

**Written Testimony of Fred C. Ferguson
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**Hearing: “Shifting Gears: Issues Impacting the Trucking and Commercial Bus Industries”
Subcommittee on Surface Transportation, Freight, Pipelines, and Safety
July 22, 2025**

Chairman Young, Ranking Member Peters, and Members of the Committee:

On behalf of the American Bus Association (ABA), I would like to express our sincere appreciation to you for your bipartisan leadership and commitment in swiftly beginning the highway reauthorization process. Your efforts to address our nation’s infrastructure needs are commendable, and we value the opportunity to engage with this committee on issues critical to the motorcoach industry and the broader surface transportation system.

Founded in 1926, ABA is the leading national trade association representing the private motorcoach, charter bus, group travel, and tourism industries—sectors that collectively generate nearly \$90 billion in economic activity annually and employ more than 500,000 Americans. Our members provide essential service across the intercity, charter, tour, and commuter markets, connecting people with places and supporting both mobility and economic growth in urban and rural communities alike.

Beyond our commercial service, the motorcoach industry plays a vital role in supporting national emergency response and public service needs. Our vehicles and operators are regularly mobilized for natural disaster evacuations, the movement of emergency aid and personnel, and the transportation of U.S. military service members. These missions demonstrate the sector’s logistical capacity, reliability, and readiness in times of crisis.

With nearly 400 million passenger trips taken annually, the motorcoach industry is a critical pillar of America’s transportation system—providing safe, affordable, and environmentally efficient mobility options. From small family-owned operators to national carriers, motorcoaches serve communities in every state, connecting people to work, school, healthcare, tourism, and more. Whether moving students, commuters, military personnel, or travelers, our industry ensures access where other modes often do not reach. Motorcoaches also complement the broader transportation network, linking seamlessly with airports, rail stations, transit hubs, and roadways—truly helping bind the nation together.

ABA has a long, constructive track record of engagement with the U.S. Department of Transportation and the Federal Motor Carrier Safety Administration (FMCSA) on a wide range of issues, including vehicle and driver safety, regulatory compliance, emergency preparedness, and workforce development. We've served as a vital partner to the agency by offering technical expertise, surfacing operational realities, and creating opportunities for dialogue with motorcoach operators of all sizes. Through initiatives like safety councils, listening sessions, and training partnerships, ABA has helped bridge the gap between policy design and on-the-ground implementation. We look forward to continuing this solutions-oriented collaboration to advance thoughtful, data-driven policymaking that supports both safety and the long-term sustainability of the industry.

As Congress undertakes the important work of reauthorizing the nation's surface transportation programs, ABA respectfully submits the following recommendations under the Senate Commerce Committee's jurisdiction to ensure the motorcoach industry continues to operate safely, efficiently, and competitively in the broader multimodal landscape.

ABA Policy Priorities for Surface Transportation Reauthorization

Hours of Service (HOS) — Preserve Industry-Specific Flexibility

The motorcoach industry operates under fundamentally different service models than the freight sector. Charters, tours, overnight trips, and intercity passenger service involve unique scheduling, rest periods, and safety considerations. Applying a uniform HOS framework across both freight and passenger sectors does not recognize the functional differences of each sector, and the corresponding operational and safety realities of passenger carriers. A one-size-fits-all model creates unnecessary compliance burdens and scheduling challenges, and we urge Congress to reaffirm the importance of maintaining distinct, tailored Hours of Service.

Minimum Insurance Requirements — Avoid Burdensome Increases

Raising federal minimum liability insurance requirements would impose disproportionate financial strain on small and mid-sized operators without demonstrable improvements in safety. There are 1,800 motorcoach operators across the country, nearly 90% of whom operate fewer than 25 coaches. Increasing insurance costs already present financial limitations on these small businesses, and changes to the minimums would likely result in reduced service across the network. In our view, the existing minimums already reflect appropriate levels for the industry, which has consistently maintained a strong safety record. We urge Congress to retain the current insurance thresholds and avoid changes that would create barriers to market entry and service sustainability.

The motorcoach industry operates under a high level of regulatory oversight—an appropriate standard given the responsibility of transporting passengers safely. Every motorcoach company is subject to routine FMCSA inspections at least once every three years. In recent years, industry-led progress, including the implementation of the Motorcoach Safety Action Plan, broader adoption of advanced safety technologies, improved vetting of new entrant carriers, and expanded safety education and outreach efforts, has contributed to a steady decline in passenger fatalities (NHTSA FARS / FMCSA Large Truck and Bus Crash Facts, Nov. 2024 – Table 28). ABA is proud to play an active role in national safety initiatives such as the Road to Zero

Coalition and the U.S. DOT's National Roadway Safety Strategy—both of which reflect the industry's deep and ongoing commitment to safety.

In accordance with MAP-21 directives, FMCSA and its Motor Carrier Safety Advisory Committee (MCSAC Task 14-2) reviewed proposals to raise minimum insurance liability levels. Ultimately, the agency was advised to pause any rulemaking on this issue pending further study (FMCSA-2014-0211). For many motorcoach operators, insurance represents one of the top three cost drivers—second only to vehicle acquisition and personnel—making any increase in mandatory coverage levels a matter of serious concern.

CSA / SMS Modernization — Reflect Passenger Industry Realities

While the motorcoach industry supports efforts to modernize FMCSA's Compliance, Safety, Accountability (CSA) program and its Safety Measurement System (SMS), current methodologies unfairly group motorcoach operators with freight carriers, resulting in distorted performance metrics. ABA recommends that FMCSA separate motorcoach carriers into distinct peer groups, adjust violation weightings to align with passenger-sector risks, and revise data methodologies to accommodate small, seasonal operators. These changes would ensure a more accurate and equitable assessment of safety performance.

Speed Limiter Rulemaking — Avoid One-Size-Fits-All Mandates

The speed limiter rule under consideration at FMCSA was primarily designed with heavy freight vehicles in mind and does not account for the distinct safety needs and operating conditions of motorcoaches. Moreover, there is no compelling reason for a nationally uniform speed limit for all commercial vehicles. Variations in geography, traffic congestion, and operational needs justify allowing companies to set their speed governors at different levels. The announcement by Secretary Duffy to reconsider or withdraw the rule is a welcome development. We encourage the full withdrawal of this proposal in recognition of the motorcoach industry's strong safety record, need for operational flexibility, and the adverse impact such a mandate would have on rural and long-distance service.

Access to Federally Funded Transit Facilities — Ensure Fairness for Private Operators

Private motorcoach operators often face challenges accessing federally funded public transit facilities, despite their role in delivering public transportation and complementing government services. ABA urges Congress to strengthen and enforce "reasonable access" requirements for private operators and to improve transparency around facility policies. Reauthorization legislation should include provisions that protect access and foster greater cooperation between public and private transportation providers.

Given the Subcommittee's jurisdiction over the Federal Highway Administration, ABA urges Congress to take action to ensure that motorcoaches receive equitable access to HOV and bus-only lanes, as well as achieve toll parity with publicly funded transit vehicles. These policies are essential to promoting efficiency, reducing congestion, and leveling the playing field for private operators who deliver vital transportation services to millions of Americans without public subsidy.

Regulatory Modernization — Cut Red Tape, Improve Efficiency

Outdated or overly complex regulatory processes continue to challenge motorcoach operators and impede efficient compliance. Reauthorization presents an opportunity to modernize vehicle inspection procedures, streamline commercial driver's license (CDL) testing, and improve FMCSA's registration and data systems. ABA supports practical reforms that reduce administrative burden while preserving—and in many cases enhancing—safety oversight.

Other Critical Engagement Areas

FMCSA Staffing — Rebuild the Passenger Carrier Division

FMCSA's Passenger Carrier Division plays a vital role in industry oversight and stakeholder engagement. However, the division has lacked a permanent chief for more than three years and is severely understaffed, with only two remaining staff members based in Iowa. To restore effective communication and improve regulatory responsiveness, ABA urges FMCSA to prioritize appointing a permanent division chief, fill critical vacancies, and work collaboratively with the industry to identify qualified candidates. A well-staffed and engaged division is essential to maintaining a strong, safety-focused regulatory environment for motorcoach operators.

California Meal and Rest Break (MRB) Preemption — Protect National Consistency

The 2020 FMCSA determination to preempt California's meal and rest break rules for interstate passenger-carrying drivers was a necessary and appropriate action to preserve national consistency in HOS regulations. State-level labor rules that overlap with federal regulations create confusion, compliance risks, and operational disruptions. ABA urges FMCSA to deny all pending waiver requests and to defend the 2020 determination in court. A clear and consistent federal standard is essential to ensuring legal clarity and safe, efficient service across state lines.

English Language Proficiency (ELP) Rule — Improve Implementation

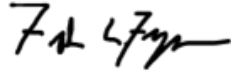
ABA supports the intent behind the ELP rule as a safety measure, but its current implementation varies widely across states, creating confusion for both drivers and testers. Enforcement inconsistencies and unclear testing standards undermine both compliance and recruitment. ABA urges FMCSA to partner with industry on a webinar or listening session to clarify expectations, gather state-level feedback, and ensure the rule is implemented in a way that supports safety without worsening the national driver shortage and provides a clear path back for those who fall short.

ABA is committed to working collaboratively with this subcommittee, the full Senate Commerce Committee, and the Federal Motor Carrier Safety Administration to ensure that motorcoach transportation continues to meet the highest standards of safety, accessibility, and reliability.

We believe that a strong partnership between policymakers, regulators, and industry leaders is essential to advancing practical, data-driven solutions that reflect the unique operating realities of motorcoach providers. Whether it's improving regulatory clarity, supporting workforce development, or ensuring safe operations on the road, ABA is ready to provide insights and engage constructively in shaping the future of passenger transportation. Safety is our number one priority.

Thank you for the opportunity to testify. I look forward to your questions and to ongoing collaboration on these vital issues.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Fred Ferguson". The signature is stylized with a large "F" and a long, sweeping underline.

Fred Ferguson
President & CEO
American Bus Association