May 2009

MOTOR CARRIER SAFETY

Commercial Vehicle Registration Program Has Kept Unsafe Carriers from Operating, but Effectiveness Is Difficult to Measure

GAO

Accountability ★ Integrity ★ Reliability

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Why GAO Did This Study

To reduce the number of crashes involving commercial motor carriers, the Federal Motor Carrier Safety Administration (FMCSA) within the Department of Transportation orders unsafe carriers out of service. To help keep these carriers off the road, FMCSA's voluntary Performance and Registration Information Systems Management (PRISM) grant program, a small program funded at $5 million per year, helps states establish information systems connections between state vehicle registration and FMCSA's safety databases. These connections provide states with up-to-date information on carriers' safety status when carriers try to register or renew registrations with the state. For states to deny, suspend, or revoke registrations to out-of-service carriers, states must pass legislation enabling them to do so.

As directed by a congressional committee, GAO examined (1) PRISM's effectiveness and (2) the potential to fully implement the program nationally. GAO reviewed FMCSA data and discussed PRISM with a wide variety of federal, state, industry, and safety stakeholders.

What GAO Recommends

GAO recommends that FMCSA measure PRISM effectiveness when a sufficient number of states have the ability to deny, suspend, or revoke registrations to out-of-service carriers. In commenting on a draft of this report, the department generally agreed with the recommendation.

What GAO Found

Twenty-five states have implemented PRISM to the point where they are able to keep carriers that FMCSA has ordered out of service from obtaining or maintaining vehicle registrations. However, PRISM's safety impact is hard to measure. FMCSA data show that vehicles associated with 972 out-of-service carriers in 2008 had registrations denied, suspended, or revoked—about 15 percent of carriers placed out of service that year. However, this is likely an underestimate because the data can be difficult to track. Officials from the 13 states GAO contacted that are denying, suspending, or revoking vehicle registrations of out-of-service carriers and representatives from safety and industry associations said PRISM is worth the effort, but its impact on safety is hard to measure. An evaluation of the program sponsored by FMCSA in 2007 concluded that PRISM states show some improved safety over time compared with other states, indicating PRISM could have contributed to lower crash rates. However, because all FMCSA programs are aimed at reducing crash rates, isolating PRISM's effect is difficult. Nonetheless, the evaluation recommended that FMCSA adopt program measures to assess PRISM's effectiveness. FMCSA has not adopted all of these measures for various reasons, including a lack of resources. In GAO's view, applying such measures, while ultimately useful, may be premature since PRISM's success is undercut by the 25 states—including states with the greatest numbers of registered commercial motor vehicles—and the District of Columbia that do not yet have the ability to deny, suspend, or revoke vehicle registrations of out-of-service carriers.

National implementation may not occur for years if PRISM continues as a voluntary program. FMCSA data show that, on average, it took states about 3 years and 4 months to get to the point where they could deny, suspend, or revoke registrations once they decided to implement PRISM—a process that took as little as 10 months to more than 7 years. Officials in states GAO contacted said that PRISM implementation was facilitated by such things as hiring a contractor to help with the program's technical components, and was hindered by such things as difficulty in passing state legislation needed to implement the program. According to officials in states GAO met with, FMCSA has been helpful in encouraging states to adopt and implement the program, but can do little in other areas, such as when state legislation is needed. Officials in some states and representatives from safety associations told GAO that Congress should require PRISM implementation so that no state becomes a refuge for registering out-of-service carriers. Other officials said that such a requirement is unnecessary, since only three states have not committed to implementing PRISM. While there are benefits to a congressional requirement that could lead to speedier national implementation, there are several significant potential drawbacks to doing so (for example, some states may require substantial money to adapt their information systems to make PRISM work) that lead GAO not to recommend such a requirement.

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Chairman
The Honorable Christopher Bond
Ranking Member
Subcommittee on Transportation, Housing
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The Honorable John W. Olver
Chairman
The Honorable Tom Latham
Ranking Member
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   and Urban Development, and Related Agencies
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In the United States, commercial motor carriers account for fewer than 5 percent of all highway crashes, but these crashes result in about 13 percent of all highway deaths, or about 5,500 of the approximately 43,000 highway fatalities that occur nationwide each year.[1] In an attempt to reduce the number and severity of crashes involving large trucks and buses, the Federal Motor Carrier Safety Administration (FMCSA) within the Department of Transportation (DOT) identifies unsafe motor carriers and takes them off the road by ordering them out of service. Carriers that have been ordered out of service by FMCSA may not operate until their safety performance improves and FMCSA rescinds the out-of-service order.

The primary way that FMCSA ensures that carriers the agency has ordered out of service do not continue to operate is the Performance and

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[1]Commercial motor carriers operate large commercial trucks and buses. Large trucks are those with a gross vehicle weight greater than 10,000 pounds. A bus is a motor vehicle that carries more than eight passengers (including the driver). Crashes involving motor carriers may result from errors by truck, bus, or passenger vehicle drivers; vehicle condition; and other factors. The fatality rate (deaths per 100 million miles traveled) for commercial motor vehicles has been fairly stable since 2002.

Registration Information Systems Management (PRISM) grant program. PRISM works by allocating grant money to states to establish information systems connections between state commercial vehicle registration databases and FMCSA's safety databases that, when fully implemented, (1) provides up-to-date information on the safety status of the carrier responsible for the safety of a commercial vehicle prior to issuing or renewing the vehicle registration and (2) generates a daily list of vehicles registered in the state that are associated with carriers that have just been ordered out of service by FMCSA. For new registrations or renewals, when state personnel enter carrier and vehicle information into the system, it automatically checks the information against FMCSA databases, and a notice will appear to deny the registration if the carrier is out of service. For vehicles already registered in the state, state personnel use the list the state creates each night to suspend or revoke the vehicle registrations associated with newly ordered out-of-service carriers. To implement PRISM, states must pass enabling legislation, providing state registration agencies (motor vehicle administrations) with the ability to deny, suspend, or revoke vehicle registrations of carriers ordered out of service by FMCSA.

PRISM's innovation is that it associates vehicle identification numbers with out-of-service carriers to prevent the carrier from registering or reregistering its vehicles (either under the carrier's original name or, more importantly, disguised under a new name) until FMCSA lifts the out-of-service order. Once the out-of-service order is lifted, the carrier may obtain valid vehicle registrations. Preventing unsafe motor carriers from obtaining or maintaining vehicle registrations deters these carriers from operating, since state law enforcement agencies continually check commercial vehicles for valid registrations.[2]

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[2]There are three other components of PRISM. First, PRISM may provide state law enforcement agencies with the funds to access systems to check the safety status of the carrier for which vehicles stopped at the roadside are operating, to ensure vehicles are not operating for carriers that have been ordered out of service—if this capability does not already exist. Second, PRISM includes the deployment of roadside technologies, such as wireless access to FMCSA databases and bar-code readers that read driver and vehicle information and automatically populate data fields in roadside reports to improve the efficiency and accuracy of data collection. Last, PRISM includes the Motor Carrier Safety Improvement Process, which is a data-driven process that uses current safety event information such as accidents, inspections, driver violations, compliance review data, and other information, to assess and monitor motor carrier safety performance. This report deals with the commercial vehicle registration aspects of PRISM and not these three other components.

In the Intermodal Surface Transportation Efficiency Act of 1991, Congress mandated the PRISM pilot demonstration project to evaluate the potential benefits of using state commercial motor vehicle registration sanctions as an incentive to improve motor carrier safety. Five states participated in the pilot, which ended in 1997, and a final report assessing the program was submitted to Congress in 1998. In 1998, Congress authorized additional funding to implement the program nationwide. As of April 2009, 47 states and the District of Columbia participate in it to some degree. Twenty-five of these states have implemented PRISM to the extent that they can automatically identify out-of-service carriers and then deny, suspend, or revoke their vehicle registrations.[3]

The Senate Committee on Appropriations directed that we assess (1) the PRISM grant program's effectiveness in removing unsafe motor carriers from U.S. roadways and (2) the potential to fully implement the program nationally.

To report on the extent to which the PRISM grants program has effectively removed unsafe carriers from the roadway, we obtained FMCSA data on the number of motor carriers that had vehicle registrations denied, suspended, or revoked as a result of an FMCSA out-of-service order. We interviewed FMCSA officials to discuss how data are collected and verified and how the data are used to assess PRISM's effectiveness. We also conducted semistructured interviews with a nongeneralizable sample of state motor vehicle administration officials and state law enforcement officials from 13 states that deny, suspend, or revoke vehicle registrations to discuss their experience implementing PRISM, how effective the program has been, and the soundness of reported data. We obtained the view of state officials and representatives from motor carrier industry and safety associations on the extent to which PRISM has improved states' ability to identify unsafe carriers and take them off the road by denying, suspending, or revoking vehicle registrations and any factors that impact PRISM's effectiveness. We reviewed a 2007 Volpe National Transportation Systems Center evaluation of the PRISM program that reported on the

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[3]According to FMCSA officials, in addition to the 25 states, 4 states suspend and revoke vehicle registrations for of out-of-service carriers; however, they do so on a case-by-case basis when requested by FMCSA and do not have the capability to check the safety status at the time vehicle registration renewals are requested in order to deny registrations. These 4 states do not report any suspension or revocation information to FMCSA. Additionally, there are 2 other states that also deny, suspend, and revoke vehicle registrations of out-of-service carriers, but these states do so when requested by FMCSA, not through the regular structure of the PRISM program. As such, we did not include these 6 states in our count.

extent to which PRISM has improved the safety and limitations of FMCSA's data on the denial, suspension, or revocation of vehicle registrations of out-of-service carriers.[4] We reviewed information from interviews and the Volpe report to identify and describe the factors that limit PRISM's effectiveness.

To report on the potential to fully implement the program nationally, we met with officials from FMCSA, state motor vehicle administrations, and state law enforcement in 26 selected states, as well as representatives from industry and safety associations. We conducted semistructured interviews with state motor vehicle administrations from 13 states that deny, suspend, or revoke vehicle registrations; 3 states that are implementing PRISM but do not yet have the capability to affect vehicle registrations; 8 states that have committed to implement PRISM but are not far along in implementation; and 2 states that do not participate in PRISM at all. We analyzed testimonial evidence to identify factors that enabled states to deny, suspend, and revoke registrations and factors that have delayed or prevented other states from moving forward with PRISM implementation. We analyzed the information to identify the factors FMCSA can affect and those it cannot. We also conducted a general literature search to identify the conditions for when either a mandatory approach or a voluntary approach is preferred for achieving program participation and certain desired outcomes. In addition, we identified and analyzed drawbacks to requiring state implementation of PRISM and potential options available to Congress for encouraging—rather than mandating—state legislative or regulatory action that could speed nationwide PRISM implementation.

As part of our review, we assessed the reliability of FMCSA's data on the number of motor carriers that had vehicle registrations denied, suspended, or revoked because of an FMCSA out-of-service order. While we identified some shortcomings to the data (discussed later in this report), we determined that the data were sufficiently reliable for our purpose, which was to provide a general sense of the extent to which PRISM implementation has resulted in vehicle registration sanctions. We conducted this performance audit from June 2008 to May 2009 in accordance with generally accepted government auditing standards. Those

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[4]John A. Volpe National Transportation Systems Center, Motor Carrier Safety Division for FMCSA Strategic Planning and Program Evaluation Division, *Performance & Registration Information Systems Management*, *Program Evaluation Final Report* (August 2007).

standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. (See app. I for additional information on our scope and methodology.)

Background

The interstate commercial motor carrier industry is large and dynamic. According to FMCSA data, there are about 716,000 interstate carriers registered with FMCSA to operate. While the largest motor carriers operate upward of 50,000 vehicles, most carriers are small, with approximately 80 percent operating between one and six vehicles. Commercial motor vehicles travel over 222 billion miles each year over the nation's extensive road network.

FMCSA's primary mission is to reduce the number and severity of crashes involving large commercial trucks and buses involved in interstate commerce. It carries out this mission by issuing, administering, and enforcing federal motor carrier safety regulations and hazardous materials regulations and gathering and analyzing data on motor carriers, drivers, and vehicles, among other things. FMCSA also takes enforcement actions itself and funds and oversees enforcement activities at the state level through Motor Carrier Safety Assistance Program grants.

FMCSA ensures that motor carriers comply with safety regulations primarily through compliance reviews of carriers already in the industry and safety audits of carriers that have recently started operations. Compliance reviews and safety audits help FMCSA determine whether carriers are complying with its safety regulations and, if not, to take enforcement action against them, including placing carriers out of service.[5] FMCSA makes its compliance determination based on a carrier's performance in six areas: one area is the carrier's crash rate, and the other five areas involve the carrier's compliance with regulations, such as insurance coverage, driver qualifications, and vehicle maintenance and inspections. In addition, FMCSA places carriers out of service for failure to pay civil penalties levied by FMCSA, failing a safety audit, and for failing to schedule a safety audit. Out-of-service carriers must cease operations and

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[5]Safety audits and compliance reviews also provide education and outreach opportunities for motor carriers and drivers on safety and hazardous materials regulations.

cannot resume operations until FMCSA determines that they have corrected the conditions that rendered them out of service. If a carrier fails to comply with or disregards an out-of-service order, FMCSA may assess a civil monetary penalty each time the vehicle is operated in violation of the order. In 2008, FMCSA ordered 6,707 carriers out of service.

FMCSA and state law enforcement agencies are dwarfed by the size of the industry and, as a result, are only able to conduct compliance reviews on a very small percentage of carriers—about 18,400 in fiscal year 2008.[6] Safety audits are required for all new entrants to the trucking industry; approximately 37,400 safety audits were conducted in fiscal year 2008. In addition to compliance reviews and safety audits, FMCSA and state law enforcement agencies conduct about 2.3 million vehicle inspections each year at weigh stations and other locations to assess the safety compliance of individual vehicles.

FMCSA and state law enforcement agencies use several methods to ensure that carriers that have been ordered out of service do not continue to operate. For example, FMCSA and its state partners monitor data on roadside inspections, moving violations, and crashes to identify carriers that may be violating an out-of-service order. FMCSA will visit some suspect carriers that it identifies by monitoring crash and inspection data to determine whether those carriers violated their orders. Also, recently, the Commercial Vehicle Safety Alliance[7] began to require checking for carriers operating under an out-of-service order during roadside inspections and to take enforcement action against any that are. However, given the large size of the industry, the nation's extensive road network, and the relatively small size of federal and state enforcement staffs, it is difficult to catch motor carriers that are violating out-of-service orders. In addition, some carriers change their identities by changing their names

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[6]FMCSA is developing a new initiative—Comprehensive Safety Analysis 2010—to extend its reach. See GAO, *Motor Carrier Safety: The Federal Motor Carrier Safety Administration Has Developed a Reasonable Framework for Managing and Testing Its Comprehensive Safety Analysis 2010 Initiative*, GAO-08-242R (Washington, D.C.: Dec. 20, 2007) and FMCSA's Web site at http://www.fmcsa.dot.gov/safety-security/csa2010/home.htm.

[7]The Commercial Vehicle Safety Alliance is an international not-for-profit organization comprised of local, state, provincial, territorial, and federal motor carrier safety officials and industry representatives from the United States, Canada, and Mexico that establishes minimum inspection and vehicle out-of-service criteria for highway enforcement officials.

and obtaining new DOT numbers[8]—which are generally referred to as chameleon carriers—to avoid being caught.

FMCSA allocates PRISM grants to states to address the problems of out-of-service carriers registering or reregistering vehicles (when renewal is needed), including chameleon carriers. PRISM grants enable states to work through the registration protocol—known as the International Registration Plan (IRP)[9]—that state motor vehicle administrations use to register vehicles of carriers involved in interstate commerce. In 2008, over 2 million vehicles had IRP (interstate) registrations. PRISM grants provide the state motor vehicle administration where the vehicle is registered—called the "base state"—with the capability to check the safety status of motor carriers, using the carrier's DOT number and the vehicle identification number, prior to issuing or renewing a carrier's registration.

According to FMCSA, sanctioning the IRP (interstate) registrations of commercial motor vehicles is a powerful enforcement tool in deterring out-of-service carriers from operating on U.S. roadways. If the carrier or vehicle is associated with an out-of-service order at the time of registration, the state motor vehicle administration will deny the registration of that carrier if the state has implemented PRISM to the point where it can deny registrations to out-of-service carriers. In addition, state motor vehicle administrations also suspend or revoke the registrations of vehicles associated with out-of-service carriers, without waiting for the carrier to attempt to reregister. States use various methods to inform a carrier that its vehicle registrations have been suspended or revoked. For example, some states notify the carrier via letter, and some states request that the carrier return the vehicle license plates. Other states send motor vehicle administration personnel or state law enforcement to the carrier's place of business to retrieve the license plates following a registration suspension or revocation.

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[8]The DOT number serves as a unique identifier when collecting and monitoring a carrier's safety information acquired during audits, compliance reviews, crash investigations, and inspections. Companies that operate commercial vehicles transporting passengers or hauling cargo in interstate commerce must be registered with the FMCSA and must have a DOT number. Also, commercial intrastate hazardous materials carriers that haul cargo requiring a safety permit must have a DOT number.

[9]IRP is used to register commercial motor vehicles with a gross vehicle weight of over 26,000 pounds that travel between two or more states or Canadian provinces to ensure an equitable distribution of registration fees, which is based on vehicle miles traveled in each state or Canadian province. All states (except Alaska and Hawaii) are members of IRP.

Another benefit of PRISM is that it helps prevent an out-of-service carrier from registering in a state other than its base state in an attempt to avoid having its registration denied. This works to the extent that the nonbase state or states in which the carrier seeks to register participate in and have fully implemented the PRISM program (that is, deny, suspend, or revoke vehicle registrations to out-of-service carriers). As of April 2009, 25 states have this capability. (See fig. 1.) Six other states are collecting vehicle identification numbers and the DOT number of the carriers associated with those vehicles and may be checking the safety status of the carrier at the time of registration. Sixteen other states and the District of Columbia have entered into an agreement with FMCSA to implement PRISM grants but have not yet moved forward substantially to implement the program. The remaining three states do not participate.

Figure 1: States Participating in PRISM, as of April 2009
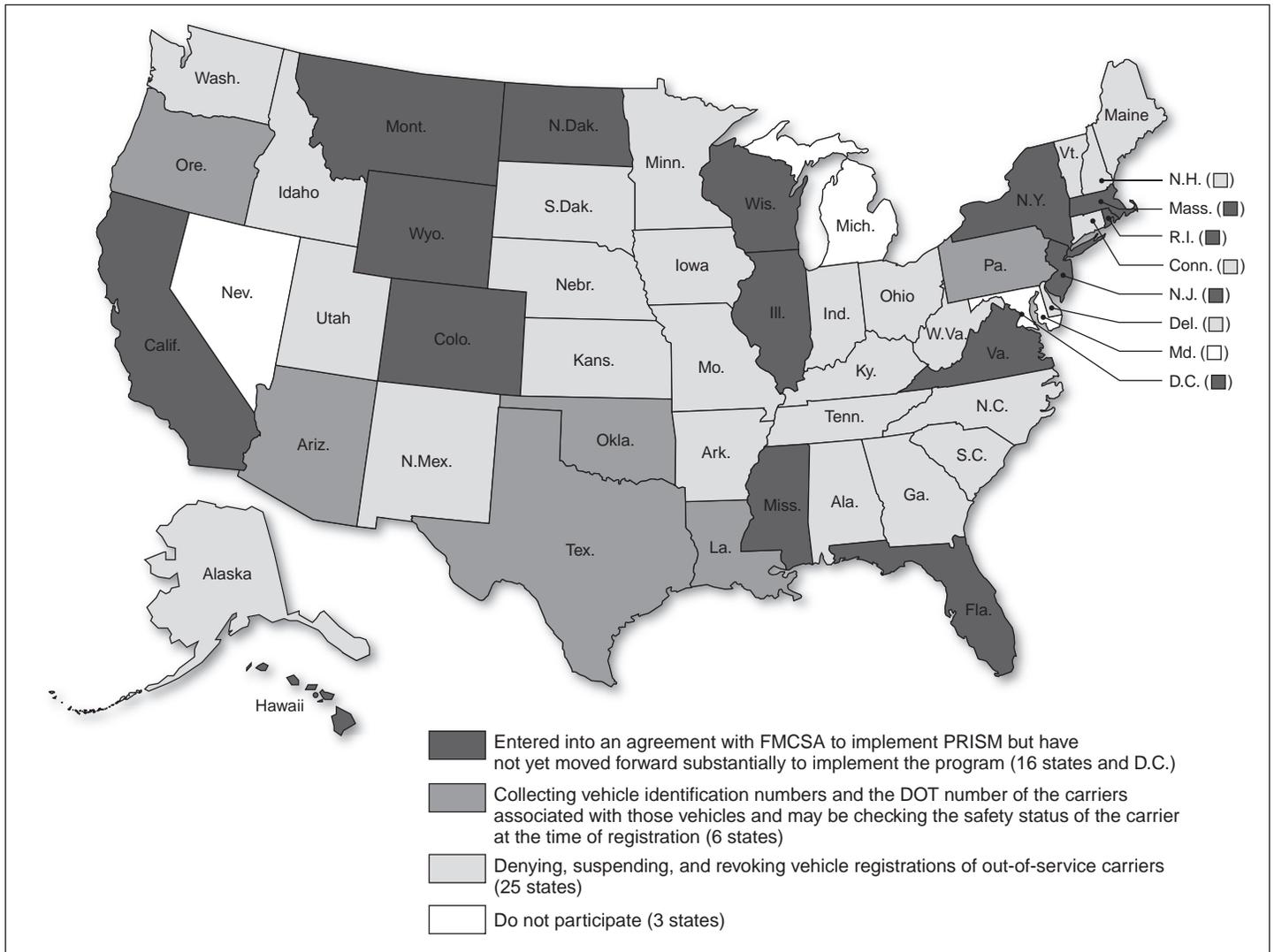
Source: FMCSA (data); and MapArt (map).

Note: While Alaska and Hawaii do not participate in IRP, each state has a system that provides them with the capability to deny, revoke, or suspend the commercial vehicles regulated by FMCSA.

Within FMCSA's 2008 budget (including grants) of about $530 million, the PRISM grants program is very small. Under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, PRISM is

authorized $5 million annually from fiscal years 2005 through 2009.[10] These amounts have been appropriated each year. FMCSA officials told us that they annually allocate about $4 million to participating states in the form of grants and $1 million for FMCSA program administration.

States use PRISM grant funds—approximately $500,000 per state—to implement several requirements.[11] For example, for registration requirements, states create and maintain information technology connections to FMCSA's safety databases and the state's IRP system to collect and validate the DOT number of the carrier each vehicle is associated with and to check the safety status of those carriers. States also develop the programs necessary to load and retrieve data and correctly process the information to its system. In addition, in order to capture the DOT number and other carrier information on each vehicle record, states will need to modify existing forms, screen formats, and information storage. States also develop procedures to check the carrier safety status on each registration or renewal and train staff on how to do such checks. Although PRISM grants are intended to pay for the total costs to carry out all program requirements, states contribute some funds for program implementation.

FMCSA uses its PRISM funds for technical support for its databases, as well as for travel costs. Although FMCSA did not use PRISM funds to support PRISM program personnel's travel in fiscal year 2008, FMCSA officials told us that it has done so to date in fiscal year 2009 due to general agency travel budget constraints associated with the fiscal year 2009 continuing resolution.

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[10]Pub. L. No. 109-59, 119 Stat. 1144 (2005).

[11]Grants have ranged from $180,700 to $750,000. FMCSA determines the grant amount based on a variety of factors, such as whether the state uses a contractor for the IRP program or uses in-house support, the level of current technology in the state, and the level of communication for law enforcement. Also, some states receive a second grant allocation. PRISM grants are reimbursable—that is, states incur costs, and ask FMCSA to reimburse them with grant funds for eligible expenditures.

PRISM Has Helped Keep Unsafe Carriers from Registering, but Its Impact on Safety Is Hard to Measure

PRISM Has Enabled 25 States to Identify and Keep Unsafe Carriers from Obtaining or Maintaining Vehicle Registrations

FMCSA data show that PRISM has resulted in the denial, suspension, or revocation of the commercial motor vehicle registrations of 972 carriers in 2008.[12] According to FMCSA data, 671 unsafe motor carriers had vehicle registrations suspended or revoked, while 301 unsafe motor carriers had vehicle registrations denied—together representing about 15 percent of carriers that were ordered out of service in 2008.[13] These results are likely understated because some states that are reporting are not able to track the data in a systematic or verifiable way. Three of the 13 states we contacted that deny, suspend, and revoke vehicle registrations based on an out-of-service order do not track the number of registration denials. Officials in one of those three states told us that no record is created when registrations are denied. Rather, after a carrier attempting to register or reregister a vehicle associated with an out-of-service DOT number in that state is told the out-of-service order precludes registration, the carrier typically leaves the office, ending the matter. Officials in another state manually track denials, but have no method of verifying the data. FMCSA officials acknowledge that there are limitations to the data and that the data probably underestimate the number of denials, suspensions, and revocations that occur.

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[12]FMCSA compiles state-reported data on a quarterly basis. Beginning in March 2006, FMCSA added fields for states to report the number of denials, suspensions, and revocations. Prior to 2006, FMCSA officials told us that they would call the limited number of PRISM states that had implemented the denial, suspension, and revocation requirement to gather the data. For 2008 data, at least 10 of the 25 states that provided reports to FMCSA each quarter did not report data on denials, suspensions, and revocations. FMCSA officials told us that they assume that these states did not deny, suspend, or revoke any registrations during that quarter. Officials do not follow up with states to determine if this is the case or if the state had mistakenly not reported data. As a result, data could be underreported.

[13]It is possible that carriers that were denied vehicle registrations had their registrations suspended or revoked in the same year. An FMCSA official, however, told us that this is unlikely since suspensions and revocations occur during the registration year and denials occur the following year—when a carrier attempts to register new vehicles or reregister vehicles.

Stakeholders Contacted View PRISM Implementation as Worth the Effort, Although Its Impact on Safety Is Difficult to Measure

Officials from each of the 13 states we contacted that deny, suspend, or revoke registrations told us that they believe PRISM is worth the effort to implement because the grant program provides a deterrent against unsafe carriers. State officials told us that the deterrent can increase safety, but they could not quantify improved safety outside of tracking the number of denials, suspensions, and revocations of vehicle registrations to out-of-service carriers. Law enforcement officials in one state we met with told us that PRISM grants may enable them to identify these carriers by providing officials with wireless connections to safety databases, allowing officials to check a carrier's safety status at weigh stations on the roadside. As a result, several state officials believe that PRISM has helped keep their roadways safer. For example, officials in one state told us that PRISM implementation is worth the effort—even if it has only prevented a few out-of-service carriers from registering. The state official said that if PRISM implementation prevents a major, expensive crash, then the program would be a success.

FMCSA officials told us that state denial of vehicle registrations associated with out-of-service carriers serve as a sufficient deterrent to prevent some unsafe carriers from attempting to obtain valid registrations. Representatives from industry and safety groups echoed these comments. Representatives from a safety association we met with told us that PRISM is the only program that establishes a safety connection between a vehicle and the motor carrier company on an up-to-date basis.

We believe that the PRISM program appears to have a very strong potential cost-benefit component. The overall cost of implementing the program ($5 million per year) is relatively small in comparison to the potential benefit of increased roadway safety as a result of reduced out-of service carriers operating on U.S. roadways, especially as more states deny, suspend, and revoke the registrations of vehicles associated with out-of-service carriers.

FMCSA Has Looked for Ways to Measure PRISM's Impact on Safety, but Has Not Yet Adopted Measures

FMCSA sought to understand PRISM's effectiveness by sponsoring an evaluation of the PRISM program and the extent to which PRISM has improved safety. In 2007, the Volpe Center, which conducted this evaluation, concluded that states with denial, suspension, and revocation capability show some improved safety over time compared with other states, indicating that PRISM, when fully implemented, could have

contributed to lower crash rates, although its results were inconclusive in several areas.[14] The Volpe report used two measures to assess how PRISM's registration sanction component affected commercial vehicle safety:[15]

- *Comparison of commercial vehicle crash rates in pre-PRISM versus post-PRISM states and in PRISM versus non-PRISM states by year.* The report found that the comparison of crash rates in eight states that progressed from nonparticipating to denying, suspending, and revoking vehicle registrations between 2000 and 2005 revealed a potential downward influence on crash rates in states that fully implemented PRISM. While almost all eight states had rising crash rates over time, the increase was lower for these states compared with other states that did not fully implement PRISM over the same time period. Comparisons between commercial vehicle crash rates in states that do not participate in PRISM and states that deny, suspend, and revoke vehicle registrations by year were inconclusive.

- *States' success in denying registrations to out-of-service carriers.* The report found that, with few exceptions, PRISM states did not erroneously issue registrations to out-of-service carriers.

The Volpe report concluded that PRISM cannot succeed alone, as it works in conjunction with other FMCSA and state programs (for example, compliance reviews, new entrant safety audits, and roadside inspections) to reduce crashes and safety violation rates. Because all FMCSA programs are aimed at reducing crash rates and because numerous factors contribute to crash rates, isolating PRISM's effect is difficult.

Although isolating PRISM's impact on safety is difficult, measuring performance when a significant number of states fully implement PRISM could help FMCSA assess PRISM's effectiveness in achieving the program goal of improved safety. The 2007 Volpe report suggested that FMCSA evaluate the program's effectiveness by using the measures discussed

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[14]John A. Volpe National Transportation Systems Center, Motor Carrier Safety Division for FMCSA Strategic Planning and Program Evaluation Division, *Performance & Registration Information Systems Management, Program Evaluation Final Report* (August 2007).

[15]The Volpe report also compared driver and vehicle out-of-service violation rates in PRISM to evaluate the effectiveness of one of PRISM's other components—the Motor Carrier Safety Improvement Process, which helps to target high safety-risk carriers for roadside inspections to improve their safety status. The analysis did not show a conclusive relationship between these violation rates and PRISM.

above, which Volpe initially used to assess PRISM's effect on commercial vehicle safety (that is, comparison of crash rates and state success in sanctioning registrations). FMCSA officials told us they have not evaluated crash rates in states pre- and post-PRISM implementation because of insufficient resources and because of the difficulty of isolating PRISM's effect on crash rates. For example, the benefits of PRISM implementation may not be seen in the state that implemented the program (that is, a vehicle denied registration in one state may have had a crash in another state). As such, isolating PRISM's effect on state crash rates is complicated, particularly when only about half the states have fully implemented PRISM. Consequently, changes in crash rates pre- and post-PRISM may be attributable to other factors. FMCSA officials told us that this may simply represent a correlation, rather than a cause and effect relationship, or may be the result of the state implementing a variety of safety-related actions. However, as the Volpe report noted, an effective control method for factors that influence motor carrier crash occurrence (for example, highway infrastructure or weather) is to observe the impact of PRISM implementation one state at a time, comparing pre- and post-PRISM crash rates within the same states over time. The Volpe report added that while such an approach does not eliminate the problem of external factors that influence crash rates, it provides a degree of control not possible in simple comparisons of crash rates between PRISM and non-PRISM states.

While the current FMCSA data on PRISM—the number of denials, suspensions, and revocations—are useful, they do not fully measure PRISM's effectiveness. In particular, the number of denials is an imperfect measure. As the Volpe report points out, a reduction in the number of denials over time may imply either that PRISM is not doing a good job or that PRISM has had a substantial positive influence by functioning as a deterrent that discourages carriers from attempting to register vehicles while under an out-of-service order. Over time and as more states participate in PRISM, the number of denials may decrease because carriers will know that they will not be able to receive valid registrations if they are out of service.[16] Furthermore, until all—or nearly all—states are fully implementing PRISM, the numbers of suspensions and revocations are also imperfect measures, since out-of-service carriers can obtain vehicle registrations in the states that are not fully implementing PRISM.

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[16]The number of carrier suspensions and revocations should be relatively consistent with the number of carriers being ordered out of service in a given year.

According to FMCSA officials, since the Volpe evaluation, PRISM has implemented an alert report that identifies vehicles when they are placed out of service. State officials then suspend these vehicles in a timely manner, leaving very few vehicles that are available to fit into the category of denial of registration at renewal.

FMCSA officials also told us that the number of carriers that have vehicle registrations suspended and revoked under PRISM will not be equal to the number of carriers ordered out of service in a given year for several reasons. First, according to FMCSA data, the majority of carriers (about 87 percent) ordered out of service in 2008 were new entrants. These entrants may not have tried to register vehicles, so there may not be any vehicle registrations to suspend or revoke, or they may have mistakenly registered as an interstate carrier when they should have registered as an intrastate carrier or a registrant only.[17] According to FMCSA officials, these registrants provide a DOT number at the time of registration for the carrier responsible for safety. Since the DOT number is not associated with a carrier that is out of service, the vehicles will not be suspended even if the registrant's number is associated with an out-of-service order. Second, for those carriers ordered out of service for failure to pay fines (about 8 percent in 2008, according to FMCSA data), FMCSA advises states to check with the state FMCSA Division Office before they go through the work of denying, suspending, and revoking vehicles. FMCSA advises this action because the fines may be resolved within a couple of days, and it would not be worth the effort of sanctioning the registrations to reinstate them hours or days later. In addition, there are also out-of-service carriers in non-PRISM states that will not have their vehicle registrations suspended. Last, the numbers of out-of-service carriers include interstate carriers that operate vehicles that weigh between 10,000 and 26,000 pounds. IRP does not require carriers to register vehicles that weigh less than 26,000 pounds. Since PRISM only affects IRP registrations—these carriers are not included in PRISM.

The Volpe report indicated that PRISM will struggle to achieve its full potential until most states (perhaps 90 percent) are implementing PRISM to the extent that they can deny, suspend, and revoke vehicle registrations.

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[17]Registrant-only entities register commercial motor vehicles but do not operate as motor carriers under any circumstances; these entities are usually comprised of leasing companies that do not have operating authority and are not identified as the carrier responsible for safety for IRP registration. Consequently, motor carriers that use the registrant-only number may escape FMCSA oversight.

FMCSA officials said that other than collecting data on the number of out-of-service carriers that had vehicle registrations sanctioned, it is difficult to measure PRISM's effectiveness. One official told us that as long as the program is executed correctly, PRISM enables states to deny, suspend, or revoke the vehicle registrations of out-of-service carriers. When most states have the capability to sanction registrations, it may be easier to demonstrate PRISM's effect on safety. FMCSA officials have suggested that this might be from about 38 to 40 states.

In response to the Volpe evaluation, FMCSA developed performance measures for state participants, such as suspending or revoking the registration of vehicles associated with an out-of-service carrier for all reasons permitted by state law, and for the PRISM team, such as performing annual implementation reviews on six states, assisting states in preparing their implementation plans, and publishing two newsletters each year. For the most part, these measures seem to be process-oriented and do not appear to demonstrate the achievements of the program.

In our view, applying outcome performance measures such as Volpe's two measures and measuring the percentage of out-of-service carriers affected by PRISM, while ultimately useful, may be premature at this time. Currently, PRISM's success is undercut by the 25 states and the District of Columbia that either do not yet have the capability to deny, suspend, or revoke vehicle registrations of out-of-service carriers or do not participate in the program.

Patchwork Implementation Is One of Several Factors Limiting PRISM's Effectiveness

According to FMCSA data, 22 states and the District of Columbia are not far enough along in implementing PRISM to deny, suspend, or revoke vehicle registrations of out-of-service carriers, and 3 states do not participate in PRISM at all. As a result, out-of-service carriers in these 25 states and the District of Columbia can register and reregister vehicles and keep operating with valid registrations, albeit in violation of FMCSA's out-of-service orders. In addition, carriers that had been denied registration in PRISM states may be able to register vehicles in non-PRISM states or PRISM states that do not yet have the capability to deny, revoke, or suspend registrations for out-of-service carriers. Of the over 2 million vehicles with IRP registrations in 2007, about 1.3 million vehicles (or 65 percent) were registered in states that are not denying, suspending, or revoking vehicle registrations. States with some of the largest numbers of commercial vehicle registrations, such as Indiana, Illinois, Oklahoma, New Jersey, and California, have not fully implemented PRISM.

In addition, charter buses are exempt from IRP (interstate) registration and thus not subject to PRISM.[18] Charter bus crashes are relatively rare but can be particularly deadly, since many people may be involved. The American Bus Association commissioned a 2008 motor coach census, which found that in 2007, over 3,400 carriers operated about 33,500 buses in the United States and Canada.[19] Over 96 percent of carriers provided charter services. Although some charter buses choose to register through IRP, many do not and, therefore, are not included in PRISM. Representatives from IRP, Inc., the American Association of Motor Vehicle Administrators, and the United Motorcoach Association, as well as officials from FMCSA, told us that charter buses are exempt from IRP registrations because the vehicles are for hire and may not be able to reliably predict which states they may travel to in order to properly apportion registration fees. The representatives, however, were not able to provide a rationale for why this exemption does not apply to for-hire trucking companies that also may not be able to reliably predict the states in which they may travel. Officials from FMCSA told us that charter buses could be included in PRISM if charter buses were required to register through IRP or if PRISM was expanded to include non-IRP vehicles. Officials from nine states we met with that sanction vehicle registrations of out-of-service carriers told us that charter buses should be included in PRISM. According to representatives from IRP, Inc., there has been some discussion on changing the exemption to require charter buses to register through IRP; however, no changes have been formally submitted for approval by its member states.

Finally, while PRISM helps states identify vehicles associated with an out-of-service carrier, they are not always able to keep these vehicles from being registered. Theoretically, when an out-of-service carrier attempts to reregister a vehicle using a new carrier name and new DOT number, states implementing PRISM would know that the vehicle identification number is or has been associated with an out-of-service DOT number. In some states, officials said that they deny registrations to carriers they suspect of being chameleon carriers because the IRP system alerts them that the vehicles are associated with an out-of-service carrier. However, officials from 6 of

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[18]Charter buses provide service to groups traveling together to a specified location or for a particular itinerary.

[19]Nathan Associates, *Motorcoach Census 2008: A Benchmarking Study of the Size and Activity of the Motorcoach Industry in the United States and Canada in 2007* (Dec. 18, 2008).

the 13 states we contacted that deny, suspend, and revoke vehicle registrations told us that they provide registrations because they cannot conclusively link the new carrier to the old out-of-service carrier at the time of registration—even if the vehicle identification number is or has been associated with an out-of-service carrier—especially when the new carrier is presenting legitimate documentation of the new company. In one state, officials told us that if a vehicle identification number for a new registration is identified through PRISM as being associated with an out-of-service DOT number, the carrier is notified that the vehicle is attached to the out-of-service DOT number. If the carrier provides proper documentation to support ownership (for example, proof of an established place of business in the state, proof of title for the vehicles being registered, and other documents), the vehicle is registered.[20] Officials added that they would also provide registration for these carriers because it would be next to impossible to prove differently based on speculation.

In another state, officials told us that once a chameleon carrier obtains a new DOT number, the motor vehicle administration is unable to prevent the carrier from obtaining an IRP registration—even if they know the carrier is a chameleon carrier—because they do not deny the registration until FMCSA connects the identity of the "new" carrier with the out-of-service carrier. According to those state officials, they issue new registrations to carriers that have valid paperwork showing a new name and DOT number, among other things. Those officials also told us that they contact the state FMCSA division office when they suspect that a carrier may be evading an out-of-service order. An official from the FMCSA state division office told us they investigate the carrier by reviewing carrier, driver, and vehicle records to determine whether the carrier is in fact a chameleon carrier. If they are able to prove that the carrier reinvented itself to evade an out-of-service order, the out-of-service order will be transferred to the new DOT number, and the state can then suspend the vehicle registrations associated with the new DOT number.

Chameleon carriers may also remain in operation in many states by registering as intrastate carriers, but continuing to operate as interstate carriers. By registering as intrastate carriers, these carriers are no longer subject to federal regulation. Officials in 12 of the 13 states we contacted

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[20]Officials in this state also said that in many cases, when the out-of-service DOT number is identified, it is usually an owner-operator trying to register their vehicle under a different carrier that is not out of service. Owner-operators own their own vehicles and may act as a driver for another employer at certain times or may be self-employed at other times.

were not using vehicle identification numbers to check for federal out-of service orders prior to issuing an intrastate registration to a carrier. According to FMCSA officials, FMCSA has been recommending that states modify their laws to prohibit the issuance of any vehicle registration to a carrier that has received a federal out-of-service order. FMCSA has also allocated a supplemental grant to Washington state to incorporate non-IRP registrations into the PRISM network to ensure that state motor vehicle administrations check federal out-of-service orders before issuing registrations to non-IRP vehicles. Georgia officials told us they requested funds to expand PRISM to non-IRP commercial vehicles. According to FMCSA officials, the agency provides funds to expand PRISM's registration sanction framework to include vehicles exempt from IRP registrations. Most states have two databases for registering motor vehicles—one for vehicles that are required to obtain IRP registrations and one for vehicles that are exempt, such as charter buses that are under FMCSA's oversight and intrastate carriers. Thus, even though intrastate carriers are not generally under FMCSA's regulatory authority, they are included within the registration database of other vehicles that are under FMCSA's regulatory authority.

National PRISM Implementation May Not Occur for Years if PRISM Is Maintained as a Voluntary Program

Time States Need to Implement PRISM Varies

PRISM will be most effective when all—or nearly all—states have the ability to deny, suspend, and revoke registrations; only about half of them have this capability now. At the outset of PRISM implementation, FMCSA works with each state to create an implementation plan, which includes identifying responsible parties, how the state will meet the program requirements, timelines for completion, and estimated costs. States are also required to report their progress to FMCSA on a regular basis, as designated in the implementation plan. While some states have implemented PRISM relatively quickly, it has taken other states much longer. FMCSA data show that the average time it took states to affect vehicle registrations after the states committed to implementing PRISM

was 3 years and 4 months, but it can take as little as 10 months or as long as 7 years and 4 months. (See fig. 2.) In addition, FMCSA data show that nine states have been implementing PRISM for 5 years or more but are not yet able to deny, suspend, or revoke vehicle registrations of out-of-service carriers for reasons discussed later in this report. FMCSA officials stated, however, that in comparison with other voluntary programs, such as IRP and the International Fuel Tax Agreement (a fuel use tax agreement that establishes uniform administration of motor fuel taxation laws for interstate motor vehicles), states are implementing PRISM at a satisfactory pace. IRP began in 1973, while the International Fuel Tax Agreement began in 1983. Neither program had participation among all 48 contiguous states until the Intermodal Surface Transportation Efficiency Act of 1991 encouraged state participation.[21]

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[21]With IRP, the Intermodal Surface Transportation Efficiency Act of 1991 stated that after September 30, 1996, a nonparticipating state could not establish or enforce its own motor vehicle registration laws and regulations on vehicles that are in the state but are registered in participating states. With the International Fuel Tax Agreement, the act stated that after September 30, 1996, a state may establish, maintain, or enforce a law or regulation that has a fuel use tax reporting requirement (including any tax reporting form) only if the requirement conforms with the International Fuel Tax Agreement.

Figure 2: Time Taken for States to Reach Ability to Deny, Suspend, or Revoke Vehicle Registrations
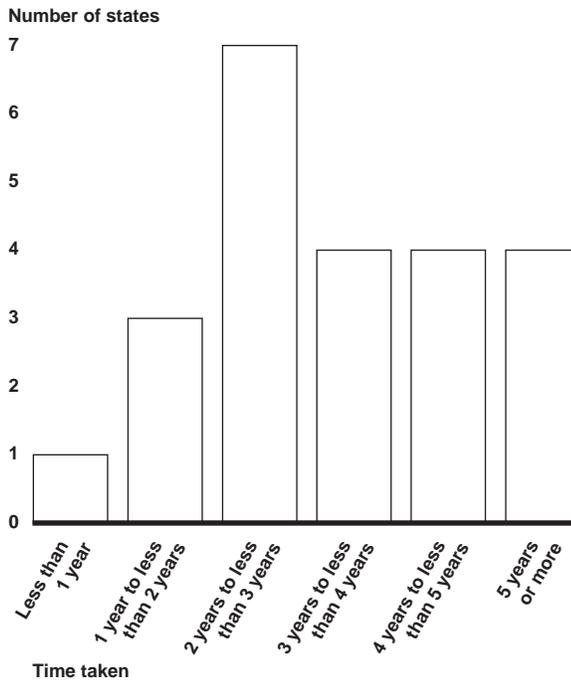
Source: GAO presentation of FMCSA data.

Note: Iowa and Minnesota also have the ability to deny, suspend, or revoke registrations. These states were part of the pilot of PRISM and had this ability while in the pilot stage. Therefore, their data are not included in this figure.

State officials we met with identified several factors that affected the time states needed to fully implement PRISM. Officials in all 13 states we met with that are denying, suspending, and revoking vehicle registrations identified one or more of the following three key factors that facilitated implementation:

- *Hiring a contractor to implement technical aspects of PRISM, rather than implementing PRISM with current state staff.* Ten states hired a contractor to implement technical aspects of PRISM. State officials told us that an experienced contractor often provides states with the expertise to properly implement PRISM's technical components in a timely manner. Officials from one state told us that hiring a contractor that had been used by other states to implement technical aspects of PRISM made implementation easy.

- *Having one agency responsible for motor carrier issues.* Officials from five states told us that having one agency responsible for issuing motor

carrier registrations and providing motor-carrier safety oversight helped facilitate implementation. Officials from one of those states told us that three separate motor vehicle agencies (registration, enforcement, and oversight) came together into a single motor carrier services division, which made PRISM implementation much easier. Prior to that time, agreeing on an agenda and coordinating between the agencies was difficult.

- *Sufficient financial support to fully implement the program.* Each year, FMCSA allocates $4 million to various states to implement PRISM. Some states receive more grant funds or a second grant allocation. Officials from 11 states told us that these PRISM grant allocations were sufficient; 6 of these 11 states received a second grant.

Officials from the 26 states we contacted identified one or more of the following three key factors that prevented or delayed PRISM implementation:

- *Overhauling outdated commercial vehicle registration systems that have difficulty incorporating technical aspects of PRISM.* Officials in nine states cited having outdated state IRP registration systems that needed significant updating to incorporate PRISM functions. One state was implementing a new, updated IRP system. According to officials from that state, the cost of the new system was approximately $11 million. FMCSA officials told us that they were aware that the state had to improve its technical connectivity because its system was insufficient to support PRISM.

- *Competing priorities within state motor vehicle registration administrations.* Officials from eight states told us that competing priorities within state motor vehicle administrations delayed or hampered PRISM implementation. State motor vehicle administrations typically have multiple responsibilities (such as licensing drivers and registering passenger vehicles), and the registration of commercial vehicles may only be a small part of these responsibilities. Officials in one state told us that they prioritize programs that deal with licensing drivers and registering passenger vehicles due to those registration volume demands. Also, officials from four states said that they were working on other commercial vehicle safety efforts, such as the commercial vehicle information exchange window system, and unable to move forward with PRISM

implementation.[22] Furthermore, PRISM may conflict with a state motor vehicle administration's focus on timely and efficient customer service. State motor vehicle administrations often focus on processing registration applicants as quickly as possible. PRISM may impose some time-consuming requirements, depending on the state's registration system capabilities. For example, two states have to manually check an applicant's safety status and work with the carrier to update carrier information (also required by PRISM),[23] which can slow down the registration process.

- *Inability to or difficulty in passing enabling legislation needed to deny, suspend, or revoke commercial vehicle registrations based on a federal out-of-service order.* Officials from five states told us that their states do not have PRISM-enabling legislation to revoke, deny, or suspend registrations of out-of-service carriers. States need the legal authority to impose vehicle registration sanctions against motor carriers that FMCSA has prohibited from operating. State trucking associations, however, may stall or block such enabling legislation. For example, officials from one state told us that in trying to pass legislation, the state trucking association was initially concerned about the timeliness for carriers to get vehicle registrations reinstated once the out-of-service order is rescinded. Once the association understood that timeliness would not be an issue, it supported PRISM.

FMCSA Is Limited in Accelerating National PRISM Implementation

FMCSA has worked to address some of the factors states cited that delay or prevent PRISM implementation, but is limited in its ability to speed national implementation. Due largely to its voluntary nature, FMCSA is limited in its ability to compel states to pass PRISM-enabling legislation, prioritize PRISM implementation, or overhaul outdated commercial vehicle registration systems. However, FMCSA has taken some action to address these factors. First, FMCSA has drafted model PRISM-enabling legislation that is available on its Web site. State legislatures, however,

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[22]The commercial vehicle information exchange window system consists of a comprehensive database of motor carrier safety and credential information, along with software that ensures the smooth flow of these data to and from other federal and state motor carrier, vehicle, and driver safety information systems. The system interfaces with a state's existing information systems and exchanges data with federal safety databases.

[23]PRISM also requires carriers to update an FMCSA carrier form (the MCS-150), which details company information such as how many vehicles a carrier operates. In PRISM states, carriers are required to update this information annually, as opposed to once every 2 years.

may meet infrequently and may not value PRISM-enabling legislation as an important agenda item, thereby delaying the passage of needed legal authority to deny, suspend, or revoke the registration of out-of-service motor carriers. Second, FMCSA holds a 2-day training session with states to identify and begin to work through the issues related to implementing PRISM, and develops an implementation plan that presents step-by-step procedures to implement PRISM. FMCSA cannot, however, compel states to move quickly on taking those steps. Finally, FMCSA works with older state registration systems (referred to as legacy systems) to facilitate connectivity to FMCSA databases, and FMCSA staff provide technical assistance to help states identify and address technical barriers to establishing connectivity. FMCSA officials, however, told us that PRISM grants cannot fund a multimillion dollar overhaul of the state's legacy system just to establish PRISM connectivity, since PRISM connectivity is a relatively minor aspect of such a registration system.

States we contacted that do not have the ability to deny, suspend, or revoke vehicle registrations had differing views regarding actions that FMCSA could have taken to help them implement PRISM more quickly. Officials in three of the nine states that have been implementing PRISM for 5 years or more without the ability to deny, suspend, or revoke vehicle registrations of out-of-service carriers did not identify actions that FMCSA could have taken to encourage them to implement PRISM more quickly.[24] Most state officials we contacted in states not fully implementing PRISM told us that FMCSA consistently offered to provide whatever support it could to help the state move forward with implementation, although as previously mentioned, FMCSA was often limited in its ability to influence certain factors. Officials in two states, however, told us that FMCSA officials could have contacted them more often or otherwise put more pressure on them to raise PRISM's priority to ensure their state's participation in PRISM. In addition, states that have fully implemented PRISM were generally satisfied with FMCSA's actions to assist them in continuing to operate PRISM.

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[24]We interviewed four of the nine states that have been implementing PRISM for 5 years or more but do not yet have the ability to deny, suspend, or revoke vehicle registrations.

Requiring Full PRISM Implementation Would Accelerate National Implementation, but Faces Significant Drawbacks

We conducted a general search of public policy literature for when a mandatory or voluntary approach is preferred for program participation and to achieve certain desired outcomes. Our review indicates that requiring states to fully implement PRISM—thereby enabling them to deny, suspend, or revoke the commercial vehicle registration of carriers that FMCSA has ordered out of service (the desired outcome)—may be a quicker approach toward achieving national PRISM implementation than the current voluntary approach. PRISM implementation and the program's desired safety outcome are consistent with conditions indicating that a mandatory, rather than voluntary, approach would work best. (See table 1.)

Table 1: Applicability of Mandatory and Voluntary Approaches to Implementing PRISM

Approach	Condition of success	Applicability of approach to implementing PRISM	
Mandatory approach	Desired outcome cannot be achieved through voluntary efforts	Uncertain	After 10 years, 25 states and the District of Columbia still do not deny, suspend, or revoke the commercial vehicle registration of carriers that FMCSA has ordered out of service. While all states may eventually have this desired outcome, a mandatory approach that includes timelines would achieve the desired outcome more quickly.
	Uniform application of a desired outcome is sought	Yes	
	Regulating agency seeks assurance that its compliance policies will be followed and establishes accountability	Yes	Some out-of-service carriers continue operating, thereby increasing the public's safety risk. Having all states denying, suspending, or revoking the registration of these carriers better provides FMCSA with the assurance and accountability that unsafe carriers are not operating.
Voluntary approach	Safety risks can be easily identified	No	Out-of-service carriers are not easy to identify, particularly chameleon carriers that change their identities.
	Regulator has a strong sense of duty to achieve a desired outcome	No	Denying, suspending, or revoking the registration of out-of-service carriers is generally not the principal concern of state motor vehicle administrations.
	Regulator faces a tight budget and increasing pressure to find cost-effective tools	Yes	Federal costs would almost certainly increase if the remaining 25 states and the District of Columbia were to fully implement PRISM over the short term. Thus, voluntary approaches may enable cost savings for FMCSA over mandates. In addition, states are facing tight budgets in this recessionary period.

Source: GAO analysis of public policy literature on preferable attributes of mandatory and voluntary approaches.

Stakeholders we met with differed on whether Congress should enact legislation that would require states to fully implement PRISM. According to officials in 12 states and representatives from safety associations we

interviewed, Congress should require all states to fully implement PRISM. These officials and representatives suggested that all states should be required to implement PRISM to ensure nationwide coverage so that no state becomes a "dumping ground" for unsafe or chameleon carriers. In addition, requiring states to implement PRISM by a certain date could result in timely national implementation. Conversely, officials in 3 of the 26 states supported keeping PRISM a voluntary program.[25] These officials noted that a mandate was unnecessary, since only 3 states have not committed to PRISM implementation. Furthermore, several state officials that are currently implementing PRISM told us that even though they did not implement PRISM quickly, the factors that prevented them from moving forward were eventually overcome. In addition, states are making progress in fully implementing PRISM. Since 2000, state participation and implementation of PRISM has increased steadily. (See fig. 3.) For example, in 2000, 33 states and the District of Columbia were not participating in PRISM, and as of April 2009, only 3 states were not participating. FMCSA data also indicate progress toward increased PRISM participation.

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[25]Officials from the remaining 11 states did not or preferred not to provide an opinion on requiring PRISM implementation. Representatives from industry associations we met with told us they did not support a mandate for various reasons. Those representatives said that states lack the necessary resources to comply with such a mandate and that there is no need for such a mandate, since roadside law enforcement has the ability to identify and sanction any carrier operating after FMCSA has placed the carrier out of service.

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Figure 3: Progress in Implementing PRISM, 2000 through April 2009

Number of states

States denying, suspending, or revoking vehicle registrations based on federal out-of-service order

States implementing or committed to implementing PRISM

States not participating in PRISM
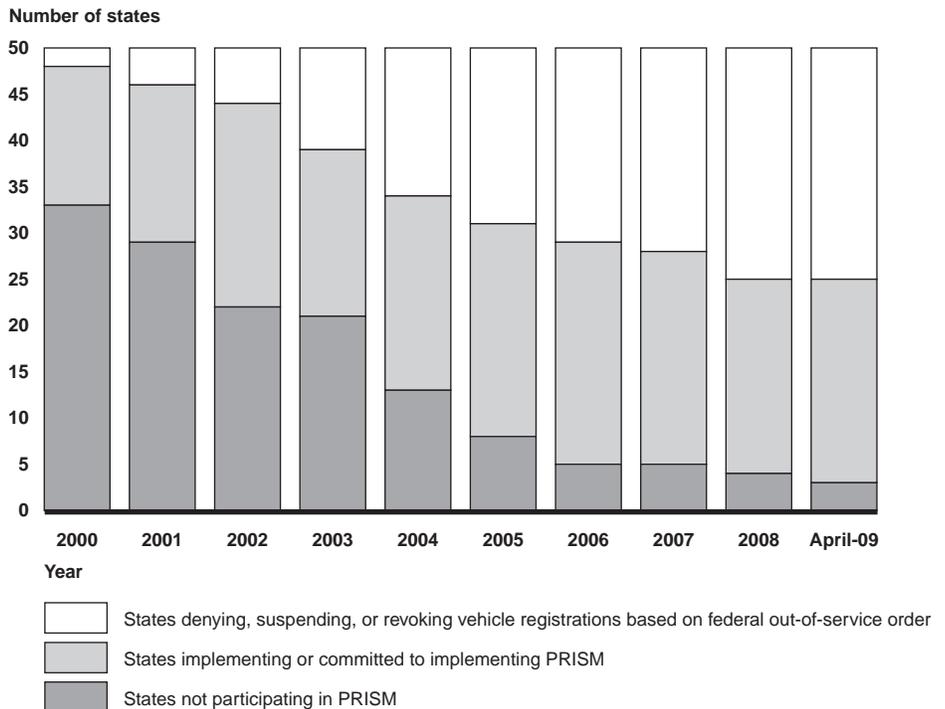
Source: GAO presentation of FMCSA data.

Note: This figure does not include the District of Columbia, which began its participation in 2008 when it committed to implementing PRISM. Its status remains unchanged as of April 2009.

While our review of public policy literature indicated that requiring states to fully implement PRISM may be a quicker approach toward achieving national PRISM implementation than the current voluntary approach, requiring states to implement PRISM within a certain time frame faces significant potential drawbacks and barriers—both technical and legal. First, such a requirement will likely cause PRISM implementation to move toward the top of a state motor vehicle registration administration's priority. PRISM implementation, however, may not be the most important activity for a state motor vehicle administration and may inhibit the administration's ability to complete other responsibilities, such as processing driver's licenses. Second, some states with significant barriers to PRISM implementation may need to obtain substantial funds in order to comply with a PRISM requirement. States with legacy registration systems that do not allow connectivity to FMCSA safety databases, for example, may need substantially more funds to enable them to fully implement PRISM than PRISM grants generally can provide. This could be

problematic in today's recessionary climate. PRISM grants are intended to fund the costs of creating technology interfaces between the states' systems and FMCSA databases and not to fund complete registration system overhauls, which could cost millions of dollars. In addition to these technical issues, Congress may not have the legal authority to require states to implement PRISM. Congress can impose nationwide requirements pursuant to authorities specified in the Constitution. Under the Tenth Amendment, however, Congress cannot require states to enact laws or regulations that would compel a state to enforce a federal regulatory program.[26]

While Congress is limited in its ability to require state adoption of PRISM, it has three options that may enable it to strongly encourage state participation. First, Congress can attach conditions upon the receipt of federal funds. For example, as it has done in the past, Congress could require that states will lose a certain percentage of highway construction funds if they fail to fully implement PRISM within a given time. In DOT's 2001 appropriations act,[27] Congress provided the National Highway Traffic Safety Administration with the ability to encourage states to adopt stricter standards for making it illegal for people to drive with a specified blood alcohol concentration (BAC) of .08 percent.[28] Under this provision, later codified, states that did not adopt a conforming .08 percent BAC law by October 1, 2003, would have a percentage of highway construction funds withheld each year.[29] Consequently, by July 2004, the legislatures in all 50 states and the District of Columbia passed laws defining it as a crime to drive with a BAC at or above .08 percent, whereas in 1999, only 16 states

[26]The amendment states that "the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." See, for example, *Printz v. United States*, 521 U.S. 898 (1997); *City of New York v. United States*, 505 U.S. 144 (1992).

[27]Pub. L. No. 106-346, 114 Stat. 1356 (2000).

[28]A .08 percent BAC is the level at which a person's blood contains 8/100ths of 1 percent alcohol.

[29]Specifically, states that did not adopt a conforming .08 percent BAC law by October 1, 2003, would have 2 percent of certain highway construction funds withheld. The statute added that each year, the withholding percentage would increase by 2 percent, up to 8 percent in fiscal year 2007 and later. Those states that adopted a conforming .08 percent BAC law within 4 years of any withholding would be reimbursed for those withheld funds. If a state had not adopted a conforming .08 percent BAC law by October 1, 2007, portions of the state's withheld funds would begin to lapse and would no longer be available. 23 U.S.C. § 163(e).

had enacted such a law. If this approach was applied to PRISM, a state motor vehicle administration that chooses not to implement PRISM would trigger a reduction in that state's transportation department's highway construction funds. As a result, Congress may be withholding funds from a state agency that is not responsible for implementing PRISM. But, such a scenario is similar to states adopting .08 percent BAC laws.

A second option available to Congress is to provide financial incentives to states that speed PRISM implementation. Congress can provide an incentive payment, such as a one-time payment for implementing PRISM within a predetermined number of years. Furthermore, Congress can require states that do not stay in the program for a predetermined period to return the payment to ensure states stay committed to full PRISM implementation. States, however, may find that financial incentives such as payments are insufficient to overcome the factors that prevent or delay them from fully implementing PRISM—particularly in states that need expensive overhauls of outdated registration systems. Furthermore, as more states move forward with PRISM implementation, Congress may end up allocating a substantial amount of financial incentives to states that eventually would have fully implemented PRISM without such an enticement. In addition, according to FMCSA officials, states that have already implemented PRISM may find this option unfair.

Finally, Congress can strongly encourage state participation by developing associated mandatory elements. As discussed earlier, Congress, through the Intermodal Surface Transportation Efficiency Act of 1991,[30] developed mandatory elements of enforcement, regulation, and reporting that strongly encouraged states to participate in IRP and the International Fuel Tax Agreement. With the IRP, the act stated that after September 1996, a nonparticipating state could not establish or enforce its own motor vehicle registration laws and regulations on vehicles that have IRP registrations from other states.[31] With the International Fuel Tax Agreement, the act stated that after September 1996, a state can establish or enforce a law or regulation that has a fuel tax reporting requirement or provides for the payment of fuel tax only if it does so in a way that meets the requirements of the International Fuel Tax Agreement.[32] In applying a similar approach

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[30]Pub. L. No. 102-240, 105 Stat. 1914 (1991).

[31]49 U.S.C. § 31704.

[32]49 U.S.C. § 31705 (a), (b).

to PRISM, Congress could condition states' ability to issue IRP registrations on using PRISM functions to check or deny a carrier's operating status prior to issuing such registrations. Such strong encouragement to impose PRISM, however, may cause problems for states that do not have the money needed to overhaul an outdated registration system to enable PRISM functionality.

Similar to IRP and the International Fuel Tax Agreement, Congress can look to the National Driver Registry (NDR) as a comparison of a voluntary roadway safety initiative that achieved significant state participation following strong federal encouragement. The National Highway Traffic Safety Administration administers the NDR database system, which is similar to PRISM in its purpose and framework. Similar to PRISM, states are not required to participate in the NDR. The NDR facilitates the exchange of driver information between participating states to ensure that commercial vehicle drivers who have had their licenses suspended or revoked or who have been convicted of serious traffic violations (for example, driving while impaired by alcohol or drugs) in one state do not receive a new or renewed license in another state. State motor vehicle administrations provide the NDR with the names of individuals who have lost driving privileges or who have been convicted of a serious traffic violation. When a person applies or reapplies for a driver's license, the state queries the system—maintained by the American Association of Motor Vehicle Administrators—to see if that applicant is listed on the NDR. If a state has reported the applicant on the NDR as a problem driver, the state may deny the applicant's request for a license.

According to a National Highway Traffic Safety Administration official, before 1986, the NDR was not fully effective since not all states were checking the NDR prior to issuing commercial driver's licenses. Congress, however, passed the Commercial Motor Vehicle Safety Act of 1986,[33] which required states to check the NDR prior to issuing new commercial driver's licenses in the state. Still, while all states checked the NDR when new licenses were issued, not all states were checking the system during renewals. Consequently, commercial vehicle drivers who were convicted of serious traffic violations in a state other than where they were licensed were still able to have their licenses renewed in their home states. Subsequently, Congress passed the Motor Carrier Safety Improvement Act

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[33]Pub. L. No. 99-570, title XII, § 12009(a)(20), 100 Stat. 3207 (1986).

of 1999,[34] which required states to check the NDR for all new license issues and renewals.[35] A National Highway Traffic Safety Administration official told us that, partly due to this requirement, state queries of the NDR went from 35 million per year in 2001 to over 100 million per year in 2008.

Conclusions

As a relatively small program, FMCSA's PRISM grants appear to have great potential to improve highway safety by preventing motor carriers that FMCSA has ordered out of service from obtaining or maintaining valid vehicle registrations, thereby inhibiting their ability to operate unlawfully. Although 47 states and the District of Columbia are either committed to or already implementing PRISM, the program's impact is unknown because FMCSA has not adopted measures of program effectiveness. This makes some sense, since the program has not been fully implemented in 25 states and the District of Columbia. Until a sufficient number of states have the ability to prevent unsafe motor carriers from obtaining or maintaining vehicle registrations, attempting to measure the effectiveness of PRISM grants will not be particularly fruitful. FMCSA officials have suggested that a sufficient number of states might be 38 to 40 states.

Finally, despite the potential safety advantages in having all states and the District of Columbia fully implement PRISM and a variety of options for doing so, we are not suggesting that Congress legislate such a requirement because of the drawbacks and challenges of doing so.

Recommendation for Executive Action

In order to assess PRISM's effectiveness in keeping unsafe carriers off the road, we recommend that the Secretary of Transportation direct the Administrator of FMCSA to measure PRISM program effectiveness when the number of states that have the ability to deny, suspend, or revoke registrations to out-of-service carriers is sufficient to make such measurements meaningful.

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[34]Pub. L. No. 106-159, 113 Stat. 1748 (1999).

[35]49 U.S.C. § 30304(e).

Agency Comments and Our Evaluation

We provided a draft of this report to the Department of Transportation for its review and comment. The department generally agreed with the recommendation. It also offered one technical comment, which we incorporated.

We are sending copies of this report to congressional committees interested in motor carrier safety issues; the Secretary of Transportation; the Administrator of FMCSA; and the Director of the Office of Management and Budget. In addition, the report will be available at no charge on the GAO Web site at http://www.gao.gov.

If you or your staffs have any questions about this report, please contact me at (202) 512-2834 or flemings@gao.gov. Contact points for Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Staff who made key contributions to this report are listed in appendix II.
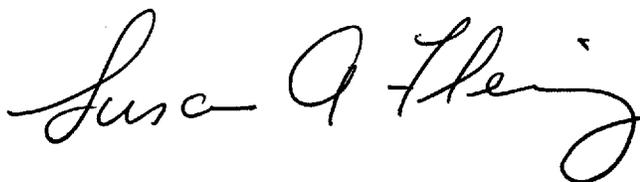
Susan A. Fleming
Director, Physical Infrastructure Issues

Appendix I: Scope and Methodology

To report on the extent to which the Performance Registration Information Systems Management (PRISM) grants program has effectively removed unsafe carriers from the roadway, we obtained Federal Motor Carrier Safety Administration (FMCSA) data on the number of motor carriers that had vehicle registrations denied, suspended, or revoked. These data are to be reported to FMCSA on a quarterly basis by states that have implemented PRISM to the point where they are denying, suspending, and revoking vehicle registrations of out-of-service carriers. We interviewed officials from FMCSA to discuss how data are collected and verified and how the data are used to assess PRISM's effectiveness. We also conducted semistructured interviews with a nongeneralizable sample of state motor vehicle administration officials and state law enforcement officials from 13 states that deny, suspend, or revoke vehicle registrations to discuss their state's experience implementing PRISM, how effective the program has been, and the soundness and conclusiveness of reported data. We selected the 13 states based on their progress implementing PRISM and their status as states with the largest numbers of commercial vehicles registered through the International Registration Plan (IRP).[1] We selected states with the most vehicles registered, assuming that the proportion of out-of-service vehicles are distributed relatively evenly across states. State data on out-of-service vehicles are incomplete, and we did not test this assumption.

In determining the reliability of FMCSA's data on the number of motor carriers that had vehicle registrations denied, suspended, or revoked because of an out-of-service order, we interviewed officials from FMCSA who are knowledgeable about the data and how the data are collected and analyzed. We also attempted to obtain similar information from states that are fully implementing PRISM. We identified shortcomings with these data, which we disclosed in this report, but found the data sufficiently reliable for our purpose, which was to provide a general sense of the extent to which PRISM implementation has resulted in vehicle registration sanctions.

We met with state officials and representatives from motor carrier industry and safety associations and obtained their views on the extent to which PRISM has improved highway safety or had other benefits. (See

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[1]In two cases, we met with officials from states in the early stages of our engagement, before we finalized our methodology. In another case, we met with a state that was not fully implementing PRISM at that time, but subsequently obtained full implementation status.

table 2 at the end of this appendix for a list of industry and safety associations we interviewed.) We reviewed a 2007 Volpe National Transportation Systems Center evaluation of the PRISM program that reported on the extent to which PRISM has improved roadway safety and the limitations to FMCSA's data on the denial of commercial vehicle registrations to motor carriers FMCSA placed out of service. Finally, we reviewed information from interviews and the 2007 Volpe report to identify and describe the factors that limit PRISM's effectiveness.

To report on the potential to fully implement the program nationally, we met with officials from FMCSA, state motor vehicle administrations, and state law enforcement offices in 26 selected states, as well as representatives from industry and safety associations. We conducted semistructured interviews with state motor vehicle administrations from 13 states that have fully implemented PRISM; 3 states that are implementing the grant program (that is, they are collecting vehicle identification numbers and the DOT numbers of the carriers associated with those vehicles and may be checking the safety status of the carrier at the time of registration) but do not yet have the capability to affect vehicle registrations; 8 states that have entered into an agreement with FMCSA to implement PRISM grants but have not yet moved forward substantially to implement the program; and 2 states that do not participate in PRISM at all. (See table 2 for a list of state agencies we interviewed.) We selected these states based on their progress implementing PRISM and their status as states with the largest numbers of commercial vehicles registered through the IRP in 2006, the latest year for which full data were available at the time we selected states to interview. We reviewed FMCSA data regarding the time states have taken to reach the ability to deny, suspend, or revoke vehicle registrations of out-of-service carriers, after signing a statement of intent to participate in the PRISM program. We analyzed testimonial evidence to identify factors that enabled states to deny, suspend, and revoke registrations and factors that have delayed or prevented other states from moving forward. We also analyzed the information to identify the factors FMCSA can affect and those it cannot.

As part of our work on the potential to implement the program nationally, we conducted a general search of public policy literature for when a mandatory or voluntary approach is preferred for program participation and to achieve certain desired outcomes. Through our literature search, which covered materials dating from 1998 to 2008, we identified and analyzed five articles that listed conditions for when a mandatory or voluntary approach works best. The articles described when a mandatory or voluntary approach is preferable for implementing environmental,

animal production and processing, and food safety regulations on private sector entities; we did not find literature that identified conditions for when a federal agency should administer a mandatory or voluntary approach on state governments to achieve a certain desired outcome. Furthermore, we identified similar, comparative programs that have mandatory elements. In addition, we identified and analyzed drawbacks to mandating state implementation of PRISM and potential options available to Congress for encouraging—rather than mandating—state legislative or regulatory action that could speed nationwide PRISM implementation. Finally, we assessed FMCSA's oversight for those states that are denying, suspending, and revoking registrations by obtaining testimonial information on FMCSA's efforts to assist them in continuing to operate PRISM.

Table 2: State Agencies and Industry and Safety Associations Interviewed

States denying, suspending, or revoking vehicle registrations of out-of-service carriers
Alabama Department of Revenue
Alabama FMCSA Division Office
Georgia Department of Revenue
Georgia Department of Public Safety
Idaho Transportation Department
Iowa Department of Transportation
Iowa FMCSA Division Office
Minnesota Department of Public Safety
Minnesota FMCSA Division Office
Minnesota State Patrol, Commercial Vehicle Division
Missouri Department of Transportation
Nebraska Department of Motor Vehicles
Nebraska State Patrol
New Mexico Commercial Vehicle Bureau, Taxation and Revenue Department
New Mexico Department of Public Safety
New Mexico FMCSA Division Office
North Carolina Department of Motor Vehicles
North Carolina FMCSA Division Office
North Carolina State Highway Patrol
Ohio Department of Public Safety, Bureau of Motor Vehicles
Ohio Contractor, Affiliated Computer Services, Inc.
Ohio FMCSA Division Office
Ohio State Highway Patrol

Tennessee Department of Revenue
Tennessee Department of Safety, Highway Patrol
Utah Division of Motor Vehicles
Utah Department of Public Safety, Highway Patrol
Washington Department of Licensing
Washington FMCSA Division Office
Washington State Patrol
States that implement PRISM but do not yet have capability to sanction vehicle registrations
Indiana FMCSA Division Office
Indiana Department of Revenue
Indiana State Police
Pennsylvania Department of Transportation
Texas Department of Transportation
States committed to implementing PRISM
California Department of Motor Vehicles
California Highway Patrol
Florida Department of Highway Safety and Motor Vehicles
Illinois Office of the Secretary of State
Illinois FMCSA Division Office
Massachusetts Registry of Motor Vehicles
Mississippi State Tax Commission
Oklahoma Corporation Commission, Transportation Division
Virginia Department of Motor Vehicles
Virginia State Police
Wisconsin Department of Transportation
States not participating in PRISM
Maryland Motor Vehicle Administration
Michigan Department of State
Industry associations
American Association of Motor Vehicle Administrators
American Trucking Associations
United Motorcoach Association
Safety associations
Advocates for Highway and Auto Safety
Commercial Vehicle Safety Alliance
Truck Safety Coalition

Source: GAO.

Appendix II: GAO Contact and Staff Acknowledgments

GAO Contact

Susan A. Fleming, (202) 512-2834 or flemings@gao.gov.

Staff Acknowledgments

In addition to the contact named above, James Ratzenberger (Assistant Director), Michelle Everett (Analyst-in-Charge), Samer Abbas, Brandon Haller, Delwen Jones, Hannah Laufe, Joshua Ormond, and made key contributions to this report.