



**Motor Carrier Safety Assistance Program (MCSAP) Formula Working Group
Meeting Minutes
July 22, 2016**

The Federal Motor Carrier Safety Administration's (FMCSA) Motor Carrier Safety Assistance Program (MCSAP) Formula Working Group held a web-based conference call on July 22, 2016. Thomas Liberatore, FMCSA Chief, State Programs Division and Designated Federal Officer (DFO), called the meeting to order at 1:00 p.m.

The following individuals attended the meeting:

MCSAP FORMULA WORKING GROUP MEMBERS*

Nancy Baugher, FMCSA
Lt. Donald Bridge, Jr., Connecticut Department of Motor Vehicles
Caitlin Cullitan, FMCSA
Lt. Thomas Fitzgerald, Massachusetts State Police
Adrienne Gildea, Commercial Vehicle Safety Alliance (CVSA)
Thomas Liberatore, Chief, State Programs Division and DFO, FMCSA
Alan R. Martin, Ohio Public Utilities Commission
Dan Meyer, FMCSA Illinois Division Administrator
Lt. Stephen Brent Moore, Georgia Department of Public Safety
Stephen C. Owings, Road Safe America
John E. Smoot, Kentucky State Police
Courtney Stevenson, FMCSA Senior Policy Advisor
Col. Leroy Taylor, South Carolina Department of Public Safety
Jerry Williams, Colorado State Patrol

*Jerry Williams was in attendance for Michelle N. Lopez, Colorado State Patrol.

*Capt. Brian Preston, Arizona Department of Public Safety, was not in attendance.

FMCSA AND OTHER GOVERNMENTAL REPRESENTATIVES

Karen Brooks, FMCSA
Michael Chang, USDOT, Volpe Center
Dianne Gunther, USDOT, Volpe Center
Tom Keane, Director, Office of Safety Programs, FMCSA
Jack Kostelnik, State Programs, FMCSA
Dana Larkin, USDOT, Volpe Center
Brandon Poarch, FMCSA
Julianne Schwarzer, USDOT, Volpe Center

OTHER ATTENDEES

Lauren Beaven, DIGITALiBiz



1. Welcome and Introductions

Meeting facilitator Julianne Schwarzer, of the U.S. DOT Volpe Center, welcomed the MCSAP Formula Working Group members and introduced some technical information for the call. Schwarzer encouraged open discussion and instructed attendees to ask questions at any time. The agenda called for a review of the homework assignment assigned to group members; discussion of analysis and research results; and discussion of next steps.

Tom Liberatore, Chief, FMCSA State Programs Division and DFO, welcomed the group and provided a brief overview and meeting objectives for the call, including:

- Review data and research in order to ensure there is sufficient information to move forward on selecting factors for the formula.
- Begin thinking about the structure of the formula.
- Determine subgroups.

Liberatore also presented a timeline for the Working Group, indicating the group's current status.

2. MCSAP Formula Working Group Road Map and SharePoint Inventory

Dianne Gunther, of the U.S. DOT Volpe Center, reminded group members that they have access to the MCSAP Formula Working Group SharePoint website, which houses background information and research that were requested at the June meeting, as well as notes from previous meetings.

3. Homework Review

Dianne Gunther continued the conversation with a review of the group's homework assignment, which was to review and consider current and proposed formula factors. Gunther narrated the responses displayed on the webinar slide and noted key takeaways.

- The top responses to the Basic Factor rankings indicated that the current factors are all very popular with group members, with Population and Road Miles among the most popular.
- Crashes/Fatalities was a popular option as a proposed Incentive Factor, but group members had differing thoughts as to what types of crashes the group should be looking into here as well.

Presenters issued a poll question asking whether the group members were surprised by the results of the homework. Most group members were not surprised.

4. Analysis and Research Results for Correlation

Michael Chang, of the U.S. DOT Volpe Center, presented correlation analysis that was designed to see if the factors group members were most interested in actually relate to the amount of crashes in States. Chang presented charts that plotted crashes, and noted that the correlation method is effective at showing that the most popular factors with the group are related to safety.



5. Analysis and Research Results for Crash Data

Chang demonstrated that in the correlation analysis, the previous Working Group put in effort to choose factors that align with crashes, and talked about using the crash data instead of matching it. He outlined the advantages and disadvantages to using crashes as a factor.

The group discussed the implementation of a hold harmless clause and recommended that the 97 percent hold be reinstated to be made permanent.

The group also discussed using CMV crashes as the sole formula factor. It was noted that crash data could be explored in greater detail in the subgroups.

6. Analysis and Research Results for New Entrant Data

Dianne Gunther presented analysis and research results based on the New Entrant factor options. Gunther illustrated that the group could measure New Entrant by the number of New Entrant carriers (inventory or number of carriers entering the program each year) or by their activity and productivity.

When measuring the New Entrant population, you can rely on either the prior year's data or prior three years' data. Gunther compared the two approaches and commented on the displayed results.

Group members were asked to answer two poll questions related to the New Entrant population:

1. What key assumption are we making if we utilize the number of carriers entering the New Entrant program as a factor?
 - The majority of voters noted that all States have similar proportions of carriers leaving and reentering the program.
 - Some voters thought that the number of New Entrant carriers does not vary significantly year to year.
 - The fewest voters said that all States have similar productivity levels.
2. Which data set would you choose if you wanted to control for erratic increases or decreases in the New Entrant population?
 - Voters unanimously chose entries into the New Entrant program in the three years prior.

Group members also:

- Requested access to more information to educate the decision-making process.
- Asked for data displaying a 10-year average.
- Noted that the more years you average, the less you're accounting for recent trends.

Action Item: Provide Working Group members access to additional data used in this analysis.



7. Analysis and Research Results for Proposed Formula Structure

Michael Chang introduced new concepts for the proposed formula structure: two types of crash exposure, opt-in categories, and final amounts adjusted by a “cost of safety program” factor.

According to the first new concept, using two types of crash exposure, both crashes in the State and crashes by domiciled carriers would be considered. Chang noted that roadside activities are about preventing crashes in your State, and investigation is about preventing crashes by domiciled carriers. He demonstrated how this analysis would look using the most extreme five States, showing where emphasis should be placed to address crashes that occur for each State.

Group members expressed concern at this representation of the structure, noting that this approach seemed to negate efforts at grant consolidation. It was noted in response that the intent of this conversation was to provide exposure to one option of what the formula could look like.

8. MCSAP Formula Working Group Subgroups

Tom Liberatore introduced the idea of subgroups to the Working Group, which would help group members address specific aspects of the formula in a focused way. The expectations of the subgroups were summarized, and Liberatore presented information on goals for each of the three subgroups:

1. Factor Research – Hone in on references to where, when, and how crashes should be considered. (Should present their discussion and findings prior to the Structure subgroup.)
2. Formula Structure – Discuss weighting or adjustment in regard to calculation.
3. Outreach – Work on communicating the information and developing the recommendations.

Liberatore asked Working Group members to share their subgroup preferences on the SharePoint site and the team would assign subgroups to each of the Working Group members.

9. Questions and Next Steps

Presenters encouraged Working Group members to ask questions regarding any of the previously discussed material. The team is working on making cost data available to Working Group members.

Tom Liberatore touched on the following to close out the meeting and outline next steps:

- The Working Group has not yet decided whether the formula should utilize crashes as a base factor for the basic calculation.
- August meeting goals. The team will modify the agenda for the first day to ensure that there is time to tackle and decide on the factors.
- October meeting dates need to be determined. Dates originally suggested for Austin may not be feasible. Working Group members should offer alternate dates for the October meeting.



- The subgroups should meet prior to August to determine if members have any questions or concerns or need additional information before the group begins another analysis.

ACTION ITEMS

1. Provide Working Group members access to additional data.
2. Determine October meeting dates and locations.
3. Subgroups to meet prior to August meeting.

PRESENTATIONS

	Presenter(s)	Presentation
1	Michael Chang, Dianne Gunther, Thomas Liberatore	Formula Working Group July 22, 2016 Webinar