

What Are the Feds Up To Now . . . And What Does It Mean to You?



The Issues

- FTA policy statement and NPRM
- FTA final charter rule
- NPRM on CDL driver training
- NPRM on CDL testing and licensing
- CDL medical issues
- School bus security
- Fuel tax exemption

FTA Policy Statement

- Proposed statement issued in response to Rochester case
 - City moved 100 routes from school bus to transit; \$6 million contract
 - FTA issued 3 rulings in 2007 that RGRTA was in violation
 - District judge overruled FTA
- Warning to transits outside Western NY district

FTA Policy Statement

- Clarifies interpretation of school bus rule
 - Agencies must agree not to “engage in school bus operations **exclusively** for the transportation of students and school personnel, in competition with private school bus operators.”
 - Exceptions:
 - No able provider
 - **Tripper service**

FTA Policy Statement

- Interprets “exclusively” using a reasonable person standard
 - “ . . . any service that a reasonable person would conclude was primarily designed to accommodate students and school personnel, and only incidentally to serve the nonstudent general public.”

FTA Policy Statement

- Tripper service limited to 3 deviations
 - Fare subsidy
 - Additional vehicles for peak demand
 - *De minimus* variation in route
- Service must also be
 - Open to the public
 - Part of the regular route system
 - Published

FTA Policy Statement

- 510 separate comments to docket
 - 180 opposed; 141 from Oakland
- Issues raised but not considered
 - Costs
 - Safety
 - Environmental concerns
 - Congestion
 - Additional exemptions

FTA Policy Statement

- NPRM expected by end of year
- Transit will push for greater access
 - \$650 million revenue stream
 - Support of school administrators
- Will likely become Congressional issue

FTA Policy Statement

- What is the threat?
 - More transits, fewer school buses
 - Loss of safety, reliability
- What can you do?
 - Know the rule
 - Educate administrators, parents, legislators

FTA Charter Rule

- Rewrites the regulations that prohibit transit agencies from providing charter service in competition with private companies
 - Affects school activity trips
 - Final rule effective April 30, 2008

FTA Charter Rule

- Major changes for school districts and contractors
 - Defines charter service
 - Specifies exceptions
 - Changes notification process
 - Changes complaint process

FTA Charter Rule

- Definition of charter service
 - Transportation provided at the request of a third party for the exclusive use of a bus or van for a negotiated price
 - A third party pays a negotiated price for the group
 - Fares charged to individual members are collected by the third party
 - The service is not part of regular service, or is for a limited time
 - A third party determines the origin and destination of the trip

FTA Charter Rule

- New process for charter requests
 - District requests activity transportation from transit
 - Transit can reject request or notify registered providers
 - If any registered provider responds in 72 hours (<30 days), transit cannot provide trip
 - District can negotiate with private provider

FTA Charter Rule

- Caveats
 - Transit may or may not refer district to registered providers
 - Cost is not a controlling issue
 - Vehicle requests are limited to bus or van
 - Failed negotiations do not result in transit acceptance of trip

FTA Charter Rule

- What does it mean for districts?
 - The end of many
 - Transit activity trips
 - Transit shuttle services
 - Easier access to charter providers
 - www.fta.dot.gov
 - More students in school buses

FTA Charter Rule

- What does it mean for contractors?
 - You must register to be part of the program
 - www.fta.dot.gov
 - Click on Charter Registration
 - Increased opportunity for charter service

NPRM on CDL Training

○ Application

- Any person applying for a new or upgraded CDL who intends to drive interstate
 - Applicants without training certificate receive restricted intrastate license
- Effective date three years after publication of final rule

NPRM on CDL Training

○ Requirements

- Class B & C applicants need minimum of 58 hours classroom, 32 hours btw
- Standardized curriculum in 5 topic areas
- Training must be provided by accredited institution
- Applicants must pass written and skills tests separate from CDL tests

NPRM on CDL Training

Proposed curriculum

Section	Class	BTW	Total
BASIC OPERATION	15	18	33
SAFE OPERATING PRACTICES	8	12	20
ADVANCED OPERATING PROCEDURES	11	2	13
VEHICLE MAINTENANCE	5	0	5
NON-DRIVING ACTIVITIES	19	0	19
Total	58	32	90
Percentage	64%	36%	100%

NPRM on CDL Training

○ Requirements for instructors

- Must pass course
- Must be employed by accredited institution
 - US DEd or CHEA accreditation
- Must meet state requirements for vocational instructor
- Must have 2 years' driving experience

NPRM on CDL Training

- School bus issues
 - No acknowledgement of state training requirements
 - No school bus training in curriculum
 - No accredited institutions for school bus drivers
 - No understanding of the industry

NPRM on CDL Training

- FMCSA cost/benefit analysis
 - No data show correlation between training and accident reduction
 - Cost to school bus industry - \$346,300/year
 - Cost of fatal crash - \$3.6 million
 - One fewer fatal crash every 10 years

NPRM on CDL Training

- Flaws in cost analysis
 - FMCSA projects 24,800 new school bus drivers each year
 - Currently 475,000 buses
 - 1.17 ratio of drivers to buses = 555,750 drivers
 - 20% trainees = **111,150 new drivers each year**

NPRM on CDL Training

- Flaws in cost analysis
 - FMCSA projects training cost at \$25/hour and wages/benefits at \$11.40/hour for total of \$36.40/hour
 - Average training cost - \$44.44/hour
 - Average starting wage - \$12.24/hour
 - Total hourly cost - **\$56.68/hour**

NPRM on CDL Training

- Flaws in cost analysis
 - FMCSA claims that only 1% of drivers make interstate activity trips
 - Average eligible – 68%
 - Average actual – **16%**
 - FMCSA counts only contractor drivers
 - Rule applies to any CDL applicant

NPRM on CDL Training

- Flaws in cost analysis
 - FMCSA totals:
 - 119 drivers/year (1% of 30% of 24,800)
 - \$2,912 per driver (80 x \$36.40)
 - \$346,300 cost per year to industry

NPRM on CDL Training

- Flaws in cost analysis
 - NSTA totals:
 - 22,230 drivers/year (20% of 111,150)
 - \$4,533 per driver (80 x \$56.68)
 - \$100,768,590 cost per year to industry

Difference: \$100.4 million

NPRM on CDL Training

- Safety benefit
 - No data show correlation between training and accidents
 - Cost of fatal crash: \$3.6 million
 - At true cost, need to reduce fatal crashes by 28 per year
 - Only one fatal interstate school bus crash in past 15 years

NPRM on CDL Training

- Status
 - Comment period ended May 25
 - 900 comments, overwhelmingly negative
 - Final rule not likely this year
- www.regulations.gov , docket ID FMCSA-2007-27748

NPRM on CDL Testing

- 30 day minimum wait between issuance of CLP and skills test
 - FMCSA concerned by CDL mills
 - No evidence of connection between training time and safe driving
- NSTA:
 - Regulate schools, not drivers
 - Waive for employer-trained drivers

NPRM on CDL Testing

- Third party testers
 - Minimum 50 tests per year
 - Minimum 10 tests per examiner per year
 - At 20% turnover, only fleets with 250 buses meet minimum
- NSTA: leave it up to states

NPRM on CDL Testing

- Status
 - Comment period ended July 9, 2008
 - Not likely this year
 - www.regulations.gov,
 - Docket id FMCSA-2007-27659

CDL Medical Issues

- Congress pushing FMCSA to complete rulemaking
 - Medical certification as part of CDL licensing (2006)
 - Failure to renew physical results in loss of CDL
 - Certified medical examiners (2005)
 - Only trained and registered doctors can perform DOT physicals

CDL Medical Issues

- NTSB pushing for fatigue management
 - FMCSA oversight of carrier programs
 - NHTSA requirement for collision warning systems on commercial vehicles
 - Congress considering tax credits for crash-avoidance technology

Fuel Tax Exemption

- Highway Trust Fund
 - Fuel excise taxes are 90% of fund
 - Taxes last raised in 1993
 - Revenues not keeping up with expenditures
 - \$8 billion infusion 9/08 to keep afloat

Fuel Tax Exemption

- ATRI Report
 - Federal exemptions cost \$570 million/year
 - State exemptions cost \$330 mill
 - Eliminate all exemptions and raise taxes

Fuel Tax Exemption

- NTPR Study Commission Report
 - Raise fuel taxes 5-8 cents per year for next 5 years
 - Move cost of exemptions from HTF to General Fund

Fuel Tax Exemption

- Cost of school bus exemption
 - 480,000 school buses travel 4.3 billion miles per year
 - 90% diesel, 10% gasoline, 7 mpg
 - 553 mil gallons x .244 = \$135 mil
 - 61 mil gallons x .184 = \$11 mil

Total: \$146,000,000

Fuel Tax Exemption

- Arguments for exemption
 - School buses reduce traffic
 - School buses reduce road wear
 - School buses provide value for communities

Fuel Tax Exemption

- Congestion argument
 - British study- 20% of rush hour traffic is parents
 - School bus fleet replaces 17 mil personal vehicles during am and pm rush

Fuel Tax Exemption

- Road wear argument
 - School buses are relatively light commercial vehicles
 - School bus GVWR: 30,000 lbs
 - Transit bus: 40,000 lbs
 - Motorcoach: 50,000 lbs.
 - Garbage truck: 60,000 lbs

Fuel Tax Exemption

- Road wear argument
 - Each school bus reduces road wear by 140,000 lbs. during school commute
 - Total fleet saves 69 billion pounds of weight every school day

Fuel Tax Exemption

- Value argument
 - School buses provide access to education
 - School buses save lives
 - 20 fatalities/year among school bus riders
 - 800 fatalities/year among non-riders
 - School buses reduce pollution

Fuel Tax Exemption

- Value argument
 - Average cost per passenger mile (2003)
 - School buses: \$0.34
 - Transit buses: \$0.94
 - Personal cars: \$1.25



Fuel Tax Exemption

o Current Status

- Recommended tax increase unpopular
- Highway reauthorization expires 9/2009
- Budget transfer expected to hold till 2010
- "Be Prepared"

Questions?

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