



**Opening Statement of Chairman Graves
Is FMCSA's CSA Program Driving Small Businesses Off the Road?
Committee on Small Business
July 11, 2012**

The hearing is now called to order.

I'd like to thank the witnesses for appearing today on two issues critical to small businesses and our nation's economy: commercial highway vehicle safety and the efficient and affordable transportation of goods.

The vast majority of commercial motor vehicle firms in operation today are small businesses operating 20 trucks or less. I think witnesses testifying here today on behalf of these firms, and all Members of the Committee, believe that increasing highway safety is critically important.

Annually, Congress authorizes hundreds of millions of dollars to be spent on public education campaigns and federal, state and local law enforcement partnerships for the sole purpose of keeping our nation's highways safe.

These efforts have achieved significant results. Overall, highway fatalities are down, despite year-over-year increases in the amount of miles driven by American motorists.

These declines have been especially pronounced in the highway freight industry. Between 2005 and 2010, fatal accidents involving large commercial motor vehicles declined by more than 26%.

While there is always room for improvement, it is clear that government and private industry efforts to improve safety are having a positive effect.

The purpose of today's hearing is to examine how the Federal Motor Carrier Safety Administration's Compliance, Safety and Accountability program, also known as CSA, affects small businesses in the commercial trucking industry.

Of particular importance to small businesses is the Safety Management System component of the program, which will be the major focus of our discussion today.

According to FMCSA, the goal of the Safety Management System, or SMS, is to prospectively identify those operators the agency believes are likely to cause a future highway accident so that it may target appropriate interventions aimed at correcting their behavior.

Unfortunately, since implementation of this program began in 2010, a number of industry stakeholders and third-party researchers have identified what they believe are serious flaws in the Safety Management System methodologies.

These flaws not only call into question the ability of the CSA to achieve its primary goal -- to identify unsafe actors that cause highway accidents -- but also whether, in too many instances, the new system is identifying safe operators as unsafe.

Of particular concern to the Committee are the significant adverse consequences that the inaccurate safety scores may have on trucking companies, 97% of which are small businesses.

We are fortunate to have with us today witnesses who can provide important insight into how this new highway system works in real life, and what changes may be necessary to improve it. Again, I want to thank them for participating.

I now turn to Ranking Member Velazquez for her opening statement.