

MOTOR CARRIER ENFORCEMENT 21

ISSUE: Reauthorize the Hazardous Materials Transportation Act (HMTA) if Congress Fails to Act on the Legislation Prior to 2003 21

ISSUE: Increase the Resources Available for Motor Carrier Safety Enforcement 21

ISSUE: Reform the Federal Motor Carrier Safety Administration's (FMCSA) Carrier Safety Rating and SafeStat Procedures 22

MOTOR CARRIER SAFETY OUTREACH AND EDUCATION 22

ISSUE: Mandate the Establishment of a Commercial Motor Vehicle Safety Advisory Committee 22

ISSUE: Create a Public-Private Partnership to Further Develop Strategies for Educating the Public about How to Safely Share the Road with Trucks 23

ISSUE: Establish a Nationwide Highway Watch Program that Incorporates Professional Truck Drivers to Improve Roadway Safety and Security 24

ISSUE: Add the Federal Motor Carrier Safety Administrator to the Membership of the Intermodal Transportation Advisory Board 25

TRUCKING INDUSTRY PRODUCTIVITY 26

ISSUE: Allow States to Improve their Freight Productivity through the Expanded Use of More Productive Vehicles 26

ISSUE: Encourage the Development of Commercial Vehicle Intelligent Transportation that Allow for Electronic Credentialing of Vehicles, Improve the Efficiency of Roadside Enforcement, and that do not Require Electronic Vehicle Identification 26

ISSUE: Develop an Expanded Intermodal Freight Operations Program and Multimodal System Architecture 27

MOTOR CARRIER RESEARCH 28

ISSUE: Ensure the Timely Release, Public Availability and Effective Use of the FMCSA Crash Causation Study 28

ISSUE: Promulgate and Fund Robust, Forward-looking Research Programs at the DOT that Benefit and Improve the Safety and Productivity of the Trucking Industry 28

FOREWORD

Reauthorization of federal surface transportation law provides a unique opportunity for addressing the many challenges facing the trucking industry. The American Trucking Associations is committed to promoting an industry that delivers America's freight safely and efficiently. We are proud of the fact that today's truck driver is the safest driver – passenger or commercial – in our Nation's recorded history[*], and that America's trucking companies are the most efficient and reliable providers of freight transportation in the world. These successes are due to the efforts of the ten million hard working, dedicated people employed by the trucking industry, in cooperation with our partners in government. However, we believe that much more can be achieved.

This document contains a preliminary list of issues for consideration during transportation reauthorization. It is by no means final, and is intended to spur discussion among key government and private-sector stakeholders as to how federal policy can best be crafted to help the trucking industry become safer and more productive. We look forward to working with the Administration, Members of Congress and others to achieve our common goals.

For questions or comments about this document, please contact Rick Holcomb, Dave Osiecki or Darrin Roth at (703) 838-1847.

[*] Based on historical data on vehicle miles traveled (Federal Highway Administration) and number of fatal, injury and property damage only accidents (National Highway Traffic Safety Administration) for large trucks (over 10,000 lbs. GVWR), buses (vehicles used to carry more than 10 passengers), passenger cars and light trucks (passenger vehicles under 10,001 lbs. GVWR), and motorcycles.

EXECUTIVE SUMMARY

Our recommendations focus on several major areas: transportation funding and taxation; driver safety; vehicle safety; motor carrier enforcement; safety outreach and education; industry productivity; and research.

Transportation Funding and Taxation

ATA supports the continued dedication of federal highway user fee revenues to authorized transportation purposes, as established under the Transportation Equity Act for the 21st Century (TEA 21). We will strongly oppose any attempt to enact new truck user fees or to increase the rate of current fees. In addition, ATA will support language to prevent the imposition of tolls on the Interstate Highway System. U.S. DOT data suggests that sufficient resources will be available for the maintenance and improvement of the Nation's most important highways. However, this will not be possible if the eligibility of Highway Trust Fund monies is further expanded to allow or mandate greater use of the funds for non-highway projects and programs. In addition, the environmental review process must be reformed to ensure that projects are not unnecessarily delayed and that federal funds are spent as efficiently as possible.

ATA also believes that federal-aid funds can be more effectively directed toward projects that will improve the safety and efficiency of the highway system. For example, additional investments must be made to address the nationwide shortage of truck parking spaces. Furthermore, state and local planning agencies should be given additional direction and resources to ensure that highway projects that are critical to the movement of freight are given due consideration.

Driver Safety

As a result of cooperative efforts between government officials and the trucking industry, today's truck drivers have a safety record that is second to none. ATA will seek additional federal funding for safety research that focuses on the most common cause of accidents – human factors. ATA will also oppose policy changes that would derail the successful track record that our industry has worked so hard to achieve.

Vehicle Safety

The trucking industry and truck manufacturers have made vast strides to ensure that vehicles are safe and well maintained. However, some regulations actually impede progress on vehicle safety, impose unnecessary burdens on carriers and drivers, or fail to effectively address equipment safety problems. ATA has proposed solutions designed to ensure that equipment reliability standards are incorporated into agency rulemakings; that Congress clarifies FMCSA's role as the sole agency responsible for regulation of in-service equipment, and instructs the agency to develop realistic in-service equipment standards; and that the safety loophole on interchanged intermodal equipment is closed.

Additionally, ATA will oppose well-meaning, yet imprudent, efforts to enhance truck safety, such as the mandating of unproven safety devices and electronic identification equipment, such as transponders.

Motor Carrier Enforcement

ATA supports a strong, effective and targeted motor carrier enforcement program. We will, therefore, support significantly enhanced investment in the Motor Carrier Safety Assistance Program. However, even with additional resources, enforcement personnel cannot possibly monitor the three million trucks and drivers and half a million carriers under their jurisdiction. Therefore, tools that foster better targeting of problem carriers and drivers must be made available to enforcement agencies. One step in that direction is to reform FMCSA's SafeStat and Safety Rating procedures by counting against the carrier only those accidents for which the truck driver was responsible.

Safety Outreach and Education

Because nearly three-quarters of multiple-vehicle accidents involving trucks occur as the result of an action by the other vehicle, educating motorists about how to share the road with trucks is a critical component of any truck safety improvement campaign. While ATA's *Share the Road* program has effectively communicated this message for many years, a broader campaign, involving a variety of private groups and public agencies, is needed to expand the availability of this information. Federal funding is critical to the success of this campaign, and ATA will seek federal support for this important safety effort.

ATA will also seek federal funds for a national Highway Watch program. This program would enlist the assistance of specially trained truck drivers, who would quickly and accurately notify authorities of accidents and other highway safety problems. The program can also be expanded to include the monitoring of bridges and tunnels to help prevent terrorist attacks on critical components of the transportation system.

In order to foster better relationships between regulators and their stakeholders, ATA will also advance proposals to bring the trucking industry and FMCSA together within formalized intermodal and safety advisory committees.

Trucking Industry Productivity

ATA will seek reform of the current federal regulations on truck size and weight. Federal law limits the ability of states to make common-sense changes to their size and weight limits that would result in safer, less congested highways, lower infrastructure costs, reduced energy use and fewer emissions, and lower transportation costs.

In addition, through the improved use of technology, such as electronic credentialing systems, weigh-in-motion scales and creation of a national multimodal information system and architecture, carriers can improve their productivity, while facilitating the smoother flow of traffic. Federal resources should be made available to assist the development and adoption of these new technologies.

Motor Carrier Research

DOT should be directed to fund and support multi-modal, forward-looking research programs that improve the safety and productivity of the trucking industry. A very important study that explores the root causes of accidents involving trucks is currently underway at FMCSA. Congress should ensure that the study results are reported to the public in a timely, easily accessible and regular fashion, and that the results are taken into consideration by FMCSA during relevant rulemaking proceedings.

TRANSPORTATION FUNDING AND TAXATION

ISSUE: Protect the Highway Trust Fund Firewall and Ensure that Highway User Revenues are Dedicated to Projects and Programs of National Significance

Background: An efficient and reliable freight transportation system is critically important to the United States' economic vitality. With 86 percent of the freight market (measured by value), trucking is by far the most important cog in the freight transportation system. Trucking is also the exclusive provider of freight transportation services for 82 percent of the Nation's communities. For the two decades following deregulation of the trucking industry, through the use of time-based delivery systems, U.S. businesses have managed to shrink their inventories, allowing them to significantly reduce their costs. This has made American companies more competitive, saving American consumers billions of dollars and creating thousands of jobs. However, these strategies are possible only with a highway system that allows the trucking industry to provide service that is reliable, efficient and safe. The continuing deterioration of our Nation's highways and bridges, and growing road congestion, threaten the viability of time-based delivery strategies and the United States' dominance as the world's economic leader.

Recommendations: **Protect the Highway Trust Fund firewall**, which ensures that money from highway user fees are invested in transportation projects. Ensure that revenues are dedicated to projects and programs that serve national economic, safety and research interests, and prevent further diversion of highway user revenues to non-highway projects. Create new innovative financing programs that allow States to fund extremely high-cost highway projects designed to expedite the movement of freight.

ISSUE: Oppose the Imposition of New Highway User Fees or Increases in Current User Fees

Background: According to the U.S. Department of Transportation, an average annual investment of $27 billion from all levels of government is needed to maintain the National Highway System at its current pavement and bridge conditions and traffic congestion levels. The average annual cost to improve the NHS is more than $40 billion. In 1997, total capital investment in the NHS was 22.5 billion, 19 percent less than needed to maintain the system, and 82 percent less than needed to make improvements. While these figures are disappointing, the major commitment that Congress made to highway investment when the surface transportation bill was reauthorized in 1998 is encouraging. The Transportation Equity Act for the 21st Century (TEA 21) guaranteed that all federal highway user fees would be dedicated to authorized transportation programs. That commitment appears to be paying off. At

projected long-term funding levels – notwithstanding the temporary reduction in funds due to the current recession – the gap between the amount of spending needed to maintain the NHS at current conditions, and actual investment, is expected to narrow. Within the next decade or so, significant improvements in the condition and performance of the system are expected.

Therefore, ATA believes that as long as sufficient funds generated by existing sources of income are targeted toward highways of national significance, there is no need for additional revenues from new or increased highway user fees. With an annual contribution of nearly $14 billion in federal highway user fees – and another $16 billion in state taxes – the trucking industry already makes a significant contribution toward improvements in the Nation's highway infrastructure. While the industry believes that this is a worthy investment, our continuing commitment to a federal-aid highway program may diminish if we are forced to further subsidize programs that do not benefit highway users.

Recommendations: Oppose the adoption of any new highway user fees on the trucking industry or increases in existing user fees.

ISSUE: Streamline the Environmental Review Process for Highway Projects

Background: Before a highway construction project can begin, it must first undergo various stages of planning, design, environmental review and right-of-way acquisition. This convoluted process can take approximately 12 years for major projects. Typically, one to five years of that time is spent on environmental reviews, to the detriment of the environment, public safety and mobility. All transportation projects face a federal bureaucratic and legal obstacle course. There are at least 65 federal laws, regulations, or executive orders that directly address the environmental effects of building roads. At least six cabinet departments and three independent or executive agencies have responsibility for administering those provisions. Due to the proliferation of reporting requirements and the layers of bureaucratic review, the environment itself often takes a back seat to the cumbersome process designed to protect it.

In TEA 21, Congress directed the U.S. DOT to work with other federal agencies to streamline the review process. It is apparent that DOT's efforts to date have fallen far short of congressional intent, and that further legislative action is needed.

Recommendations: We encourage Congress to consider giving states the opportunity to play a greater role in developing the necessary environmental assessments or impact statements. In addition, Congress should designate federal transportation officials as the final arbiters of the "transportation purpose and need" of a proposed project and give those officials authority to set appropriate deadlines for comment by federal resource agencies. We

believe these reforms would expedite the review process while fully protecting the environmental resources that may be affected by a proposed project.

ISSUE: Improve the Freight Planning Process

Background: For a variety of cultural, historical and political reasons, within state and metropolitan planning processes, freight transportation projects have generally taken a back seat to projects that serve, primarily or exclusively, passenger transportation needs. Many of the benefits of freight projects accrue on a regional, national or even international basis, while the decisions as to whether these projects should be funded are made at the state or local level. This disconnect has produced a decision-making process in which passenger projects, whose benefits are generally realized at the local level, are almost always given priority when resources are allocated. For these reasons, the federal government is in the best position to weigh the importance of freight transportation projects relative to passenger projects.

Another problem is with the planning agencies themselves. Historically, facilitation of freight traffic has received only passing consideration and, particularly at the local level, accommodating freight is viewed more of a nuisance than as an opportunity to enhance the region's economic status. Furthermore, the unique nature of freight transportation has not been recognized or considered, and planning agencies have failed to hire specialists in this area or devote enough resources toward developing freight-specific transportation solutions. In addition, Metropolitan Planning Organizations' (MPO) governing boards are constructed in such a way that they are far more likely to respond to voting constituents' (commuters) needs than to freight transportation needs.

Recommendations: Congress should direct the Secretary of Transportation to produce a national Freight Transportation Improvement Program (FTIP) that focuses on transportation corridors with heavy freight usage relative to the national economy and relative to regional populations and economic activity. The FTIP should identify corridors that are currently deficient or are likely to become deficient given projected freight transportation demands. In addition, the FTIP should identify local system bottlenecks, including deficient intermodal connectors. In their biennial and triennial reports to the U.S. DOT, States and MPOs, respectively, should certify to the Secretary that their transportation plans are consistent with the FTIP.

Congress should also require the Secretary to establish a Freight Advisory Board (FAB) that includes representatives from all freight modes. The FAB will review and comment on the FTIP, and the Secretary shall consider the FAB's recommendations before issuing a final FTIP.

In addition, Congress should require that MPO governing boards include representatives from the freight community.

Furthermore, Congress should set aside a portion of the Metropolitan Planning funds for the salaries and training of freight planning specialists, and for other freight planning activities, including research. These activities should also be eligible under the Surface Transportation Program and Congestion Mitigation and Air Quality Improvement (CMAQ) programs. Congress should also establish a Freight Cooperative Research Program similar to the existing National Cooperative Highway Research Program.

Congress should also establish a discretionary program, to be administered by the Secretary, that provides research grants to states, MPOs, multijurisdictional transportation planning groups (e.g. the I-95 Corridor Coalition) and private sector groups. The grants would fund research that explores both solutions for addressing the priority areas identified in the FTIP and for seeking innovative solutions to the general challenges of moving freight more efficiently, safely and in a more environmentally benign manner.

ISSUE: Prevent Diversion of Federal Highway Funds to Non-Highway Freight Projects

Background: In recent months, various interests, including elements within the U.S. DOT, have promoted consideration, or actively sought, the expansion of Highway Trust Fund (HTF) eligibility to include freight rail, marine and inland waterway projects. These interests argue that State and local governments should have the maximum flexibility possible to address their transportation systems' challenges, and that a single mode should not receive preferential treatment when funds are allocated.

This reasoning flies in the face of what the HTF is intended to be – a user fee system funded by highway users for their benefit. Furthermore, since trucking industry user fees account more than one-third of the HTF's income, the expansion of HTF eligibility to include projects that aid other freight modes amounts to forced trucking industry subsidization of our competitors.

In addition, to suggest that, given additional flexibility, planning agencies will make the best possible use of federal highway funds to improve the safety and efficiency of their transportation systems is wrong. These decisions are not made in a vacuum by a benign group of civil servants. The decisions are largely political, and each time the HTF's eligibility is expanded, so too does the number of interest groups who want to feed at the trust fund trough.

Sixty-seven percent of the Nation's freight moves by truck over the highway system, and for 82 percent of U.S. communities, highways are

their only freight transportation link to the rest of the Nation and to the world. According to the Federal Highway Administration, however, annual highway capital expenditures would have to increase by more than 16 percent over the next 20 years to simply *maintain* the highway system's current conditions and level of performance. Highways are the lynchpin of the freight transportation system, and while other modes may need improvement, this should not come at the expense of the highway system.

Recommendations: Oppose the expansion of Highway Trust Fund eligibility to non-highway freight projects.

ISSUE: Ensure the Availability of Parking Facilities for Truck Drivers

Background: A recent FHWA study found a shortage of truck parking spaces along major freight corridors. Exacerbating the shortage is a policy among several States to set a time limit on the number of hours a truck may park in a rest area. The most common time limit is two hours.

When truck stops and public rest areas are full, truck drivers have little choice but to park illegally – creating a hazardous situation – or to continue driving, possibly breaking federal hours of service laws, and possibly also becoming so fatigued that they put themselves and the motoring public at risk.

Expanding the number and availability of truck parking spaces will provide drivers with adequate opportunity to rest and comply with federal hours of service regulations. In response to an ATA request, the Secretary of Transportation recently issued new guidance to States regarding the availability of funds for adding truck parking capacity under certain federal highway programs. However, States will need additional resources to deal with the shortage effectively.

Recommendations: The construction, improvement and expansion of safety rest areas, as well as access to these facilities should, at a minimum, be eligible under all major funding categories of the Federal-aid highway program. In addition, funding for rest areas should be set aside under a new discretionary program, with preference given to projects that utilize innovative solutions for addressing the trucking industry's safe parking needs.

ISSUE: Prevent the Imposition of New Interstate Highway Tolls

Background: TEA 21 allowed up to three states to toll a portion of their Interstate Highway System for major repair of the highway. In addition, 1991 legislation allowed tolls for reconstruction or new construction of an Interstate bridge or tunnel. Once the project is complete and the state determines the facility is being adequately maintained, the toll revenues

may be used for virtually any transportation purpose on or off the tolled facility.

Interstate tolls are unfair because they double-tax users of the facility, who already pay fuel taxes and other fees for highway improvements and maintenance. Furthermore, it is easy to avoid tollbooths by simply using another – usually less safe – route. In addition, tolls create additional capital and administrative costs and increase traffic congestion, creating environmental and safety concerns.

Recommendations: Senators John McCain (R-AZ) and Ernest Hollings (D-SC) have co-sponsored S. 485, "The Interstate Tolls Relief Act." This legislation eliminates the TEA 21 exemption and tightens the requirements for imposing tolls to fund Interstate bridge projects, consistent with the authors' original intent. The bill also restricts toll revenues under the bridge/tunnel exemption to investment only for the construction or reconstruction of the tolled facility. ATA urges Congress to include the McCain/Hollings language in the reauthorization bill.

While many details have yet to be worked out, ATA would likely not oppose commercial vehicle only lanes financed with tolls, provided existing highways are not tolled, the use of the new road is voluntary, trucks are not double-taxed and the highway's design provides a safe driving environment.

ISSUE: Ensure the Smooth Flow of Freight Traffic at International Land Borders

Background: Trade volumes between the United States and its two North American Free Trade Agreement (NAFTA) partners have reached record levels: For 2000, U.S.-Mexico trade reached $247.6 billion, while U.S-Canada trade amounted to $408 billion. The growth in NAFTA trade is especially impressive if one considers that in 1993, the year before NAFTA was implemented, U.S.-Mexico trade stood at just $81 billion, while trade with Canada was valued at $211 billion. The movement of imports and exports across our international land borders depends on an efficient and effective transportation system.

Unfortunately, the development of physical and human resources at U.S. international land borders has not kept pace with the growth in NAFTA trade. Congestion at U.S. ports of entry is the norm, and considering the heightened security that will continue into the foreseeable future due to the September 11 attacks, these problems have been compounded. This creates inefficiencies in the movement of cargo among the North American trading partners, straining the present-day capacity of human resources and facilities at U.S. land borders. Because trucks haul more than 80 percent of the U.S.-Mexico freight bill and more than 70 percent of the U.S.-Canada freight bill, they are critical to the success of NAFTA and its attendant economic benefits. Delays and increased costs due to

congestion result in additional freight transportation costs, and threaten to diminish NAFTA's promise.

Recommendations: Congress should ensure that adequate resources are dedicated to the development of infrastructure and human resources along the U.S. borders with Canada and Mexico in order to meet the challenges associated with rapidly increasing trade growth among the three countries.

Some examples of where federal resources could be applied include:

- Funding for the construction of truck inspection facilities, and for hiring truck inspectors, both at the federal and state level, to inspect trucks entering the United States from Mexico.
- Construction of ports of entry solely for commercial traffic on the U.S. northern and southern borders.
- Planning and development of quality access roads between ports of entry and the National Highway System.

ISSUE: Broaden the Focus of Transportation Investment to Include Enhanced Highway Operations

Background: Congestion continues to put a chokehold on the economy, with estimates of over $70 billion in annual delay costs to motorists. Capacity constraints and forecasts for even greater congestion threaten the economic vitality of the trucking industry, which has no alternative workplace but our nation's highways. To mitigate the effects of congestion and improve highway safety, more emphasis must be placed on highway operations with a corresponding increase in funding for highway operations.

Recommendations: Direct the Secretary of Transportation and the Federal Highway Administrator to continue to elevate highway operations to a level comparable to highway construction and maintenance with comparable increases in funding for operations. As part of this increased focus on operations, the DOT should continue to support and fund research into improved highway operations.

ISSUE: Replace the Single State Registration System (SSRS)

Background: The Single State Registration System (SSRS) is a federal program that is administered by 38 states to monitor the insurance and financial responsibility registration of carriers. SSRS regulations apply only to for-hire interstate carriers, which collectively pay approximately $100 million in registration fees annually (based on the number of vehicles). The Department of Transportation has been tasked with creating a new program that would replace the DOT Identification Number System,

SSRS, Federal Registration/Licensing System (49 USC Chapter 139) and the Financial Responsibility Information System.

Recommendations: ATA supports the consolidation of the current systems into one federal program. The new program should include all trucks engaged in interstate commerce whether privately or publicly owned, provide replacement revenue to participating states, as well as allow states, at their option, to use the system for trucks engaged only in intrastate commerce.

ATA recommends:

1) A single, federal on-line registration system.
2) Per carrier fees rather than per vehicle fees.
3) States already participating in SSRS should receive comparable revenue under the replacement program and non-SSRS states should receive a minimum allocation in return for preemption of the SSRS program and a prohibition of any new fees.
4) All carriers (for-hire, private, etc.), freight forwarders, brokers and rental/leasing companies should be included.
5) All 50 states should participate. A federal system should preempt any state system. The states should still administer the system.
6) SSRS revenue to the states should be used exclusively for safety, enforcement and financial responsibility activities.
7) Access to information in this system should be available to all interested parties.

DRIVER SAFETY

ISSUE: Prevent DOT from Issuing New Regulations on Entry Level Driver Training

Background: Over the past several years, the DOT has been developing a proposed regulation addressing entry-level truck driver training requirements. Countless hours have been spent on what has become a fruitless exercise, all at taxpayer expense. Current safety regulations already prohibit a truck driver from driving a truck, and a motor carrier from requiring a driver to operate a truck, unless the driver can, by reason of experience or training (or both) operate the vehicle safely. This regulation, found at 49 CFR 391.11, is in addition to the comprehensive commercial driver licensing (CDL) requirements which require a driver to fully demonstrate both knowledge about and skill to operate the vehicle which he or she will be operating in order to obtain a license.

There are many types of motor carriers transporting a wide variety of commodities in many differently configured trucks and trailers. For

decades, motor carriers and other entities have provided quality training to truck drivers. The result of this training, coupled with the CDL requirements that have been in place for more than 10 years, is a truck driver population that has a better safety record today than any other class of driver in our Nation's recorded history. Motor carriers know much more about the training requirements and needs of their drivers than the government. As training methods continue to improve, so will truck drivers' safety performance. Taking away carriers' flexibility to develop the best and most appropriate training standards and methods will jeopardize the effective, industry-based systems that are already in place and functioning.

Recommendations: Stop the DOT's unnecessary efforts to establish a federal entry-level truck driver regulation. Encourage the Secretary of Transportation to initiate incentive programs designed to increase and promote the use of industry-based driver training programs. Prohibit the Department from spending additional funds on their rulemaking proceedings.

ISSUE: Prevent DOT from Abolishing or Weakening Driver Hours of Service Exemptions

Background: The current hours-of-service (HOS) rules found at 49 CFR 395.1 list 14 exemptions to various parts of the rules. At times, motor carriers need a specific exemption to a particular section of the HOS rules to remain flexible, properly service their customers, and continue to safely operate a motor vehicle on the highway. Many of the current exemptions were congressionally mandated for specific and valid reasons. In fact, the FY 2002 Department of Transportation Appropriations Act (the Act) includes language reminding the Secretary of Transportation that the Department may not amend or revoke certain congressionally-established HOS exemptions unless, *as a result of an established monitoring program*, the Secretary finds that the exemptions adversely impact public safety and are no longer in the public interest. This language was included in the Act as a result of DOT proposing in May 2000 to amend and revoke some exemptions without performing the required monitoring and making the required *public safety and public interest* findings.

Listed below are the 14 current exemptions and a brief explanation of each.

Adverse driving conditions. A driver who encounters adverse driving conditions (e.g., snow, sleet, ice, or unusual road and traffic conditions) and cannot complete the run within the allowable 10-hour driving period may drive for not more than two additional hours to complete the run or reach a place of safety.

Emergency conditions. In case of an emergency a driver may complete the run without being in violation of the regulations, if such run could have been completed absent the emergency.

Driver-salesperson. Any driver-salesperson whose total driving time does not exceed 40 hours in any period of seven consecutive days may drive a commercial motor vehicle (CMV) after having been on duty 60 hours in seven consecutive days or 70 hours in eight consecutive days.

Oilfield operations. Drivers engaged in oilfield operation may end any period of eight consecutive days with the beginning of any off-duty period of 24 or more successive hours.

100 air-mile radius driver. A driver is exempt from preparing a record of duty status (RODS) if the driver (1) operates within a 100 air-mile radius of the normal work-reporting location; (2) returns to the work-reporting location and goes off-duty within 12 consecutive hours; (3) takes at least eight consecutive hours off duty separate each 12 hours on duty; (4) does not exceed 10 hours maximum driving time following eight consecutive hours off duty; and (5) if the motor carrier maintains a time card showing specific information. ATA believes that the air mile radius limitation is unnecessary and should be eliminated.

Retail store deliveries. Drivers making deliveries to retail stores are exempt from the hours-of-service rules during the period from December 10 through December 25.

Sleeper berths. Drivers using sleeper berths may accumulate the required eight consecutive hours off duty in two separate periods totaling eight hours. Neither period may be less than two hours.

State of Alaska. Any driver operating a CMV in Alaska may not drive (1) more than 15 hours following 8 consecutive hours off duty; (2) after being on duty for 20 hours or more following eight consecutive hours off duty; (3) after having been on duty 70 hours in seven consecutive days; and (4) after having been on duty 80 hours in eight consecutive days. During adverse driving conditions, a driver may drive until the run is completed. The driver must then be afforded eight consecutive hours off duty.

State of Hawaii. A driver in Hawaii is not required to prepare RODS, if the motor carrier maintains a time card for the driver.

Travel time. All time in a travel status may be counted as off-duty time if the driver is afforded eight consecutive hours off-duty when arriving at their destination.

Agricultural operations. The HOS rules do not apply to drivers hauling agricultural products if the trip is limited to a 100 air-mile radius from the distribution point and is conducted during the planting and harvesting seasons, as determined by the State.

Ground water well drilling operations. Any period of seven or eight consecutive days may end at the beginning of any off-duty period of 24 or more successive hours.

Construction materials and equipment. Any period of seven or eight consecutive days may end at the beginning of any off-duty period of 24 or more successive hours.

Utility service vehicles. Any period of seven or eight consecutive days may end at the beginning of any off-duty period of 24 or more successive hours.

Recommendations: Congress should prohibit the Secretary of Transportation from issuing a final or proposed regulation that would eliminate or curtail any current HOS exemption unless the Secretary first issues a report to Congress which finds that the specific exemption adversely impacts highway safety, and is not in the public interest

ISSUE: Enhance Highway Safety for All Vehicles by Focusing Research on Human Driver Behavior, Including Risk-Adaptation and Driver Decision-Making Processes

Background: The overwhelming majority of traffic accidents are caused by human error. Yet the majority of federal research and regulatory effort is focused on vehicles and equipment, with far less effort spent on human factor issues. As highway vehicles incorporate a number of new electronics systems, many of which may eventually interact with drivers and make decisions on their behalf, there is evidence of a growing danger from "risk-adaptation"—the tendency of human drivers to take greater risks when faced with the false security of a system that promises greater safety. One example of this phenomenon can be seen in antilock braking systems (ABS) for passenger vehicles. NHTSA found that these systems do not offer a net safety benefit, as ABS-equipped cars were simply involved in different kinds of accidents than cars without ABS, but not fewer or less deadly ones. A better understanding of how this phenomenon works, and, more importantly, ways in which it might be mitigated, is necessary, as vehicles become more complex in the already-complicated highway environment.

Recommendations: Direct the Secretary of Transportation to prioritize all federal vehicle-related research so that the majority of funds support research in the most-common cause of accidents—human factors. Direct NHTSA to undertake a multi-year research project to determine the effects of risk-adaptation in both commercial and passenger vehicles, and to determine if there are ways in which such effects may be mitigated. Direct NHTSA to allow vehicle equipment users and their representatives, including the trucking industry, an opportunity for participation in this program equal to that of manufacturers.

ISSUE: Oppose the Mandating of On-Board Recorders

Background: In its May 2000 proposal on hours-of-service (HOS), the Federal Motor Carrier Safety Administration (FMCSA) proposed requiring on-board recorders on a significant percentage of the trucks operating today. However, FMCSA offered no data or research indicating that such a requirement would improve truck safety by reducing crashes. On-board recorders are incapable of independently fulfilling the HOS compliance requirements. Neither "black boxes" nor GPS systems can provide the detailed recordkeeping required by today's rules. Existing "electronic logbooks" are simply automated paper logs, requiring driver input, and as such do not make cheating impossible. Because unlawful carriers can tamper with and evade on-board recorders, requiring them would impose high costs and intensive government scrutiny on responsible companies without making any impact on highway safety or regulatory compliance.

Monitoring mandates would also be invasive to driver privacy, especially to those who essentially "live" in their vehicles. Offering agents the opportunity to monitor these drivers' movements is very troubling with respect to their individual and privacy rights. In addition, truck drivers use GPS to communicate with their families via email. This means inspectors accessing the systems could also read these private communications — a dangerous precedent to set when privacy issues are causing great controversy and concern, with no evidence that the requirement would offer any corresponding safety benefit.

A universal mandate of these systems also ignores the fact that many drivers are not subject to the hours of service recordkeeping requirements. Drivers who operate locally and within a pre-established area of their terminal need not complete paper logbooks. Time cards, or other carrier-based driver management systems, are acceptable means under the current regulations for determining a driver's compliance with hours of service limitations.

Recommendations: The decision to use on-board recorders for the purpose of monitoring drivers' hours of service should remain voluntary.

ISSUE: Protect the Minimum Wage and Overtime Exemption Provisions of the Fair Labor Standards Act

Background: In 1938, during the United States' post-depression period, Congress passed the Fair Labor Standards Act (FLSA) in order to (1) raise substandard wages, (2) protect workers from excessive hours and, (3) create additional employment. The minimum wage provision and higher overtime pay were two mechanisms Congress used to achieve its objectives. A year later, the Interstate Commerce Commission (ICC) published its first set of truck drivers' hours of service regulations, which

were intended to promote safety by limiting drivers' work hours. In 1942, Congress exempted employees regulated by hours of service limits from the FLSA overtime pay law, but not from the minimum wage law. At the same time, Congress granted overtime pay exemptions for numerous other jobs.

Recently, some interest groups have advocated changes to the FLSA specifying that truck drivers be paid on an hourly basis and receive overtime pay for work performed beyond 40 hours in a week. These groups suggest that such a law would improve highway safety. Unfortunately, these advocacy groups often fail to mention that truck drivers are still protected from substandard wages under the minimum wage law, and from excessive work hours by the hours of service rules. As long as the DOT (which took over trucking regulation from the ICC) has hours of service rules, which everyone continues to advocate, Congress' rationale for the exemption remains. Moreover, the U.S. Congress has never dictated the compensation method in any industry, nor should it.

Bringing drivers under the overtime provision assumes that truck drivers are not being fairly compensated; this is simply inaccurate. Truck drivers earn, on average, $41,000 annually, a figure that has been increasing faster than inflation. And, truck drivers continue to be in demand, so the wages will continue to rise. Additionally, there is no sufficient body of research to support the proposition that highway safety would be enhanced by mandates for hourly pay and mandatory overtime pay.

Recommendations: There is simply no need for Congress to apply the overtime pay law to drivers. Nor should Congress mandate a method of pay; this would be unprecedented. The minimum wage provision and the HOS rules ensure reasonable compensation and working conditions.

VEHICLE SAFETY

ISSUE: Determine the Most Effective Method for Incorporating Reliability Performance Standards into the Federal Motor Vehicle Safety Standards for Commercial Vehicles

Background: For 34 years, NHTSA has written Federal Motor Vehicle Safety Standards (FMVSS) which measure short-term output, i.e., manufacturers must certify that their equipment meets the regulatory standards when it is placed on the market. NHTSA has never considered *reliability*—which is intrinsic to the overall elements of a design—in determining its standards. Today, as equipment and subsystems become more technologically complex, and truck manufacturers move to limit the ability of commercial fleets to specify which particular components to install in a vehicle, equipment reliability is rapidly becoming an overwhelming concern for carriers. An example of existing reliability standards for vehicle systems can be found in regulations established by the Environmental Protection Agency for emissions control, in 40 CFR 86.085. This issue is vital to highway safety, as compromises in reliability can deliver short-term performance enhancements, and may lower system costs, but may also lead to safety system failures when the equipment is most needed.

Recommendations: Direct NHTSA to undertake a research program to determine the appropriate method for incorporating reliability performance standards into future FMVSS pertaining to commercial vehicles, and provide a dedicated source of funding for this project. NHTSA should report to Congress on its work within two years, including the steps necessary to establish a reliability program and a timeframe for doing so. Direct NHTSA to allow trucking equipment users and their representatives an opportunity for participation in the development and implementation of this program equal to that of manufacturers.

ISSUE: Ensure That Commercial Vehicles are Well-Maintained Throughout Their Lifecycles by Improving the Regulatory Development and Implementation Process For In-Service Equipment

Background: Historically, commercial vehicle equipment has been regulated by two agencies. NHTSA issues standards and regulations for new equipment. These rules (known as the Federal Motor Vehicle Safety Standards, or FMVSS) apply to equipment manufacturers. Once equipment has been placed "in-service" on the road, it falls under the jurisdiction of the FMCSA (previously the Federal Highway Administration Office of Motor Carriers). When FMCSA issues regulations for equipment that is in-service after NHTSA creates a new standard, the agency has generally incorporated the original NHTSA standard verbatim. NHTSA's manufacturer standards, however, include performance and design specifications that carriers cannot meet, and which cannot be realistically

enforced. They also do not allow for realistic "wear-and-tear" in equipment. Essentially, the rules in place for in-service commercial vehicle equipment require that this equipment remain in the exact same condition as the day it was purchased—a physical impossibility. The net effect of this gap in regulation is that irresponsible fleets perform only the bare minimum maintenance required to keep their vehicles from being placed "out-of-service." However, long-term neglect can lead to greater safety problems than catastrophic system failure.

Recommendations: Reaffirm to the Secretary of Transportation that all authority over in-service equipment, including authority to require retrofitting of new equipment, should be housed within the Federal Motor Carrier Safety Administration, which regulates carriers, not manufacturers. Direct the FMCSA to develop realistic in-service equipment standards in the future that provide practical guidance on the expected condition of equipment throughout its lifecycle for safe operation, which allow for fair wear-and-tear, and do not attempt to hold carriers to the standards imposed on manufacturers of new equipment.

ISSUE: Oppose the Mandating of "Safety Equipment" and its Exemption from the Federal Excise Tax

Background: There have been calls for either mandating certain "safety technologies" or creating an excise tax exemption to encourage their use. These vaguely defined devices are purported to improve the safety of a commercial vehicle. ATA has several reservations about these proposals:

1) A tax system that is not neutral relative to investment in different types of capital equipment would be created.

2) There is little or no evidence that any of the "advanced" systems currently being marketed will have any impact on truck safety. However, deeming them a device fit for the safety-related tax deduction will give them an aura of validity that they may not deserve.

3) There is no attempt to define what constitutes a "safety technology." A mandate of equipment or the establishment of excise tax exemptions will require the creation of a new bureaucracy for the sole purpose of determining that definition on a case-by-case basis.

4) Eliminating the 12% excise tax on devices will not create an incentive to use them. A collision warning system, for example, costs around $3,000 per unit. The excise tax would increase the cost to $3,360. Fleets cannot cost-justify a $3,000 system on the basis that it costs $360 less.

If use of these devices were mandated, or if tax exemptions were written into law, the following scenario would unfold:

- Some entity would determine that certain devices will improve safety (without any evidence to that fact).
- Their lack of effectiveness would cause carriers to dismiss these devices, even after a tax exemption is instituted, because they will remain non-justifiable from a cost/benefit perspective.
- Frustrated by the lack of market penetration created by lower taxes, government agencies would use this experience as proof that "incentives" don't work and move to mandate the devices.
- Supporters of the excise tax exemption would have no argument against a mandate because they would have already stated that they believe that these devices improve safety.

Recommendation: Oppose a "safety equipment" mandate or a reduction in the excise tax for these devices.

ISSUE: Oppose a Transponder Mandate

Background: ATA supports the voluntary use of transponders, but we oppose the mandating of electronic identification equipment because of the serious consequences associated with misuse of the data that this could generate.

Transponders are often associated with tolls, which are not the trucking industry's favored method of highway financing. However, many motor carriers that use toll roads find electronic toll collection to be beneficial, so the option to use transponders in this way should be available, as long as it remains an option. Furthermore, the carriers that use transponders for toll collection like the idea of "interoperability" or the ability to enroll the same transponder in multiple toll programs. However, the industry opposes the creation of any central "toll clearinghouse" that would house extensive data regarding individual truck movement. Should such information get out, it would give companies inside information on their competitors' operations.

Recommendations: Oppose the mandating of electronic identification equipment, such as transponders.

ISSUE: Oppose Federal Funding for Research on Technology that is Emerging on its Own

Background: ATA opposes alternate fuel mandates because where it is prudent, such fuels are either already being used or are being studied by those who would benefit from such use. Likewise, we oppose anything related to splash/spray investigation. Splash and spray has been extensively studied and modern truck design plus speed reduction has been proven to manage

the problem as much as practical. Additionally, no study of "aggressivity" (the crush characteristics of the front of trucks when they strike other objects) is necessary because product liability pressures on manufacturers are already causing them to do what is necessary and sensible.

Recommendations: Federal funding should not be directed toward technology research that is emerging on its own.

ISSUE: Close the Safety Loophole on Interchanged Intermodal Equipment

Background: Water and rail carriers hire motor carriers to complete the delivery of their freight to inland customers. In so doing, they require the motor carrier to use the equipment they provide to them. This includes 750,000 chassis and 83,000 intermodal trailers that are not part of the truckers' fleet, and thus impossible to be included in the motor carriers' mandated maintenance programs. The water and rail carriers own or otherwise control this equipment, but due to a loophole in the law, they fail to maintain the equipment as mandated for all other commercial motor vehicle equipment by the Federal Motor Carrier Safety Regulations (FMCSRs). Intermodal equipment providers manage to evade regulatory enforcement sanctions because enforcement only occurs after the equipment leaves the port or rail yard, and is on the highway, i.e. in the possession of the trucker. Therefore, truckers are penalized for maintenance failures that are totally out of their control. The result is that 833,000 commercial trailing units of poor or questionable condition are currently being operated on public roads. In 1997, ATA petitioned USDOT to close this safety loophole. Although the agency has acknowledged that the loophole exists and that it has the authority to close the loophole, it has refused to take any action to correct the problem.

Recommendations: Congress should direct USDOT to finalize its rulemaking to close this safety loophole. To be effective, the rule must realign enforcement of the safety and maintenance regulations (FMCSRs) with the party empowered to authorize the maintenance.

MOTOR CARRIER ENFORCEMENT

ISSUE: Reauthorize the Hazardous Materials Transportation Act (HMTA) if Congress Fails to Act on the Legislation Prior to 2003

Background: Reauthorization of the Hazardous Materials Transportation Act (HMTA) has been stymied over the past several years by several issues, including the controversies surrounding the jurisdiction of the Departments of Transportation and Labor, and sweeping exceptions from the hazardous materials regulations for farmers. Additionally, because there has been no "champion" for HMTA reauthorization in Congress, the legislation has languished. Because several important trucking industry issues are included in recommendations for HMTA reauthorization, ATA considers reauthorization to be a priority.

Recommendations: Unless Congress acts on HMTA reauthorization prior to 2003, the following should be included in the TEA 21 reauthorization bill:

(1) Reassertion of federal preemption authority over hazardous materials transportation that reestablishes DOT as the federal department with primary regulatory responsibility;

(2) Prompt implementation of a national permitting and registration program (The Uniform Program);

(3) Institution of sound national safety enforcement and investigative procedures that preclude the opening of any sealed packaging of hazardous materials in transportation, unless certain criteria for inspector training, public protection, and carrier liability are met; and

(4) Restructuring of the Research and Special Programs Administration's (RSPA) registration program to include a broad base of registrants, capping of fees, and tighter controls on the letting of grants.

ISSUE: Increase the Resources Available for Motor Carrier Safety Enforcement

Background: The Motor Carrier Safety Assistance Program (MCSAP) has been a success since its inception. However, the program has often been criticized for not doing enough or for addressing the wrong issues. This criticism is mainly rooted in a lack of funding. In fact, judged by historical investment levels, motor carrier safety has been a relatively low federal priority. To illustrate, over the past decade, the federal government has invested nearly twice as much in bicycle and pedestrian paths than it spent on the entire federal truck and bus safety program.

The problems associated with a lack of resources are likely to become worse over time. According to a Federal Highway Administration analysis, the demand for freight services will nearly double by 2020. In addition, the opening of the U.S. border to Mexican trucks will further tax the ability of enforcement agents to ensure that unsafe trucks and drivers are taken off the road.

Recommendations: Funding for the MCSAP program must be increased significantly to meet ever-increasing demands. Funding increases should be tied to increased speed and traffic enforcement efforts aimed at both car and truck drivers and a comprehensive program evaluation requirement to ensure that federal resources are being spent on activities that will have the greatest impact on reducing fatal truck-involved crashes. The best available crash causation data and the on-going crash causation study should be the primary references for evaluating State programs.

ISSUE: Reform the Federal Motor Carrier Safety Administration's (FMCSA) Carrier Safety Rating and SafeStat Procedures

Background: The FMCSA counts every accident, regardless of fault, when developing a safety rating or a SafeStat score for a motor carrier. This practice is unfair and inappropriate. A motor carrier may receive a safety rating other than "satisfactory," or could be given an adverse SafeStat score, if their drivers are involved in an accident. Even if the truck driver is not assessed blame for the accident, the driver is assumed to be guilty by FMCSA and the carrier is forced to appeal the rating or score. This may result in a severe financial loss to the carrier in attorney fees, lost work and other expenses. In addition, it needlessly depletes agency resources. Furthermore, FMCSA has no established procedure, in regulation or otherwise, for a motor carrier to address inaccurate safety data in the carrier's computerized (and publicly available) safety profile.

Recommendations: The U.S. Department of Transportation's Inspector General (IG) is currently investigating the program. ATA will make its recommendations once the IG's report has been issued.

MOTOR CARRIER SAFETY OUTREACH AND EDUCATION

ISSUE: Mandate the Establishment of a Commercial Motor Vehicle Safety Advisory Committee

Background: Section 105 of the Motor Carrier Safety Improvement Act of 1999 authorized the Secretary of Transportation to establish a commercial motor vehicle safety advisory committee to provide advice and

recommendations on a wide range of motor carrier safety issues. The advisory committee was to remain in effect until September 30, 2003.

As of this date, nearly a year and a half after passage of the Act, the DOT has taken no official action on establishment of the committee. This is very unfortunate. Establishment of the committee would bring together various industry segments, law enforcement, safety advocacy groups, manufacturers, and government officials. These groups often have conflicting opinions on important highway safety issues. Bringing them together in an advisory capacity would allow the Federal Motor Carrier Safety Administration (FMCSA) to proactively develop regulatory and program changes that are embraced and supported by the agency's stakeholders. Such action could also offer regulators a better understanding of the wider safety, economic and human impacts that their actions have on various segments of society.

Recommendations: Mandate establishment of a motor carrier safety advisory committee and extend the authorizing period by a minimum of five years from the date of the committee's first meeting.

ISSUE: Create a Public-Private Partnership to Further Develop Strategies for Educating the Public about How to Safely Share the Road with Trucks

Background: Traditionally, federal safety regulators have placed the burden of reducing crashes involving both cars and trucks on the truck driver and the trucking industry. However, truck drivers play a contributing role in only about 26 percent of fatal crashes where another vehicle is involved. The other users of the highways, primarily automobile drivers, have contributing factors in approximately 74 percent of fatal crashes involving a truck. Therefore, by singling out and focusing all of their resources and attention on truck drivers and on the industry, safety regulators will inevitably affect only a small portion of the approximately 450,000 accidents involving trucks each year.

The DOT has paid only token attention to educating the motoring public about how to safely share the road with trucks. Because this information is not included in most driver education or remedial driver training courses, most car drivers are unaware of the special precautions they need to take when they are in the vicinity of a truck.

The American Trucking Associations' (ATA's) ***Share the Road*** program is the only program designed for the media to educate the public about how to drive safely with large trucks. The ATA program utilizes professional truck drivers from ATA's America's Road Team as spokespersons at news conferences, in coordination with state trucking association representatives and federal and state law enforcement officials.

Recommendations: A large cooperative effort should be initiated to attack the problem of motorists being unaware of how to safely share the road with large commercial motor vehicles. Private groups, in cooperation with federal agencies, could provide resources and expertise for the development and dissemination of information to their constituencies and to the general public. This larger effort should not undermine or overtake existing efforts such as ATA's *Share the Road* program, rather it should seek to more widely disseminate the needed safety message by funding and leveraging off of programs already in place. Participants in the larger effort could include:

- Federal Motor Carrier Safety Administration
- National Highway Traffic Safety Administration
- Federal Highway Administration
- American Association of Motor Vehicle Administrators
- American Trucking Associations
- American Transportation Research Institute
- National Safety Council
- AAA
- Commercial Vehicle Safety Alliance

The Federal government could fund the lion's share of the project's cost, while non-government members could furnish in-kind services. A vast amount of knowledge and expertise could be garnered from such a group for the proactive development of additional educational materials (e.g., training curricula, educational pamphlets, training videos, radio and television public service announcements, posters, etc.). The education and training efforts would be aimed at people of all ages.

ISSUE: Establish a Nationwide Highway Watch Program that Incorporates Professional Truck Drivers to Improve Roadway Safety and Security

Background: Traffic congestion on U.S. highways continues to increase, and with it comes a greater risk of crashes and fatalities. According to NHTSA, approximately half of the Nation's annual traffic deaths occur before victims are able to reach medical facilities. Improving the response time to these types of emergencies is critical to saving lives. In addition, as a result of the terrorist attacks on our Nation, we have all become more acutely aware of the vulnerabilities of critical components of the country's transportation infrastructure, including bridges and tunnels. By the very nature of their work, professional truck drivers are extremely aware of their surroundings and can, in most cases, alert the proper authorities to the exact location of accidents, highway hazards, distressed motorists and potential security threats.

ATA's Highway Watch program targets professional truck drivers working in partnership with state officials to create safer highways. So far, ATA's program is up and running in six states. We work in

partnership with motor carriers, our state affiliates, law enforcement agencies, the U.S. DOT and other safety partners to provide the training and resources truck drivers need to carry out the goals of the program. Highway Watch is currently focused solely on highway safety. Through the use of cell phones, specially trained truck drivers alert the proper authorities whenever there is an accident, when they observe unsafe driving practices, or when any other incident occurs that could create safety problems or impede the flow of traffic. For example, as a result of the successful implementation of the Highway Watch program in Colorado, emergency personnel in that state have cut their response time by 50 percent, allowing more accident victims to receive treatment during the "golden hour" after a crash has occurred.

Given the new concerns about infrastructure security, however, ATA believes that a security component can be efficiently, effectively and expeditiously added to this successful program to help fulfill the mission of the "Public Safety – Terrorism Prevention" Working Group of the President's Task Force on Citizen Preparedness. The extra set of eyes and ears currently monitoring safety concerns on our highways can be enlisted to monitor suspicious activity.

Recommendations: Congress should establish and authorize funding for a National Highway Watch program to increase roadway safety and improve infrastructure security. The Highway Watch program should have a unified message and professional truck drivers should work in conjunction with state law enforcement and emergency personnel. Priority for funding should be given to programs that are currently in place, such as the one run by ATA.

ISSUE: Add the Federal Motor Carrier Safety Administrator to the Membership of the Intermodal Transportation Advisory Board

Background: United States Code (at 49 USC §5502) established the Intermodal Transportation Advisory Board (ITAB) to advise the USDOT on intermodal transportation policy issues. The ITAB includes representatives from each modal agency within the USDOT. However, this statute predates the formation of the Federal Motor Carrier Safety Administration, leaving the trucking industry without representation on the ITAB. Virtually all intermodal freight shipments include at least one truck movement.

Recommendations: Congress should amend 49 USC §5502 to include the Administrator of the FMCSA as a member of the ITAB.

TRUCKING INDUSTRY PRODUCTIVITY

ISSUE: Allow States to Improve their Freight Productivity through the Expanded Use of More Productive Vehicles

Background: Current federal law limits States' ability to meet their transportation needs by restricting the size and weight of trucks that are allowed to travel on the Interstate Highway System and other primary roads. Many decades of experience and volumes of research suggest that more productive vehicles can be operated safely and without a detrimental impact on highways and bridges. In addition, the use of more productive trucks can bring down freight transportation costs and reduce overall truck vehicle miles traveled, which reduces trucks' accident exposure, cuts down on traffic congestion and lowers vehicle emissions.

A recently released study by the Transportation Research Board (TRB) recommended creation of a new Institute to oversee and facilitate reform of federal size and weight regulations.

Recommendations: Reform outdated federal laws restricting the operation of more productive vehicles. Let States, on a limited and strictly controlled basis, allow the expanded operation of longer and heavier trucks on their highways. Consider using the TRB study as a guide for reform.

ISSUE: Encourage the Development of Commercial Vehicle Intelligent Transportation Systems that Allow for Electronic Credentialing of Vehicles, Improve the Efficiency of Roadside Enforcement, and that do not Require Electronic Vehicle Identification

Background: In TEA 21, Congress directed the Secretary of Transportation to carry out a comprehensive program to deploy an intelligent transportation system infrastructure for commercial vehicles to improve productivity and safety. While a majority of states have agreed in principle to participate in the Commercial Vehicle Information Systems & Networks (CVISN) program, unfortunately, state licensing and tax collection agencies have not moved rapidly to deploy "electronic credentialing" systems. These programs allow for fleet operators to electronically register and report for the purposes of vehicle registration, fuel tax payments, and other various permitting requirements. In addition, CVISN's roadside safety and inspection efficiency programs have depended to a large extent on individual electronic vehicle identification. Many responsible carriers and drivers resist participation in a government vehicle tracking system, and therefore roadside systems should refocus on "weigh-in-motion" networks that allow for targeting of non-compliant vehicles and more efficient inspection, but do not require electronic vehicle identification.

Recommendations: Direct the Secretary of Transportation to make funds available specifically for states to deploy electronic credentialing systems, which will improve the flow of interstate commerce, save money, and reduce paperwork for both the private and public sectors. Encourage the development of "weigh-in-motion" systems that allow roadside enforcement officials to target mobile enforcement units toward non-compliant commercial vehicles, and that do not require automatic vehicle identification. States that utilize federal highway funds for ITS programs should not require that trucks be equipped with electronic identification devices in order to gain the benefit of more efficient, targeted roadside inspection.

ISSUE: Develop an Expanded Intermodal Freight Operations Program and Multimodal System Architecture

Background: Technology advances and expanding international economies require that a national freight technology system & architecture be developed and funded to facilitate the transfer of cargo and cargo data across modes and regions. The DOT has funded several field operational tests that highlight the important role of multimodal technology-based systems, including electronic data transfers, in expediting freight movement – both domestically and internationally. Multimodal partnerships and data transfers can dramatically improve the flow of goods along the nation's transportation system.

Recommendations: The Secretary of Transportation should direct appropriate personnel to work with industry to design and fund the creation of a national multimodal information system & architecture.

MOTOR CARRIER RESEARCH

ISSUE: Ensure the Timely Release, Public Availability and Effective Use of the FMCSA Crash Causation Study

Background: Section 224 of the Motor Carrier Safety Improvement Act of 1999 directed the Secretary of Transportation to conduct a study to determine the causes of, and contributing factors to, crashes involving commercial motor vehicles (CMVs). DOT must also identify data requirements and collection procedures, reports, and other measures that will improve the ability of the DOT and States to evaluate future crashes involving CMVs; monitor crash trends and identify causes and contributing factors; and develop effective safety improvement policies and programs.

Unfortunately, the legislation did not establish a date certain for reporting DOT's findings to Congress. Nor did it establish guidelines for making the information available to the public. This information is critical to the development of effective legislative and regulatory solutions for preventing and minimizing the impacts of crashes involving trucks at every level of government.

Recommendations: DOT should be required to make the results of the study available to the public in a timely, easily accessible and regular fashion. A firm deadline for reporting the results to Congress should also be established.

DOT should also be required to take the data into consideration during relevant rulemaking proceedings, and should be compelled to refine and make appropriate changes to its current programs and strategic plans, based on the research results.

ISSUE: Promulgate and Fund Robust, Forward-looking Research Programs at the DOT that Benefit and Improve the Safety and Productivity of the Trucking Industry

Background: The DOT has a long history of directing and funding cutting-edge research targeted at improving the safety and efficiency of modal activities. Traditionally, this research has been conducted in partnership with industry facilitating critical public-private partnerships. In particular, the trucking industry has benefited from research programs that focused on driver fatigue, highway operations, freight mobility and ITS operational tests. In turn, the transportation system has benefited from improved safety and efficiency.

Recommendations: The Secretary of Transportation should be directed to fund and support multi-modal, forward-looking research programs that benefit and improve the safety and productivity of the trucking industry, as well as foster innovative partnerships with the private sector.

Supplemental Testimony by Barbara Windsor for the American Trucking Associations
Hearing before the House Subcommittee on Highways and Transit
September 19, 2002

American industrial and commercial enterprises are able to compete more effectively in the global marketplace due to the benefits of safe and efficient trucking. Truck transportation is the most flexible mode for freight shipment, providing door-to-door service to every city, manufacturing plant, warehouse, retail store and home in the country. For many people and businesses located in towns and cities across the United States, trucking services are the only available means to ship goods. Trucks are the only providers of goods to 75 percent of American communities. Five percent of the Nation's GDP is created by truck transportation. Actions that affect the trucking industry's ability to move its annual 8.9 billion tons of freight have significant consequences for the ability of every American to do their job well and to enjoy a high quality of life.

BUILDING ON SUCCESS: MAKING OUR NATION'S HIGHWAYS SAFER FOR ALL MOTORISTS

Safety must be paramount in our consideration of future reauthorization programs and policies. ATA takes safety concerns very seriously. Our industry has strongly promoted many safety improvements that have made trucking safer today than it has ever been in the past. Between 1985 and 2000, the fatal accident rate involving trucks has fallen 44 percent. Furthermore, research by the AAA Foundation, and a study done by the University of Michigan at the request of the USDOT, found that in about three-quarters of accidents involving a passenger vehicle and a truck, the actions of the truck driver were not a factor leading to the accident.[1] In fact, today's truck driver is the safest driver – passenger or commercial – in our Nation's recorded history.

Even though the trucking industry is taking proactive steps to improve our safety record, ATA is very concerned about America's overall highway safety experience. Each year, more than 40,000 people lose their lives as a result of a traffic accident. This is an unacceptable loss of life and an economic tragedy. As Secretary of Transportation Norman Mineta announced earlier this year, the economic impact of motor vehicle crashes is over $230 billion per year. This represents an annual economic loss of $820 for every American. Investing additional resources in projects and programs that improve highway safety produces more than human benefits; it has positive economic consequences as well. However, we should also spend our money wisely, directing precious resources toward those activities that will produce the greatest safety benefit, based on sound scientific evaluation of the causes of crashes and appropriate remedies.

It is clear that truck safety has improved over the last 20 years. An interesting question, however, is "What has caused the improvement?" This is a tough question to answer for both industry and government officials. It's fairly clear that some programs that have been implemented in the last 10 to 20 years have contributed to the overall positive picture. The industry-supported federal-state truck safety inspection grant program (known as the Motor Carrier Safety Assistance Program or MCSAP) has had an impact by improving trucks'

[1] "Driver-Related Factors in Crashes Between Large Trucks and Passenger Vehicles," Federal Highway Administration, April 1999; "Identifying Unsafe Driver Actions that Lead to Fatal Car-Truck Crashes," AAA Foundation, April 2002.

condition; the Commercial Driver's License (CDL) program has contributed by raising the bar for driver entry into the industry; and the implementation of voluntary drug testing by the industry and a mandatory federal drug and alcohol testing program have also contributed in a positive way. It is very likely that the increase in seat belt use by truck drivers and other motorists have also had a positive impact. Many other industry and government initiatives are likely to have had some benefit as well. The point here, however, is that we still need to have a better understanding of what has worked and why. Additionally, we still do not understand thoroughly how and why truck crashes occur.

Section 224 of the Motor Carrier Safety Improvement Act of 1999 (MCSIA, P.L. 106-159) required the Secretary of Transportation to conduct a comprehensive study to determine the causes of, and contributing factors to, crashes involving large trucks and buses. The primary purpose of this study requirement was to have a comprehensive analysis and report that would yield information to help FMCSA and the States identify activities and safety measures that would likely lead to significant reductions in the frequency, severity and rate per mile traveled of crashes involving large trucks and buses. ATA fully supported this study concept during the truck safety debate in 1999 that resulted in the passage of MCSIA.

FMCSA initiated this study in 2000 with the assistance of the National Highway Traffic Safety Administration (NHTSA), and the State agencies involved in commercial vehicle safety efforts. The study will not be complete until the end of 2003 at the earliest. However, a FMCSA official recently confirmed that preliminary information suggests that driver actions – both passenger and commercial – appear to be a more significant factor in accident causation than previously thought, and that enforcement resources may have to be redirected to reflect these findings.[2]

Other studies and data confirm these preliminary findings[3]. Congress and the U.S. DOT have traditionally taken different approaches to improving traffic safety versus truck safety. NHTSA's traffic safety programs have included education and outreach, traffic enforcement programs aimed at changing driver behavior, and crash data analysis. FMCSA's truck safety programs, on the other hand, have focused on increasing the number of regulatory requirements on drivers and carriers, enforced through on-road safety inspections and facility compliance audits. Since so much of truck safety is rooted in overall traffic safety, Congress should seriously consider much more of a traffic safety approach to improving truck safety.

Earlier this year, ATA's President and CEO, William Canary, challenged our state and federal partners to seriously address one of the most pervasive and dangerous violations of the law that drivers encounter every day – speeding. FMCSA reports that speeding (exceeding the speed limit or driving too fast for conditions) was a contributing factor in 22 percent of fatal crashes involving a truck in 2000. Since the majority of fatal truck crashes are multi-vehicle crashes involving one or more passenger vehicles, this 22 percent figure includes speeding on the part of the truck driver, or speeding on the part of the other driver, or speeding by both parties. Also, according to a recent FMCSA study, driving at an unsafe speed was the second <u>most frequent</u>

---

[2] "FMCSA Crash Data Analyst Says Study May Alter Inspections." Transport Topics, Aug. 26, 2002, p. 2.

[3] "Driver-Related Factors in Crashes Between Large Trucks and Passenger Vehicles," Federal Highway Administration, April 1999; "Identifying Unsafe Driver Actions that Lead to Fatal Car-Truck Crashes," AAA Foundation, April 2002.

unsafe driving act committed by passenger vehicles in the vicinity of large trucks. Following too closely was the most frequently cited unsafe driving act by motorists.

Additionally, NHTSA reports that speeding was a contributing factor in 29 percent of all fatal crashes in 2000. This means that more than 12,000 people lost their lives in 2000 in part due to speed-related crashes. This is simply unacceptable. The time has come to combat **excessive speeding**. There are four words that every motorist and every commercial vehicle driver needs to remember when they buckle up and take the wheel of their vehicle: **SAFE SPEEDS SAVE LIVES!**

The Section 402 Highway Safety Grant Program administered by the NHTSA supports many outreach and enforcement programs, including the priority programs to encourage the proper use of occupant protection devices and reduce drug and alcohol impaired driving. While these programs clearly deserve a high priority for NHTSA, ATA is concerned that **strong, visible speed enforcement** may not be getting the focus, attention and funding it deserves by NHTSA.

Additionally, the Motor Carrier Safety Assistance Program (MCSAP) administered by FMCSA focuses on priority truck and bus safety initiatives that, for the most part, do not address speeding truck and bus drivers, or other motorists. The MCSAP program, a generally successful truck and bus safety *inspection* program, is simply not putting enough emphasis on traffic enforcement activities. Strong speed enforcement aimed at commercial vehicle drivers, *as well as other motorists with which commercial drivers share the road*, needs to take on a much greater role in the MCSAP program. In fact, there is currently an artificial constraint that keeps the amount of speed enforcement activity in the MCSAP program small. FMCSA's regulations require that all speed enforcement stops (as well as all other types of traffic enforcement stops) of trucks include an appropriate North American Standard Inspection of the truck or the driver, or both, for the activity to be eligible for MCSAP funding. This inspection requirement, found at 49 C.F.R. 350.111, is unnecessary and unwarranted. Additionally, since speeding and other unsafe driving behaviors of non-commercial drivers play an even greater role in truck-involved crashes than do the actions of the commercial driver, the MCSAP program must include traffic enforcement efforts aimed at unsafe motorist behavior.

ATA recommends that Congress authorize additional funding for the Section 402 Highway Safety Grant Program administered by NHTSA, and the MCSAP truck safety grant program administered by FMCSA, **specifically for increased traffic and speed enforcement efforts** in the upcoming highway reauthorization. ATA further recommends that Congress make it clear in legislative language that MCSAP funding may be used for State speed enforcement efforts aimed at both commercial and non-commercial drivers, and that speed enforcement activities aimed at commercial drivers do not have to be linked to a North American Standard Inspection. Additional funding, additional emphasis, and greater federal leadership is needed on this issue to reduce the speed of all drivers on our highways **and to save lives**.

ATA is also a firm believer in the life-saving benefits of seat belts. ATA recommends that Congress continue to support and fully fund the occupant protection programs of NHTSA, including the ongoing 'Click It or Ticket' grant program.

We also urge the Subcommittee to support dedicated funding for truck parking. The recently completed FHWA parking study,[4] which was requested by Congress in TEA 21, confirms what truck drivers have known for years – that there is a severe shortage of parking along major freight corridors.

Finally, ATA would like to thank Chairman Petri for requesting an investigation by the U.S. Department of Transportation's Inspector General (IG) of FMCSA's safety rating and SafeStat procedures. The FMCSA counts every accident, regardless of fault, when developing a safety rating or a SafeStat score for a motor carrier. This practice is unfair and inappropriate. A motor carrier may receive a safety rating other than "satisfactory," or could be given an adverse SafeStat score, if their drivers are involved in an accident. Even if the truck driver is not assessed blame for the accident, the driver is assumed to be guilty by FMCSA and the carrier is forced to appeal the rating or score. This may result in a severe financial loss to the carrier in attorney fees, lost work and other expenses. In addition, it needlessly depletes agency resources. Furthermore, FMCSA has no established procedure, in regulation or otherwise, for a motor carrier to address inaccurate safety data in the carrier's computerized (and publicly available) safety profile.

We hope that the Inspector General will complete his investigation and make his recommendations in a timely manner so that this issue can be resolved during reauthorization. ATA will draw our own recommendations from the IG's report.

IMPROVING THE SAFETY AND EFFICIENCY OF INTERMODAL EQUIPMENT

Mr. Chairman, while we try to cooperate with our intermodal partners in many areas, and will do so during this reauthorization cycle, there is one area on which we disagree, and I am afraid that the footdragging by federal agencies and by many in the rail and ocean carrier industries to work with us to resolve the "roadability" issue is having serious safety and economic impacts. Since the advent of containerized shipping in the 1970s, a serious safety loophole has crept into the Federal Motor Carrier Safety Regulations (F.M.C.S.R.s).

As containerized intermodal freight has evolved over the decades, the federal safety regulations have not kept pace. As a result, 750,000 intermodal chassis are operating in a safety loophole. These frame-like trailers are used exclusively to haul intermodal containers, and are interchanged between steamship lines, railroads, and motor carriers. The chassis are also classified as commercial motor vehicles by the USDOT. However, they evade USDOT safety oversight.

The F.M.C.S.R.s fundamentally assume that motor carriers have daily management control over all commercial motor vehicles they take onto public roadways. Based on that assumption, the regulations read, "Every motor carrier shall systematically inspect, repair, and maintain… all motor vehicles subject to its control."[5]

---

[4] Science Applications International Corporation. *Study of Adequacy of Commercial Truck Parking Facilities.* FHWA-RD-01-158, February 2002.

[5] 49 CFR Part 396.3 **Inspection, repair, and maintenance**

USDOT's interpretation of ***systematic maintenance*** is, *"... **a regular or scheduled program to keep vehicles in a safe operating condition**."* [6] It explains that the agency does not specify maintenance intervals, leaving that decision to motor carriers, based on fleet and vehicle considerations. So how does USDOT know if a motor carrier is failing to "keep vehicles in a safe operating condition?" When roadside safety inspections, typically conducted by state police, drive a motor carrier's SAFESTAT (violation) numbers above a certain threshold, the agency and state police send an envoy to the motor carrier's place of business to audit the maintenance and employee training records, inspect the carrier's equipment, etc.

While railroads and foreign-owned steamship lines (collectively called "providers") own or lease the intermodal chassis,[7] and control its daily disposition, *they claim not to be* motor carriers, thus not technically responsible for the condition of their equipment under federal safety regulations. However, they do affix the annual inspection sticker on their equipment, which constitutes an act of certification that the equipment was inspected in detail at least once a year. Providers conduct the annual inspection pursuant to the F.M.C.S.R.s, but many do not conduct systematic maintenance on the same equipment, which is likewise mandated by the F.M.C.S.R.s. In fact, providers are generally unaware of the existence of the federal systematic maintenance requirement. This explains the poor condition of intermodal chassis and points to USDOT's failure to close their own regulatory loophole to hold the controlling party accountable for the safety compliance of their own chassis.

SAFESTAT is the USDOT's computer analysis of their database containing motor-carriers' accumulated violations. They use it to judge how safely a motor carrier maintains the commercial vehicles under its control. By contrast, it is impossible to assess providers' adequacy in performing systematic maintenance because USDOT resists including them in the SAFESTAT program. Ironically, USDOT says the reason it has not moved forward to close the intermodal equipment safety loophole is because they do not have the data to indicate a problem with the providers' chassis!

A new study[8] conducted jointly by the Federal Motor Carrier Safety Administration and the University of Maryland at College Park provides support to ATA's position on the Roadability issue. This study looked at 11 sectors of the trucking industry, one of which was intermodal operations. Researchers used nine safety performance measurements and other data managed by the USDOT to analyze the safety performance of each sector. One significant finding is that intermodal trucking operations were found to be average or better-than-average in six of the nine measurements. However, in the two measurements relating to vehicle condition, and the one relating to accidents, the intermodal sector ranked poorly. Specifically, among the 11 sectors, intermodal operations ranked last for vehicle safety condition, second-to-last (tenth) for accumulating vehicle out-of-service violations, and ninth for reportable accidents. Thus, the latest research findings from FMCSA confirm what intermodal trucking executives have been

---

[6] *Regulatory Guidance to the Federal Motor Carrier Safety Regulations* at 49 CFR§396.3; emphasis added.

[7] While this is the general practice, some ports have different arrangements.

[8] ***Motor-Carrier Industry Profile Study Evaluating Safety Performance by Motor Carrier Industry Segment***; by Thomas P. Keane of the Federal Motor Carrier Safety Administration (USDOT); Dr. Thomas Corsi of the University of Maryland, College Parks, and Kristine N. Braaten of Econometrica, Inc. April 1, 2002. This study was published in the *PROCEEDINGS*, of the International Truck & Bus Safety Research & Policy Symposium on April 3-5, 2002 in Knoxville, Tennessee, an event hosted by the Center for Transportation Research at the University of Tennessee.

saying for years – that the equipment controlled by steamship lines and railroads, and subsequently provided to motor carriers for brief periods of time, are not maintained by those controlling parties as required by the Federal Motor Carrier Safety Regulations.

In summarizing the roadability issue, providers claim they are not motor carriers, thus they are not responsible for maintenance of their chassis. Providers say the motor carriers are responsible. The motor carriers point out that they do not control the providers' equipment; they neither own it, lease it, control its maintenance treatment, conduct annual or periodic inspections on it, nor do they control its daily disposition. The regulations reasonably require truckers to maintain only the equipment they actually control. In the meantime, USDOT has acknowledged that it has jurisdiction over the issue, but has failed to place safety responsibility. That places the 750,000 chassis squarely in a safety loophole, which the USDOT has yet to close.

Enforcement needs to be redirected from the motor carriers, who are powerless to include interchanged intermodal equipment in their periodic maintenance programs, and placed on the parties who decide every day whether to repair a chassis, or hand it off to a motor carrier without the benefit of this USDOT-mandated maintenance benefit. Therefore, ATA is recommending that Congress pass legislation which forces the USDOT to equitably enforce laws designed to ensure the safe condition of all regulated equipment, including intermodal chassis.

THE NATIONAL HIGHWAY SYSTEM: THE BACKBONE OF AMERICA'S FREIGHT TRANSPORTATION SYSTEM

Trucks move 67 percent of freight tonnage, 86 percent measured by value[9]. This is freight that moves by truck alone; it does not touch another mode. Truck freight is a vital component of America's economy. Trucks are the only providers of goods to 75 percent of American communities. For every $20 spent on freight transportation, $17 will accrue to trucks.[10] This pre-eminence is likely to grow. According to the Federal Highway Administration (FHWA) the demand for freight transportation services will increase by 87 percent by 2020.[11] The trucking industry will be asked to transport nearly 2.7 billion more tons of freight in 2014 than we carry today.[12] This increase of 2.7 billion tons alone is more than 500 million tons greater than the total volume of freight that the railroads will carry in 2014 (See Appendix A). To accommodate this higher demand level, the number of trucks will increase over the next 12 years by 31 percent, adding 1.9 million more trucks to the road, over 157,000 trucks each year. The largest increase, 58 percent, will be among smaller trucks, which tend to operate mostly in urban areas and are not subject to competition from other modes. Overall, truck vehicle miles traveled (VMT) will increase by 36 percent, or 60 billion miles, by 2013.[13] Thus, more trucks will be traveling more miles on a highway system that will see very little capacity expansion over the next dozen years.

---

[9] American Trucking Associations, U.S. Freight Transportation Forecast to 2013, 2001.
[10] Ibid.
[11] Federal Highway Administration, National Freight Trends/Issues, System Flows, and Policy Implications, 2000.
[12] Based on unpublished data from ATA's Economics and Statistics Group.
[13] American Trucking Associations, U.S. Freight Transportation Forecast to 2013, 2001

This is not a sustainable trend, and it should not be allowed to continue. While the growth in truck demand is inevitable, limiting highway capacity growth is not. Congress has the ability to ensure that the growth in highway capacity matches the growth in vehicle travel.

The intermodal movement of freight can play an important role and should be encouraged. However, we believe that we have reached the limit of our railroad utilization potential. The ability of rail intermodal transportation to slow the growth of truck traffic is limited by market forces beyond the control of Congress, the states and, to some extent, the modes themselves. Today, just 1.2 percent of freight moves in a rail intermodal shipment.[14] Despite anticipated growth in this sector that will exceed trucking growth, by 2014 rail intermodal shipments will capture just 1.5 percent of the freight market, while trucking's market share, as measured by tonnage, will expand to 69 percent.[15]

It is not constructive to assume that the business logistics trends of the past half-century which have made trucks the dominant mover of freight will somehow reverse themselves, and that our Nation's reliance on trucks will subside. Congress should focus its attention and resources where they are needed most and will pay the greatest dividends for our country – on improving the efficiency of the highway system and the productivity of the trucking industry. Although the past two reauthorization acts developed and promoted by these Subcommittees have been instrumental in revitalizing federal surface transportation policy, there is still a distance to go, with some longstanding obstacles and some new challenges to face.

One of these challenges is basic highway infrastructure. At a time when many stakeholders, including those appearing at this hearing, have legitimate concerns about the future of intermodal connectivity, alternative transportation, and transportation enhancements, there often is a loss of focus on the original purpose of federal involvement in surface transportation: namely, to help the States build and maintain a national system of highways. As the Subcommittees consider their reauthorization proposals, it is imperative to review whether this goal is still being met. According to the Department of Transportation's 1999 Conditions and Performance report, even with the high levels of funding authorized by the Transportation Equity Act for the 21st Century (TEA-21), there is still a shortfall in federal funding of over $25 billion <u>each year</u> just to maintain current conditions on our highways and bridges. While it is inconceivable under current economic conditions to consider completely eliminating the shortfall during this upcoming reauthorization cycle, serious thought must be given to reducing the shortfall.

As America's economy becomes even more dependent on trucks, so too will the economy be affected by the impacts of congestion on the trucking industry's ability to meet shippers' needs. While manufacturers and distributors demand ever more speed and reliability from the trucking industry, our ability to meet those demands are being challenged by growing highway congestion.

For businesses whose livelihoods depend on road transportation, these costs are particularly heavy. No industry is as negatively affected by congestion as trucking. It used to be possible for truckers to schedule their deliveries through congested urban areas at off-peak times. However, increasingly, such times do not exist. Current congestion levels are now compelling revisions to the language of congestion itself. It is no longer proper to discuss the "rush hour," when it lasts

[14] Ibid.
[15] Based on unpublished data from ATA's Economics and Statistics Group.

for three hours, twice a day. On the Interstate System, for example, more than half of peak-hour travel on urban Interstates occurs under congested conditions.[16] Under such circumstances, it is becoming almost nonsensical to employ terms such as "peak" and "non-peak." In years past, it was possible to schedule deliveries outside of the rush hour window; increasingly, that is no longer possible.

Our highway capacity was perhaps adequate for our Nation's economic and social functioning a generation ago, but today it is increasingly stressed. Over the past thirty years, the nation's population has risen by 32 percent, truck registrations have risen by 45 percent, truck vehicle-miles traveled (VMT) has risen by 145 percent, but road mileage has only increased by six percent.[17] This has led to unprecedented levels of congestion across the country.

Through new innovations such as just-in-time delivery, the trucking industry has played a vital role in improving U.S. productivity. This would have been difficult, if not impossible, to achieve without an efficient network of good roads that connect markets, centers of industry, and multi-modal transportation facilities. These productivity improvements let U.S. industry sell more goods and services at lower prices, both at home and abroad. As a result, more people can be employed at higher wages. Since salary increases are firmly tied to the increase in the amount of goods and services each worker produces, living standards are improved. In addition, these real wage increases result in elevated tax revenues. However, if congestion cannot be effectively managed, it will be difficult for industries to meet these foreign and domestic challenges. The resulting productivity losses will take a severe human toll as stiff competition from abroad wipes out existing jobs and reduces the ability of our economy to create new jobs for a rapidly expanding population.

The National Highway System (NHS), which carries 75 percent of the Nation's truck traffic, is the backbone of the trucking industry. Yet it is also critical to the efficient movement of rail, waterborne and air freight. No matter how efficient these other modes become on an individual basis, their speed and reliability will ultimately be limited by the efficiency of the trucks that they rely on for part of their intermodal movements.

Unfortunately, the performance of the NHS has deteriorated to the point where nearly half of urban Interstate miles are congested during peak periods. Forty percent of travel on urban NHS routes takes place under such congested conditions that even a minor incident can cause severe traffic flow disruptions and extensive queuing.[18] Average annual investment requirements just to maintain conditions on NHS highways and bridges were $26.8 billion in 1997.[19] The actual capital outlay was $22.5 billion, a $4.3 billion, or 19.1 percent shortfall. This was despite the fact that the 160,000-mile NHS carries 40 percent of all traffic and 75 percent of truck traffic.[20] Continued funding shortfalls will only harm road and bridge conditions, further exacerbating congestion levels. We urge Congress to reevaluate the current distribution of federal highway funds during the next reauthorization period and consider whether a greater emphasis should be placed on the NHS.

---

[16] Federal Highway Administration and Federal Transit Administration, 1999 Status of the Nation's Highways, Bridges, and Transit: Conditions and Performance, May 2, 2000.
[17] Federal Highway Administration, Highway Statistics, 1999.
[18] Federal Highway Administration and Federal Transit Administration, 1999 Status of the Nation's Highways, Bridges, and Transit: Conditions and Performance, May 2, 2000.
[19] Ibid.
[20] Ibid.

We are also extremely concerned about the condition of the Nation's bridges. According to a recent study by The Road Information Program (TRIP), approximately one in four of the country's major, heavily-traveled bridges is deficient and in need of repair or replacement.[21] However, some states have conditions that are much worse than the national average indicates. Thirty-four percent of bridges that are 20 feet or longer in Louisiana are either structurally deficient or functionally obsolete. Oklahoma has the highest percentage of deficient bridges in the country. Approximately one-third of the states bridges 20 feet or longer are in need of immediate repair or replacement because of deterioration or because they no longer meet current design standards. However, the worst news is reserved for Oregon, where more than 350 bridges will have to be replaced in the near future and several major truck routes, including sections of the state's Interstate Highway System, have been load-posted. Additional federal funds must be dedicated to the Bridge Program to prevent this type of situation from permeating throughout the country.

Perhaps nowhere are the effects of many years of neglect and under-funding of the NHS more pronounced than with the situation facing NHS intermodal connectors. In its report to Congress[22], the U.S. Department of Transportation found that connectors to ports were found to have twice the percentage of mileage with pavement deficiencies when compared to non-Interstate NHS routes. Furthermore, DOT found significant physical and geometric deficiencies that made it difficult for trucks to move safely and efficiently between the NHS and intermodal terminals. DOT identified 616 intermodal freight terminals in the United States. This includes 253 truck-and-port terminals, 203 truck-and-rail terminals, and 99 truck-and-air terminals.

It is useful to understand just how important these intermodal intersections are to the U.S. economy. Any product that is produced in the United States must access the global marketplace in the most cost-efficient manner possible. The producer or manufacturer is the party that decides how to receive or ship freight. They make their decisions based on many factors, including just-in-time delivery factors, reliability of delivery times, security, freight value-to-weight ratios, and cost. Shippers also avail themselves of the inherent virtues of each mode of freight carriage. The only way they can take advantage of these efficiencies and values is if the interfacing mechanisms that join the different freight modes is adequate for the transfer. Many times, this is not the case.

Improving intermodal connections also benefits communities, surrounding ports, railheads, and other Intermodal transfer facilities. In many situations, improving connectors will separate commercial vehicles from surface traffic that passes through congested neighborhoods. Often, these neighborhoods are clean-air non-attainment areas, and improved intermodal connectors would likely produce more efficient trucking operations, which will in turn result in fewer emissions.

ATA encourages Congress to set aside funding for improvement of intermodal connectors and to make innovative financing options more available for addressing connector deficiencies. This should include lowering the threshold for TIFIA funding eligibility. We further urge Congress to make changes to the State and metropolitan planning processes to ensure that projects which

---

[21] "Showing Their Age: The Nation's Bridges at 40." The Road Information Program, May 2002.
[22] *NHS Intermodal Freight Connectors, A Report to Congress*; Prepared by the U.S. Department of Transportation, July 2000.

benefit freight on a regional and national scale receive greater consideration. Project selection should be determined by the U.S. DOT in cooperation with the freight community, state DOTs and other stakeholders.

It is important to keep in mind, however, that as critical as improving intermodal connections is, if the overall highway system is allowed to deteriorate, investing in connectors will be for nought. The 2,000 miles of connector roads will only be as efficient as the 160,000 miles of NHS highways that bind intermodal terminals and other points of loading and offloading together.

Congress should also consider more creative ways of financing highway improvements and adding highway capacity. New innovative techniques would allow states to leverage existing funds. In addition, we support the spending down of the current cash balance in the Highway Trust Fund (HTF) to fiscally responsible levels; crediting the Highway Account with gasohol tax revenues that currently go into the General Fund; ending the gasohol subsidy or crediting the HTF from the General Fund for the cost of the subsidy; crediting interest on HTF balances; and eliminating fuel tax evasion.

Some have suggested that fuel taxes should be increased to pay for growing demand. ATA cannot support an increase at this time. For nearly fifty years, the trucking industry has supported the concept of a user-supported system, and we will continue to do so. However, we believe that the tie between the payment of monies into the Highway Trust Fund and the benefits received by highway users is eroding as a result of an evolving pattern of expanded eligibility beyond highway projects. We urge Congress to invest a greater share of the Trust Fund in projects that serve the interests of those who contribute to it. Such action would greatly facilitate a discussion about increasing user fees.

ATA also believes that any discussion about trucks paying additional fees to meet their full cost responsibility must be preceded by an acknowledgment that our industry has been prohibited by the federal government from operating our safest, most pavement-friendly vehicles, and that such prohibition is an obstacle to the industry's ability to meet our full cost responsibility.

ATA applauds the efforts of Senators Ernest Hollings and John McCain to eliminate the TEA 21 toll pilot program. ATA is opposed to any attempts to toll existing non-toll highways. However, we would not oppose toll financing that delivered an economic benefit to the trucking industry and did not restrict our use of existing roads. For example, we believe that Congress should consider supporting the construction of truck-only highways. While we will evaluate each project on its merit, any Congressional proposal should include all of the following constraints:

- The project should add capacity;
- Use of the lanes should be voluntary;
- If the highway is tolled, trucks should receive a rebate on federal and state fuel taxes paid for using the facility;
- The facility should allow for the use of more productive trucks; and
- The facility should have a safe design.

IMPROVING FREIGHT PRODUCTIVITY

An effective approach to saving lives, relieving congestion and improving air quality is to reduce the number of trucks on American roads. Given a fixed amount of freight for America's trucks to move, the only way to reduce the number of trucks is to improve the productivity of the trucks themselves, and of their drivers. This is analogous to carpooling – it increases capacity without increasing the road lane-miles. To improve truck productivity, federal size and weight regulations must be reformed.

Federal law currently limits States' ability to control size and weight on their own highways. The limits imposed are lower than those mandated by other nations' governments, including our northern and southern neighbors, who are major trade partners and business competitors. This creates an economic disadvantage for American businesses and it causes additional costs and administrative problems when it comes to moving international freight, including intermodal containers.

There has been no legislative relief to these laws in 20 years, despite considerable improvements in truck safety and better driver training. Decades of experience and volumes of research indicate that more productive vehicles can be safely operated without a detrimental effect on safety or the condition of highways and bridges.[23]

At the request of Congress, the Transportation Research Board (TRB) recently issued a new report on the impacts of federal truck size and weight regulations.[24] Among the report's conclusions was that the largely static and inflexible system of federal regulation that currently exists "…discourages private- and public-sector innovation aimed at improving highway efficiency and reducing the costs of truck traffic…," including costs related to accidents involving trucks.[25]

In a nutshell, the TRB report concludes that states should be given greater authority, with strong federal oversight, to make decisions with regard to the size and weight limits of trucks on highways under their jurisdiction. This reflects ATA's own policy. TRB further recommends that federal regulatory oversight of weight limits should not be extended to the NHS, as H.R. 3132, the Safe Highways and Infrastructure Preservation Act (SHIPA) seeks to do.[26]

There is no doubt that continuing or further restricting current federal size and weight limits will cost lives. While it would not make sense from a safety or economic standpoint to allow larger or heavier trucks to operate on every highway or in every state, Congress cannot continue to ignore the growing body of evidence that supports the fact that opportunities to prevent accidents through size and weight reform are available. Those states that identify these opportunities should be allowed to take advantage of them.

---

[23] See for example Transportation Research Board, Truck Weight Limits – Issues and Options, 1990, and New Trucks for Greater Productivity and Less Road Wear, 1990.
[24] Transportation Research Board Special Report 267, *Regulation of Weights, Lengths and Widths of Commercial Vehicles*, 2002.
[25] *Ibid*., p. 5-1.
[26] *Ibid*., p. 5-16.

Allowing the expanded operation of more productive trucks would have two safety benefits. First, carriers would need fewer trucks to haul a given amount of freight, reducing accident exposure. Second, studies have consistently found that certain trucks with greater carrying capacity have a much better safety record than trucks that are in common use today. A study sponsored by the Federal Highway Administration found that the accident rate for longer combination vehicles (LCVs) is half that of other trucks.[27]

A recent Canadian study found that LCVs have an accident rate that is five times lower than the rate for tractor-semitrailers.[28] This study also found that during the 10-year period after LCVs were authorized to operate on a large scale in Alberta Province, the number of registered trucks dropped by 19 percent, even though the economy grew and non-truck vehicle registrations grew by 23 percent. The report concluded that increased truck productivity due to expanded LCV use was the most likely reason for this reduction in truck registrations.

In Nevada last year, just .02 percent of vehicles involved in an accident were triples.[29] Of the more than 36,000 accidents in Montana, including 1,326 accidents involving trucks, just one accident involved a triple. The year before, there were two triples accidents in Montana, in 1999 there was one, and in 1998 there were none. [30] In Colorado, of the 4,226 accidents involving trucks in 2000, just nine involved triples; none of the triples accidents involved a fatality.[31]

Furthermore, Congress and the States can avoid large investments in pavement maintenance and rehabilitation, as well as capacity expansion, by allowing States to make common-sense changes to their size and weight regulations. Gross weight can increase exponentially and not cause additional pavement damage so long as axle-weight is controlled. This is why, for example, a turnpike double that weighs 126,000 pounds causes half the damage of an 80,000 pound tractor-semitrailer on a ton-mile basis. In addition, if trucks are able to ship the same amount of freight in fewer trucks, the need for capacity expansion could be avoided, fuel use and emissions could be lowered, and costs to American manufacturers and consumers could come down.

The federal restrictions on States that limit their ability to determine what types of trucks are allowed to operate on State-owned –and controlled highways have no basis in science or logic and can no longer be justified. Our opponents on this issue continually attempt to represent the industry's ultimate goal as unfettered access to the highway system by more productive trucks. Such a position would be completely illogical, and it thoroughly misrepresents the industry's position. It would be foolish for the trucking industry to disregard the infrastructure and safety impacts of putting trucks on highways that they were not meant to handle or in traffic conditions that are unsuitable. Ultimately, the trucking industry itself would pay the price in terms of higher user fees, weight-posted bridges, higher insurance premiums and tighter government regulation. We are not asking Congress to increase truck sizes and weights. We are simply asking Congress to give States the ability to determine the safest and most cost-effective regulatory regime for their own highway systems.

---

[27] Scientex. *Accident Rates For Longer Combination Vehicles,* 1996.
[28] Woodrooffe and Assoc. *Longer Combination Vehicle Safety Performance in Alberta 1995 to 1998*, March 2001.
[29] Nevada Department of Transportation.
[30] Montana Department of Transportation.
[31] Colorado State Patrol.

IMPROVING THE FREIGHT PLANNING PROCESS

ATA believes that the current planning process does not effectively address the movement of freight. The federal government has effectively devolved its responsibility for ensuring a safe and efficient highway system to State and local governments. While this has allowed planning agencies to address the unique demands of local transportation needs, and to respond more effectively to citizens' concerns, it has also resulted in a parochial system of transportation planning and programming that essentially ignores freight needs. MPOs, for example, may ignore a deficient connector road that links a seaport or rail-head to the Interstate Highway System because the project's benefits are not believed to be as beneficial as other local projects. However, most of the benefits of the project may accrue beyond the geographic scope of the State or local planning agencies' analyses.

We do not blame these agencies for failing to include these far-reaching benefits in their analyses; they simply do not have the resources or expertise necessary to do so. The federal government is the only governmental entity with the expertise, resources and standing to identify freight projects of national significance. We urge Congress to give FHWA the necessary tools and direction that allow the agency to ensure that crucial freight bottlenecks are dealt with quickly and effectively.

FREIGHT STAKEHOLDERS: WORKING TOGETHER TO ENSURE FUTURE ECONOMIC COMPETITIVENESS

ATA has joined with representatives of our modal freight partners and our customers in promoting a joint agenda designed to facilitate the efficient movement of freight. A joint statement is attached at Appendix B. The joint statement may be the most extensive united effort by the freight transportation community ever at the federal level, and this points to both the growing interdependence of freight modes and the seriousness with which we regard Congress' decisions in the next reauthorization bill. In brief, the freight community is requesting additional investment in freight projects, including intermodal connectors, and in border crossings and corridors with significant freight traffic; the creation of a national freight industry advisory group to assist in the freight planning process; additional money for freight research and professional development; creation of new or expanded innovative financing options for funding freight projects; and more emphasis on funding freight projects that reduce congestion and improve air quality under the Congestion Mitigation and Air Quality Improvement (CMAQ) program.

We have also joined with our freight partners to secure additional funding for the Borders and Corridors programs that were created in TEA 21. The Coalition for America's Gateways and Trade Corridors, of which ATA is a founding member, is calling for a significant increase in funding for these crucial programs. We are concerned about the significant earmarking that has undermined the effectiveness of these programs. However, we believe that the original intent of the programs – to ensure that the infrastructure necessary to accommodate current and future freight needs, due in part to massive trade expansion – is still valid. We strongly urge Congress to extend the Borders and Corridors programs during TEA 21 reauthorization, and to make the programmatic and financial changes that are necessary to ensure the future mobility of

America's freight transportation system. In addition, we urge Congress to refrain from expanding the eligibility of the program beyond its current parameters.

IMPROVING THE EFFICIENCY OF NAFTA-RELATED FREIGHT

Trade volumes between the United States and its two North American Free Trade Agreement (NAFTA) partners have reached record levels: For 2000, U.S.-Mexico trade reached $248 billion, while U.S-Canada trade amounted to $408 billion. The growth in NAFTA trade is especially impressive if one considers that in 1993, the year before NAFTA was implemented, U.S.-Mexico trade stood at just $81 billion, while trade with Canada was valued at $211 billion. The movement of imports and exports across our international land borders depends on an efficient and effective transportation system.

Unfortunately, the development of physical and human resources at U.S. international land borders has not kept pace with the growth in NAFTA trade. Congestion at U.S. ports of entry is the norm, and considering the heightened security that will continue into the foreseeable future due to the September 11 attacks, these problems have been compounded. This creates inefficiencies in the movement of cargo among the North American trading partners, straining the present-day capacity of human resources and facilities at U.S. land borders. Because trucks haul more than 80 percent of the U.S.-Mexico freight bill and more than 70 percent of the U.S.-Canada freight bill, they are critical to the success of NAFTA and its attendant economic benefits. Delays result in additional freight transportation costs, and threaten to diminish NAFTA's promise.

Data from a Federal Highway Administration (FHWA) analysis of the seven busiest border crossings (which account for 60 percent of truck crossings) reveal that congestion at these ports of entry cost the industry about 2.6 million hours in delay time per year, at a financial cost of at least $88 million.[32] In addition, trucks waste about 2.6 million gallons of fuel annually, with a resulting environmental impact of 23,000 tons of carbon dioxide and more than 300 tons of nitrous oxides. Congress should ensure that adequate resources are dedicated to the development of infrastructure and human resources along the U.S. borders with Canada and Mexico in order to meet the challenges associated with rapidly increasing trade growth among the three countries.

Some examples of where federal resources could be applied include:

- Funding for the construction of truck inspection facilities, and for hiring truck inspectors, both at the federal and state level, to inspect trucks entering the United States from Mexico.
- Construction of ports of entry solely for commercial traffic on the U.S. northern and southern borders.
- Planning and development of quality access roads between ports of entry and the National Highway System.

[32] "Commercial Vehicle Travel Time and Delay at U.S. Border Crossings," Federal Highway Administration, Office of Freight Management and Operations, June 2002.

In addition, ATA has actively supported the funding and development of the Automated Commercial Environment (ACE) and the International Trade Data System (ITDS) to make cross-border movements of cargo, vehicles and drivers more efficient and secure.
We ask the Subcommittees to look at technologies under development that can facilitate enforcement efforts while at the same time expedite the movement of freight across our borders. One such system being designed presently by U.S. Customs, with input from the trade community, is the Automated Commercial Environment, or "ACE."
In 1993, along with legislation implementing the NAFTA, Congress passed the Customs Modernization Act, or "Mod Act," establishing a new operating environment for U.S. Customs and the international trade community. Concepts such as "informed compliance," "shared responsibility," and "reasonable care" imposed greater obligations on U.S. Customs to provide improved information concerning the responsibilities and rights of the trade community. At the same time, the legislation mandated U.S. Customs to develop a new automated customs processing system to replace the antiquated and overburdened Automated Customs System (ACS). Nearly ten years after the passage of the Mod Act, ACE is still in its nascent stage, but it is finally under significant development, and its full deployment is expected within the next three to four years. The present head of U.S. Customs, Commissioner Robert Bonner, has recognized the importance of developing such a system to give Customs greater tools to improve its information collection and improve the efficiency with which it processes millions of transactions every year.

Mr. Chairman, it is important that Congress continue to provide adequate funding for the full development and implementation of the ACE system. In order to defend our Nation from potential future terrorist attacks, and at the same time process the legitimate commercial goods so important to our Nation's economy, we must provide our border enforcement agencies the necessary tools and resources to fulfill their duties and responsibilities. It is also critical that no *new* user fees be imposed for the future development of ACE, especially if the current Merchandise Processing Fee (MPF), which raises about $900 million each year and is slated to end in 2003, is earmarked for some other budgetary purpose. If the MPF is supposed to be for Customs commercial processing, then this fee should be used for nothing but for improving Customs commercial operations.

Mr. Chairman, ATA supports the implementation of NAFTA's trucking provisions in order to improve the efficiency with which cross-border operations take place between the U.S. and Mexico. ATA is also a strong advocate for ensuring that all carriers operating in the U.S. – Canadian, Mexican or U.S. carriers – meet all U.S. safety and environmental standards, as well as all financial operational responsibilities.

Furthermore, implementing NAFTA's trucking provisions would enhance the security of cross-border trucking operations by simplifying the movement of trailers across our common borders. In a report to Congress issued in 1997 by the White House on U.S.-Mexico anti-drug cooperation, the U.S. Customs Service wrote:

> *The high congestion of truck traffic entering the United States is, in part, a result of restrictions imposed by both the United States and Mexico on crossborder motor carrier operation… over 50% of commercial trucks enter the United States empty, contributing to border congestion and increasing the inspection burden for border agencies.*

NAFTA's trucking provisions allow for carriers throughout North America to improve their ability to make cross-border trucking more efficient, effective, safer, and more secure.

It is also important that we work with our counterparts in Canada and Mexico to improve harmonization of border operations and infrastructure development to establish technology and mechanisms to facilitate and expedite the gathering, sharing, and exchange of information and data to clear cargo and people crossing our land borders efficiently and securely. We must continue to find solutions that improve the processing of the legitimate flows of people and cargo, while simultaneously improving our security through stronger relationships between the trade community and law enforcement agencies at our borders.

ENSURING THE SECURE AND EFFICIENT MOVEMENT OF FREIGHT

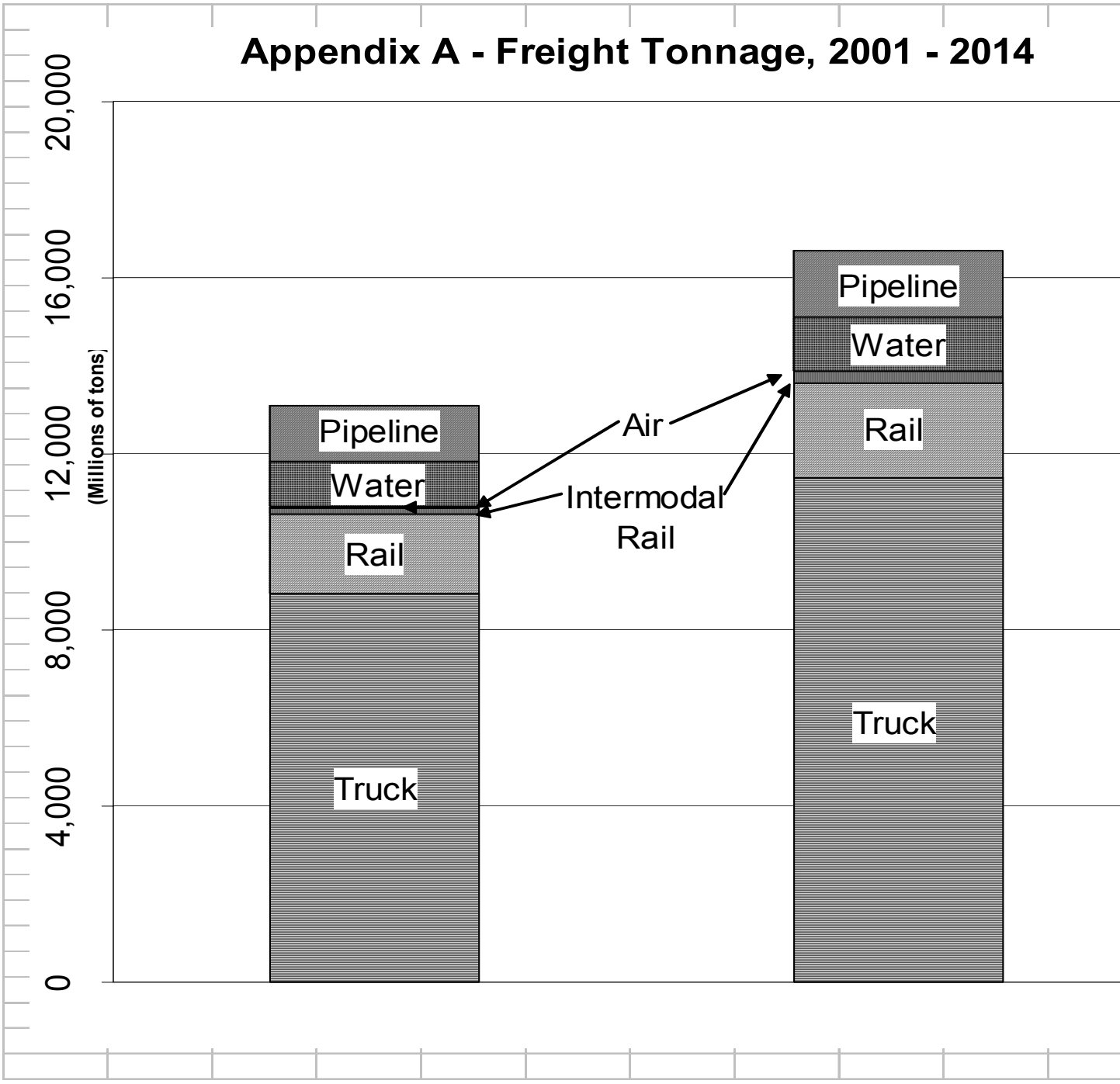
In our efforts to protect the country from the terrorist threat, strategic planning for this new type of war must take into account three critical principles with respect to the trucking industry.

First, the timely communication of threat related information is the single most important short-term objective that must be met. In order for trucking companies to properly deploy our security resources and instruct our drivers on the proper steps needed to protect themselves, the public and our customers' goods, we need detailed communications so that we can understand and appreciate the threat, evaluate our companyies exposure and act in time to avoid becoming victims of terrorism.

Second, our professional drivers, dispatchers, managers and supervisors are the most critical elements in protecting trucks from becoming the objects of, or the mechanism for, terrorist attacks. Drivers have control of our equipment 90 percent of the time, and therefore they are the most vulnerable to terrorism. We have an obligation to train our 3.2 million professional drivers to recognize terrorist operational acts, report these acts to the proper authorities, and react appropriately. The trucking industry needs federal help to complete this effort in no more than three years.

Third, productivity is the lynchpin of America's global economic competitiveness. In our efforts to conduct our war on terrorism, we must give equal attention to the preservation of our abilities as transportation enterprises to creatively and efficiently move the goods and instruments of commerce where needed, when needed. Any new regulatory framework must adhere to the core principal of "the green light is on" for trucks unless there is a substantial, direct and immediate threat that would justify slowing or restricting commercial flows.

Thank you for the opportunity to offer our thoughts regarding the upcoming reauthorization of the federal surface transportation legislation. We look forward to working with the Subcommittees to improve the safety and mobility of our Nation's freight transportation system.


Appendix A - Freight Tonnage, 2001 - 2014
(Millions of tons)
0
4,000
8,000
12,000
16,000
20,000
Pipeline
Water
Rail
Truck
Air
Intermodal Rail
Pipeline
Water
Rail
Truck

APPENDIX B

FREIGHT STAKEHOLDERS TEA-21 REAUTHORIZATION AGENDA

1. Protect the integrity of the Highway Trust Fund. Reauthorize the firewalls provided for in TEA-21 to ensure that the funds collected are used for their dedicated purpose and not for deficit reduction.

2. Dedicate funds for NHS highway connectors to intermodal freight facilities. The NHS Intermodal Freight Connectors report that was sent to Congress documents the fact that these road segments are in worse condition and receive less funding than other NHS routes. Targeted investment in these "last mile" segments would reap significant economic benefits compared to the associated costs.

3. Form a national freight industry advisory group pursuant to the Federal Advisory Committee Act to provide industry input to USDOT. The advisory group should be funded and staffed, and it should consist of freight transportation providers from all modes as well as shippers and state and local planning organizations. Despite the best efforts of the agency to function as "One DOT," there is still not enough of a focused voice for freight. An Advisory Group would meet the need for regular and professional interaction between USDOT and the diverse freight industry, and could help identify critical freight bottlenecks in the national freight transportation system.

4. Create a Freight Cooperative Research Program. Increasingly, industry issues are public issues that would benefit from a dedicated, funded research effort led by an industry-based steering/oversight group, such as the one described above, to ensure useful research results to benefit the freight transportation system as a whole. One option would be to dedicate a portion of the states SP&R dollars to freight issues. Freight data issues would fall under this program as well.

5. Expand freight planning expertise at the state and local levels. Given the importance of freight mobility to the national economy, States and MPO's should be provided additional funds for expert staff positions dedicated to freight issues (commensurate to the volumes of freight moving in and through their areas).

6. Develop ways to increase available funds without new user fees and taxes by creating a toolbox of innovative financing options specifically aimed at freight capacity improvements and enhancements. Options could include (1) lowering of the threshold for TIFIA funding eligibility (2) development of tax incentives, and (3) expansion of the state infrastructure banks (SIBs).

7. Significantly increase funds for an expanded corridor/border and gateway program. This would build on the highly popular but under-funded "Corridors and Borders Program" (Sections 1118 and 1119), but adds the important concept of gateways. The funding should be freight specific, and there should be a qualification threshold (based on volumes) so that dollars get directed at high volume corridors/borders/gateways rather than wish-list projects.

8. Streamline environmental permitting for freight projects. Multiple and often duplicative federal laws and regulations delay environmental review of transportation projects. Language in TEA-21 directing federal agencies to streamline the review process for highway projects has not been effective and other measures to simplify the review process for all freight projects should be considered.

9. Increase funding and promote use of the Congestion Mitigation and Air Quality Improvement Program for freight projects that reduce congestion and improve air quality. CMAQ was designed to fund projects that will help reduce transportation-related emissions. Although CMAQ has supported some freight projects, it has been used primarily to address passenger needs. CMAQ funding should be dedicated to projects that can be shown to reduce congestion or improve air quality. Total funding for CMAQ should be increased and the use of CMAQ funds for freight projects should be clarified and strongly encouraged.

American Association of Port Authorities
Contact: Mary Beth Long or Jean Godwin 703-684-5700

American Trucking Associations
Contact: Darrin Roth 703-838-1900

Association of American Railroads
Contact: Jennifer Macdonald 202-639-2533

Coalition for America's Gateways and Trade Corridors
Contact: Leslie Blakey 202-828-9100

Intermodal Association of North America
Contact: Joni Casey 301-982-3400

National Association of Manufacturers
Contact: Larry Fineran 202-637-3174

National Industrial Transportation League
Contact: Kathy Luhn 703-524-5011

U.S. Chamber of Commerce
Contact: Ed Mortimer 202-463-5451

World Shipping Council
Contact: Lars Kjaer 202-589-1234