



THE SECRETARY OF TRANSPORTATION  
WASHINGTON, DC 20590

October 15, 2015

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

I am pleased to provide the Explanatory Statement pursuant to the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2015 (P.L. 113-235, division K). The Act requires the Secretary of Transportation to report on the Federal Motor Carrier Safety Administration's (FMCSA) ability to meet its requirement to conduct compliance reviews on mandatory carriers. This letter-report fulfills that request for Fiscal Year (FY) 2014.

During FY 2014, FMCSA identified 6,168 mandatory carriers, as seen in the table below. In FY 2014, FMCSA and its State partners conducted 3,958 investigations of mandatory carriers; 1,012 mandatory carriers went out of business or switched to intrastate operations, taking those operations outside of FMCSA's jurisdiction. Factoring in the carryover of mandatory inventory from FY 2013, a balance of 4,583 motor carriers remained in mandatory status at the end of FY 2014.

Quarter	Mandatory Carriers	Investigations on Mandatory Carriers	% completed within 12 months	Average Number of Months	No longer interstate*	Balance
FY13 - 1st Quarter	1,627	1,436	93%	5.48	235	3,113
FY13 - 2nd Quarter	1,450	1,404	92%	5.83	285	2,874
FY13 - 3rd Quarter	1,414	990	93%	5.72	244	3,054
FY13 - 4th Quarter	1,467	918	90%	6.23	218	3,385
<b>FY13 Total</b>	<b>5,958</b>	<b>4,748</b>	<b>92%</b>	<b>5.78</b>	<b>982</b>	<b>3,385</b>
FY14 - 1st Quarter	1,603	1,064	82%	6.97	221	3,703
FY14 - 2nd Quarter	1,471	1,163	86%	6.50	287	3,724
FY14 - 3rd Quarter	1,512	867	84%	7.18	256	4,113
FY14 - 4th Quarter	1,582	864	84%	7.60	248	4,583
<b>FY14 Total</b>	<b>6,168</b>	<b>3,958</b>	<b>84%</b>	<b>7.02</b>	<b>1,012</b>	<b>4,583</b>

\* Carriers that are out of business or switched their operation type to intrastate only.

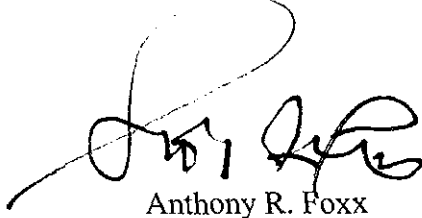
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Resource-intensive training implementing the Agency's Enhanced Investigative Techniques (EIT) initiative reduced the number of mandatory carriers investigated in the third and fourth quarters of FY 2014. It is expected that with all staff now trained in EIT, the Agency will return to full production in 2015. In addition, FMCSA is currently developing tools to improve risk management so that carriers that continue to show unsafe patterns of noncompliance are prioritized over carriers that are demonstrating improvement. With the training and new risk management strategies, the Agency should be able to direct resources to address the backlog, and increase the percentage of carriers being investigated each year.

I have sent a similar letter to the Vice Chairwoman of the Senate Committee on Appropriations; the Chairman and Ranking Member of the Senate Subcommittee on Transportation, Housing and Urban Development, and Related Agencies; the Chairman and Ranking Member of the House Committee on Appropriations; and the Chairman and Ranking Member of the House Subcommittee on Transportation, Housing and Urban Development, and Related Agencies.

If I can provide further information or assistance, please feel free to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony R. Foxx", with a large, sweeping flourish above the name.

Anthony R. Foxx