Retrospective Analysis of Motor Carrier Safety Under Economic Deregulation

Thomas M. Corsi
Michelle Smith Professor of Logistics
Robert H. Smith School of Business
University of Maryland

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• Safety De-Regulation Link
• The Motor Carrier Safety Record under Deregulation
• Continuing Motor Carrier Safety Issues
• Underlying Premise of Analysis
• Dynamic Safety Performance Monitoring under FMCSA
• Private Sector’s Expanded Use of Monitoring Performance Data
• Enhanced and Improved Safety Performance Monitoring
• Additional FMCSA Safety Initiatives
Safety Deregulation Link

- Deregulation Lowers Profit Margins; Firms Invest Less in Maintenance, New Equipment and Training
- Deregulation Increases Competition Forcing Carriers to Increase Equipment Utilization with Increased Hours-of-Service Violations for Drivers
- New Entrant Firms Hire Lower Quality Staff and Use Old Equipment with Ineffective Maintenance Practices
Current Status of Motor Carrier Safety

• 77% Decline Since 1975 in Fatal Crash Rate
  – 1975 Fatal Truck Crash Rate Stood at 4.58 Fatal Crashes per 100 million VMT
  – 1.04 Fatal Truck Crashes per 100 million VMT in 2009

• 76% Decline Since 1989 in Injury Crash Rate
  – 74.6 Truck Injury Crashes per 100 million VMT in 1989
  – 17.8 Injury Crashes per 100 million VMT in 2009
Figure 1: Fatal Truck Crash Rate

Figure 2: Truck Injury Crash Rate

Continuing Issues in Motor Carrier Safety

- Do Carriers with Low or Negative Profitability Have Poorer Safety Records than do Carriers with a More Favorable Financial Position?
- Do Owner-Operator Truck Drivers with More Hours-of-Service Violations have Poorer Safety Records than do Company Drivers?
- Are New Entrant Motor Carriers less Safe than Established Carriers due to the Safety Learning Curve
Underlying Premise of this Analysis

• No Direct Link Between Motor Carrier Deregulation and Increased Safety Risk from Motor Carrier Operations
• Significantly Reduced Crash Rates in Deregulation Era is a Documented Fact
• Enhanced Safety Monitoring by FMCSA to Deal with Safety Performance Issues Stemming from Carriers Operating Under Financial Distress
• Controversy about Owner-Operators and Safety Pre-Date the Deregulation Debate
Dynamic Safety Performance Monitoring

- **SafeStat; Web-Available Performance Data**
  - Shift from Static Safety Fitness Rating based on Compliance Review to Dynamic Performance Assessment
  - Development of SafeStat Methodology for Performance Assessment and Prioritization-Volpe Transportation Center
  - SafeStat is Time-Weighted; Size Adjusted Performance Evaluation Scheme Measuring Performance in DRSEA; VHSEA; SMSEA; and ACSEA
  - Assessment based on Compliance Reviews, Roadside Inspections, Enforcement Actions, Crashes-ongoing Measures Revised Monthly
Private Sector Use of Safety Performance Monitoring Data

• Schramm v. Foster
  – Broker Selection of a Carrier
  – Employers held Liable for Negligence in Selecting, Instructing, or Supervising an Independent Contractor

• Jones v. CH Robinson
  – Broker negligent in hiring of carrier
  – Court ruled CH Robinson could have obtained info on carrier propensity to hire incompetent, unsafe drivers

• Sperl v. CH Robinson
  – Broker vicariously liable for its contracted driver’s negligent operation of tractor-trailer

• Chain of Responsibility
  – Due diligence in carrier selection
CSA 2010: Improved Dynamic Safety Performance Monitoring

- BASICs-Finer Grained Breakout of Driver and Vehicle Violations
- Severity Weighting of Violations based on Crash Probability/Likelihood Factors
- Total Replacement of Carrier Safety Fitness based on Compliance Review with new Dynamic Measures
Additional FMCSA Safety Initiatives

- Electronic Log-book Mandate
- Hours-of-Service Regulations Revised
- Special Monitoring Program for New Entrants
- New Technology to Reduce Collisions