

STATEMENT OF

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BEFORE THE
SUBCOMMITTEE ON TELECOMMUNICATIONS, CONSUMER PROTECTION, AND FINANCE,
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AND THE
SUBCOMMITTEE ON GOVERNMENT ACTIVITIES AND TRANSPORTATION,
COMMITTEE ON GOVERNMENT OPERATIONS

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Good morning, Madam Chairwoman, Mr. Chairman, and members of your two subcommittees. I am pleased to appear before you today to discuss a very important initiative of the Department of Transportation and Secretary Elizabeth Hanford Dole — our plan to more effectively implement the Motor Carrier Safety (MCS) Program. Your committees have focused on the MCS issues because of our legislative proposal last year to merge the Bureau of Motor Carrier Safety (BMCS) with the National Highway Traffic Safety Administration (NHTSA). It is because of your interest that we are most willing to discuss our plans with you, even though the House Public Works and Transportation Committee has told us that they believe that they have primary jurisdiction over this program. With me today is NHTSA Administrator Diane Steed, who will join me in responding to your questions.

The fact that the MCS program is not operating as effectively as it must, and that major restructuring is imperative, is obvious to us all. The legislative initiative to merge the Bureau and NHTSA was not enacted last year and, although reflected in the President's budget, will not be pursued by us in the immediate future. The reason is that Congress gave us major new enforcement tools and responsibilities in legislation

passed late last year. The most important thing now is to get those tools fully implemented. I am concerned that pushing forward with transfer legislation could divert attention from these new responsibilities. But the problems remain, and this essential program cannot be permitted to drift. The Secretary has now directed that we establish a new structure, reorganizing BMCS within the umbrella of the Federal Highway Administration (FHWA) under a new Associate Administrator for Motor Carriers.

Achieving a satisfactory level of enforcement of commercial motor vehicle safety on our highways is a tremendous challenge. The BMCS has been the subject of many Congressional, General Accounting Office, and Departmental studies in recent years. We in the Department of Transportation, more than any other organization or group, understand the magnitude of our responsibilities. Some 225,000 interstate motor carriers are subject to our jurisdiction, including more than 3-1/2 million commercial motor vehicles and 4-1/2 million drivers. These numbers, incidentally, do not include intrastate carriers who operate within the individual States and who in general are not subject to our regulations.

The Bureau had for several years operated under a statutory mandate which undermined its effectiveness. The penalty authority, for instance, was hopelessly outdated and difficult to administer. In most situations, the Bureau did not have civil penalty authority which could be used against unsafe motor carrier operators. The statutory maximum fine for violations of our recordkeeping regulations was only \$500, and as a rule such a sanction was not a meaningful deterrent to unsafe operations since the additional revenue generated as a result of a violation could well exceed the cost of the fine. Thus, the Bureau was forced to seek criminal sanctions and criminal sanctions require a much higher burden of proof.

Thanks to legislation that the Congress passed just 6 months ago, the BMCS now has a broader range of penalties which can be applied, including civil fines up to \$10,000 for each offense, and criminal fines up to \$25,000 for each offense. However, this legislation, "The Motor Carrier Safety Act of 1984 " also imposes substantial additional administrative demands on the Bureau. The BMCS must review virtually all of its regulations and set target dates for the issuance of new regulations by May of 1986. This is but one of the new responsibilities that we have assumed, and those of you familiar with the complicated process involved in Federal rulemaking these days know that this one responsibility is awesome.

The Bureau was, for more than a year, held in limbo not knowing where its home would be. Planned changes to improve the BMCS operations were put on hold, for it seemed improper for me to initiate changes at a time when it was probable that the Bureau would be moved, assimilated, and then engaged in another restructuring. Further, we did not want to appear to undercut the statutory transfer proposal. Under such conditions, obviously the morale and efficiency of our staff suffered somewhat. We have many capable and dedicated people in our Bureau staff, all of whom are concerned primarily with seeing that our highways are free of unsafe commercial vehicles and operators. We believe it would be unfair to them and possibly counterproductive to our mission to re-submit transfer legislation at this time.

You probably know that I established, with the concurrence of Secretary Dole, a Task Force to closely examine the past structure and procedures of the Bureau, to identify problem areas, and to define options for actions which might be taken. Your committees have been supplied copies of the Task Force conclusions. I would like to summarize some of those options we are initiating. I believe this new structure and organization is the most effective way at this time to achieve the results we all desire.

o Establishment of an Associate Administrator for Motor Carriers

The incumbent will have jurisdiction over the functions and resources of the present BMCS and will be involved in directly advising the Administrator on all matters related to motor carrier safety and participating fully in FHWA policy determination and program formulation. This position will report to the Administrator and Deputy Administrator through the Executive Director, as do the other Associate Administrators within the FHWA.

The creation of an Associate Administrator position will demonstrate the FHWA's commitment to a high level of emphasis and focus on the MCS Program comparable to other major FHWA programs. It will provide increased visibility for the program within the FHWA as well as direct access to the Administrator, Deputy Administrator, and Executive Director for policy and resource issues. The position will also provide a high-level interface with industry and other Federal agencies. All of these improvements will combine to enhance the ability of the Secretary and me to provide effective oversight and leadership in the area of Motor Carrier Safety.

o Establishment of a More Visible Washington Headquarters Element for the Motor Carrier Safety Assistance Program

In our view, the most significant part of the future of the program lies in the Motor Carrier Safety Assistance Program (MCSAP). It is through the MCSAP that greater State involvement in motor carrier compliance activities can be achieved. In the past year, the States have made notable progress in activities that were formerly performed by the BMCS. If we can forge an

effective partnership with the States through the MCSAP so that they will continue and increase these practices, it will help ensure that motor carrier safety laws and regulations are administered uniformly and consistently nationwide.

Because of the importance of this program, we will be establishing an easily identifiable organizational element for the MCSAP, so that anyone can readily determine where to direct questions regarding this relatively new program. At the same time, this element will reflect the increased emphasis on the Federal-State partnership. Its responsibilities will include the development of MCSAP policies, procedures, and standards and the review and evaluation of MCSAP implementation. A MCSAP unit will demonstrate the FHWA's strong commitment to the future of this program.

- o Establishment of a Direct Line of Authority from the Proposed Associate Administrator, through the Director of BMCS and the Regional Directors for Motor Carrier Safety to the Officers-in-Charge

This new MCS Headquarters and regional organizational arrangement has been separated from the FHWA program delivery organization structure; however, it could call on FHWA's expertise in program delivery activities as needed. The new line of authority will have the effect of satisfying much of the external criticism that has been voiced in the past, and there will be better assurance of achieving national uniformity. Most importantly, line authority will create a single focus for the MCS program from top to bottom, will provide better program visibility and will allow improved oversight opportunities through the elimination of organizational layers. In addition, it will provide the direct

authority for instituting quality control and uniformity of motor carrier safety procedures and practices among the field elements.

o Issuance of a Statement of MCS Internal Policy and Program Objectives

In order to reflect the changing Federal role and the greater State participation in the MCS Program, a statement of internal policy and program objectives will be issued in the near future. This statement, which will highlight the future direction of the MCS Program, will also set the stage for the interface between the MCSAP (in States that have reached the implementation phase) and the Federal MCS enforcement program and enhance communication and morale. All of these factors will respond constructively to concerns that have been expressed by industry and Congress.

There are several other improvements we plan to make. A particular emphasis will be placed on MCS program management by the FHWA, beginning with the planning process and followed up by a comprehensive program monitoring and review process. Program needs will be continually assessed and analyses will be made of the extent to which program activities are serving to meet those needs. These analyses will provide a basis for developing future plans and work programs both for the FHWA and the States. With the establishment of the Associate Administrator for Motor Carriers and the institution of a line organizational relationship through the Regional Directors down to the Officers-in-Charge, emphasis will be placed on program monitoring reviews that will be conducted by management at both the Washington Headquarters and the regional levels. These reviews will serve as an important tool in achieving nationwide uniformity and consistency in the administration of MCS rules and regulations.

We in the FHWA believe there is a considerable degree of commonality between the management approaches and processes used in the Federal-Aid highway program and the concept of management that must be applied in the MCS Program in the future. In the process of strengthening and revitalizing the MCS Program, the fullest advantage will be taken of this commonality by drawing from the expertise of the Federal-Aid highway program that has long been involved in program stewardship and developing and maintaining an effective working partnership between the FHWA and the States. At all levels, and particularly in the field, those involved in managing the Federal-aid program will provide support to those charged with managing the MCS Program. Through this team effort, the FHWA is committed to ensuring that the limited MCS resources can efficiently and effectively respond to current and future demands.

This concludes my prepared statement. I would be glad to provide additional information to clarify the improvements we are making to the Motor Carrier Safety Program and Administrator Steed and I would be pleased to respond to any of your questions.