Insight

Retrospective Review Update: Trucking Safety Reports

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This week, various agencies either released or formally published measures to lighten paperwork burdens and compliance costs. The American Action Forum reviewed one such measure last week. Combined, deregulatory rulemakings published this week brought more than $300 million in cost reductions and 3.7 million fewer paperwork burden hours. However, one rule released later in the week trumps them all.

On Thursday, the Federal Motor Carrier Safety Administration (FMCSA) released a proposal to substantially scale back a paperwork requirement facing truck drivers. The requirement in question is a "driver-vehicle inspection report (DVIR)." The report allows the driver to note any defects or deficiencies after a trip. Currently, they must file one even if there's no reason to believe a defect may exist, commonly called a "no-defect DVIR." FMCSA is proposing to eliminate this no-defect DVIR.

The resulting savings are substantial: $1.7 billion in reduced annual costs due to eliminating 46.7 million hours of paperwork. Discounted over a 10-year period, this would bring savings of $12.8 billion at a 7 percent discount rate and $14.9 billion at a 3 percent rate. Those totals represent roughly 20 percent of the regulatory costs promulgated so far this year. In addition, the 46.7 million hours would represent a 15 percent reduction in the Department of Transportation's current paperwork inventory. By comparison, if the Department of Treasury reduced its paperwork burden by 15 percent, 1.1 billion hours of paperwork would disappear.

The Administration's pace in proposing cost-cutting measures has largely been a disappointment, especially in comparison to the costs its regulations have added. However, this proposal serves as proof that there are certain inane requirements whose elimination or consolidation can bring about significant savings without unduly sacrificing safety.