AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3684 OFFERED BY MR. GIBBS OF OHIO

Page 686, after line 6, insert the following:

1	SEC. 1635. COMPLIANCE, SAFETY, AND ACCOUNTABILITY
2	REFORM.
3	(a) Motor Carrier Safety Grants.—
4	(1) In general.—
5	(A) Selection standard.—For any ap-
6	plicable legal requirement with respect to a cov-
7	ered entity contracting with a covered motor
8	carrier for the shipment of goods or household
9	goods, the covered entity shall be considered
10	reasonable and prudent in the selection of such
11	motor carrier if the covered entity verifies, not
12	later than the date of shipment and not earlier
13	than 45 days before the date of shipment, that
14	the covered motor carrier—
15	(i) is registered under section 13902
16	of title 49, United States Code, as a motor
17	carrier or household goods motor carrier;

1	(ii) has at least the minimum insur-
2	ance coverage required by Federal and
3	State law; and
4	(iii) is not determined unfit to operate
5	safely commercial motor vehicles under
6	section 31144 of title 49, United States
7	Code, or otherwise ordered to discontinue
8	operations by the Federal Motor Carrier
9	Safety Administration (including not re-
10	newing a Department of Transportation
11	registration number) or a State.
12	(B) Sunset.—The standard established
13	under subparagraph (A) shall sunset on the ef-
14	fective date of a regulation issued pursuant to
15	paragraph (3).
16	(2) REVOCATION OF REGISTRATION.—Section
17	31144(a) of title 49, United States Code, is amend-
18	ed —
19	(A) in paragraph (3) by striking "and";
20	(B) in paragraph (4) by striking the period
21	and inserting "; and; and
22	(C) by adding at the end the following:
23	"(5) prescribe by regulation a process for revok-
24	ing the registration of an owner or operator deter-

1	mined unfit to operate safely a commercial motor ve-
2	hicle under this section.".
3	(3) Rulemaking.—
4	(A) In General.—Not later than 18
5	months after the date of enactment of this Act,
6	the Secretary of Transportation shall—
7	(i) update and revise the regulations
8	issued pursuant to subsection (b) of sec-
9	tion 31144 of title 49, United States Code
10	to include the requirements of paragraph
11	(1); and
12	(ii) issue such regulations as are nec-
13	essary to carry out section 31144(a)(5) of
14	title 49, United States Code, as added by
15	this Act.
16	(B) Factors for an unsatisfactory
17	RATING.—The regulations updated under sub-
18	paragraph (A)(i) shall provide a procedure for
19	the Secretary to determine if a motor carrier is
20	not fit to operate a commercial motor vehicle in
21	or affecting interstate commerce in accordance
22	with section 31144 of title 49, United States
23	Code .

1	(4) Savings clause.—Nothing in this section
2	shall be construed to preempt or supercede any
3	State law or regulation relating to drayage.
4	(5) Definitions.—In this section:
5	(A) COVERED ENTITY.—The term "cov-
6	ered entity" means a person acting as—
7	(i) a shipper or cosignee of goods, ex-
8	cept that such term does not mean a per-
9	son acting as an individual shipper (as
10	such term is defined in section 13103 of
11	title 49, United States Code);
12	(ii) a broker, a freight forwarder, or a
13	household goods freight forwarder (as such
14	terms are defined in section 13102 of title
15	49, United States Code);
16	(iii) an ocean transportation inter-
17	mediary (as such term is defined in section
18	40102 of title 46, United States Code),
19	when arranging for inland transportation
20	as part of an international through move-
21	ment involving ocean transportation be-
22	tween the United States and a foreign
23	port;
24	(iv) an indirect air carrier holding a
25	Standard Security Program approved by

1	the Transportation Security Administra-
2	tion only to the extent that the indirect air
3	carrier is engaging in the activities as an
4	air carrier defined in paragraph (2) or (3)
5	of section 40102 of title 49, United States
6	Code;
7	(v) a customs broker licensed in ac-
8	cordance with section 111.2 of title 19,
9	Code of Federal Regulations, only to the
10	extent that the customs broker is engaging
11	in a movement under a customs bond or in
12	a transaction involving customs business,
13	as defined by section 111.1 of title 19,
14	Code of Federal Regulations; or
15	(vi) a motor carrier registered under
16	chapter 139 of title 49, United States
17	Code.
18	(B) COVERED MOTOR CARRIER.—The term
19	"covered motor carrier" means a motor carrier
20	or a household goods motor carrier (as such
21	terms are defined in section 13102 of title 49,
22	United States Code) that is subject to Federal
23	motor carrier financial responsibility and safety
24	regulations.

1	(C) HOUSEHOLD GOODS.—The term
2	"household goods" has the meaning given such
3	term in section 13102 of title 49, United States
4	Code.
5	(b) Remote Audit.—Section 31144 of title 49,
6	United States Code, is amended by adding at the end the
7	following:
8	"(j) Remote Audits.—
9	"(1) In General.—The Secretary shall estab-
10	lish a pilot program to conduct remote compliance
11	reviews under subpart A of part 385 of title 49,
12	Code of Federal Regulations, to assign a safety rat-
13	ing for commercial motor carriers.
14	"(2) Contents.—In conducting the pilot pro-
15	gram, the Secretary shall—
16	"(A) use the same standards that would
17	otherwise be applicable to commercial motor
18	carriers;
19	"(B) apply the procedures of part 385 of
20	title 49, Code of Federal Regulations, including
21	the safety fitness rating methodology under ap-
22	pendix B, prior to assigning a safety rating
23	under such pilot program;

1	"(C) assign safety ratings regardless of
2	whether an on-site review of activities has taken
3	place; and
4	"(D) leverage all available technology to
5	access information and records.
6	"(3) Eligible participants.—
7	"(A) In General.—Motor carriers that
8	are eligible to participate in the pilot program
9	under this subsection shall—
10	"(i) voluntarily agree to participate in
11	such pilot program; and
12	"(ii) be able to opt-out of participa-
13	tion in such pilot program at any time.
14	"(B) Prohibition on Participation.—
15	Motor carriers that transport hazardous mate-
16	rials or passengers shall be prohibited from par-
17	ticipating in the pilot program under this sec-
18	tion.
19	"(4) Authorized agents.—Remote compli-
20	ance reviews conducted under the pilot program
21	under this section may be conducted by—
22	"(A) Federal Motor Carrier Safety Admin-
23	istration personnel;

1	"(B) State commercial motor vehicle au-
2	thorities that meet acceptable standards set
3	forth by the Secretary; or
4	"(C) private contractors that meet accept-
5	able standards set forth by the Secretary.
6	"(5) Availability of safety ratings.—
7	Safety ratings determined under the pilot program
8	under this subsection may not be released publicly
9	by the Secretary or by any authorized agent de-
10	scribed in paragraph (4) that is participating in the
11	pilot program under this subsection.".

