Pilot Program Showed Long-Haul Mexican Trucks Are Safe, DOT Says

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The Department of Transportation sent to Congress this month a report concluding that a three-year pilot program showed that Mexican long-haul trucks can operate safely within the U.S. DOT will therefore begin accepting applications for permanent authority for such trucks, which should eliminate the threat of Mexico resuming retaliatory sanctions against U.S. exports. However, some private industry groups are disputing DOT's decision and could challenge it in court.

The pilot, which ran from Oct. 14, 2011, through Oct. 10, 2014, allowed Mexico-domiciled motor carriers to operate throughout the U.S. They were able to transport international cargo in the U.S. but could not provide point-to-point transportation services, including express delivery services, within the U.S. for goods other than international cargo. Participating Mexican carriers and drivers had to comply with all applicable U.S. laws and regulations, including those concerned with motor carrier safety, customs, immigration, vehicle registration and taxation, and fuel taxation.

The pilot program was an interim step toward fulfilling a U.S. commitment under NAFTA to allow long-haul Mexican trucks to operate beyond U.S. border zones. Mexico had imposed trade sanctions against $2.4 billion worth of U.S. goods due to the delay in implementing that commitment, but those sanctions were suspended when the pilot was launched.

DOT states that its analysis of data collected on the pilot carriers, as well as an additional 952 Mexican-owned trucking companies that also operated long-haul in the U.S. during the same 36-month period under a pre-existing authority, showed that companies from Mexico had safety records (e.g., violation, driver and vehicle out-of-service rates) that were equal to or better than the national average for U.S. and Canadian motor carriers operating in the U.S. DOT therefore concludes that the pilot successfully demonstrated that Mexican motor carriers can and do operate throughout the U.S. at a safety level equivalent to their U.S. and Canadian counterparts.

As a result, DOT has issued revised certificates of standard and provisional operating authority registration to the 13 carriers that were participating in the pilot at its completion, which allow them to continue long-haul operations in the U.S. In addition, effective immediately, DOT will accept applications from other Mexican carriers to conduct cross-border trucking services in the U.S. A department press release states that these changes are expected to result in the permanent termination of Mexico's retaliatory tariffs on U.S. goods.

However, groups representing U.S. truck drivers are protesting the DOT's actions, citing a December 2014 audit report from the department's Office of Inspector General. That report stated that DOT lacked an adequate number of pilot participants to yield statistically valid findings and that as a result "one cannot project the safety performance for the population of Mexico-domiciled carriers that may qualify for long-haul operating authority in the future." The Owner-Operator Independent Drivers Association explained that the 15 pilot participants were only a third of the 46 the DOT itself estimated it would need to produce a statistically valid sample and that only two of the participants "generated any sort of traffic at the border, and the lion's share of that traffic remained in the border zone." OOIDA
Therefore called DOT’s decision “an end-around” that is “all about geo-political economics,” while the International Brotherhood of Teamsters termed it “a mistake of the highest order.”

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