

# Frequently Asked Questions

## Mexican Long-Haul Pilot Project

### TIMELINE

**Question:** Now that you have made the details of the new pilot project public, what is the timeline for beginning the program?

**Answer:**

- The Federal Motor Carrier Safety Administration (FMCSA) will accept public comments on the proposed pilot project for 30 days after it is published in the Federal Register.
- The Agency will then publish a second Federal Register Notice addressing the comments received and describing the final project. It is anticipated it would take about 30 days to respond to the public comments and finalize and publish the program notice.
- Once the final project notice is published, and assuming that applications are received, it will be about 60 days before FMCSA can complete the processing of a Mexican company and grant it authority for long-haul transportation, thus beginning the program.

**Question:** How long will it be until Mexico lifts the tariffs on U.S. goods?

**Answer:** Mexico has agreed to suspend 50% of the tariffs when a final agreement is signed (in about 60 days) and the remaining 50% of the tariffs when FMCSA approves the first Mexican company for participation in the program.

### RESOURCES

**Question:** Does the Federal Motor Carrier Safety Administration have sufficient resources to oversee the safety of this program?

**Answer:** FMCSA has a staff of over 250 distributed at each commercial truck crossing between the United States and Mexico. Our State partners have an additional 350 personnel to support the program. These personnel, currently overseeing the safety of the trucks entering the U.S. commercial zones, are adequate to oversee long-haul operations also.

### EOBRs

**Question:** Why is FMCSA proposing to use money from the Highway Trust Fund to pay for equipment (Electronic On-Board Records with GPS Capabilities) to be installed on Mexican trucks?

**Answer:**

- The installation of this equipment on the participating vehicles would provide FMCSA, the DOT operating administration tasked with managing the pilot program, with the means to monitor the operations of participating Mexico-domiciled carriers and their drivers to ensure compliance with all safety regulations and to collect important data needed to complete the assessment of the safety of these carriers and drivers.
- This proposed approach is necessary to address concerns expressed by members of Congress and others regarding hours of service and cabotage compliance.

- This expenditure is limited in scope and limited to the pilot program.
- This information is critical in making a determination on the safety of long-haul Mexico domiciled carriers, which is required for the United States' compliance with its obligations under the North American Free Trade Agreement (NAFTA).
- We at FMCSA are confident that the EOBR expenditures are fully consistent with general appropriations law principles.
- The most the Agency would spend on EOBRs for purchase, installation, and monitoring over the life of the 3-year program is \$2.5 million – less than 0.1 percent of one year's tariffs.
- As a result, we believe this is a good investment for the country.
- Since FMCSA's operating budget is derived almost entirely from the Highway Trust Fund, it must fund the purchase and installation of EOBRs from this funding source. FMCSA will fund EOBRs for no more than three years, and would discontinue funding immediately when EOBRs are mandated in the United States.