

because entry-level drivers generally earn at the low range of the industry wage standards. Again, 31 percent is added to cover the cost of fringe benefits, resulting in a total hourly wage estimate of \$13.07 per hour.

To get the total unit cost of training per hour (*i.e.*, including both direct training costs and the drivers' cost of time), the relevant estimate of the driver's wage rate for truck, school bus, and motor coach drivers was added to the average hourly cost of training discussed earlier. For example, for an entry-level truck driver, the unit cost of training is \$44.32 an hour (\$19.32 of foregone driver wages plus \$25 in actual training costs). For entry-level school bus drivers, the total training cost is estimated at \$35.05 per hour (\$10.05 of foregone driver wages plus \$25 in actual training costs), and for entry-level motor coach drivers, it is \$38.07 per hour (\$13.07 of foregone driver wages plus \$25 in actual training costs).

Taking these hourly training costs for each type of entry-level driver (based on median wage rates and an average hourly cost of training) and applying them to the hours of required training for each type of driver (discussed earlier) and the number of entry-level drivers in each category, we can develop an estimate of total annual costs of this rule.

To do so, we multiplied the hours of training required for each type of driver by the total number of drivers in that driver group per year by the applicable hourly wage rate to drivers in each group (including direct wage and costs of training). The result is a total first-year cost of \$25.1 million and \$22.7 million (undiscounted) annually in each subsequent year of the rule. Using the 7 percent discount rate recommended by the OMB, the present value of training costs of the proposed rule is calculated as \$173.3 million over 10 years, or a discounted average of \$17.3 million per year for next 10 years.

The reason first year costs are higher than the annual costs in subsequent years is that within the first year (90 days to be exact), some portion of the entry level drivers who received training between 12–24 months prior to implementation of this rule (*i.e.*, those effectively with chargeable crashes) would be required to undertake training in these four content areas. Our analysis indicates that almost 6,000 drivers who received training between 12–24 months prior to the rule's implementation would have to undertake the training required under this rule. As such, first-year costs increase because a larger pool of drivers must initially undertake the required training. Full details of these

costs are provided in the stand-alone regulatory evaluation contained in the docket.

Benefits

The total number of accidents potentially avoided by the proposed rule is difficult to quantify largely because of the variability in study results on the impact of training on the truck crash reduction. This variability is most likely due to the wide variation in quality of driver training programs and the difficulty associated with estimating (statistically speaking) the relationship between a single input (training) and an output (safety) when working with very large data sets. However, several case studies, including two cited earlier in this NPRM, reveal that driver training programs reduced crashes by two to 40 percent. Because of the relatively modest costs (estimated at \$22.7 million to \$25.1 million annually (undiscounted)), this proposed rule would have to deter between 285 and 315 truck-related crashes (fatal, injury-related, and property-damage-only crashes combined) each year in order to be cost beneficial (*i.e.*, where the rule's benefits exceed its costs).

To develop the above estimate of the number of truck- and bus-related crashes that must be avoided each year for the rule to be cost beneficial, the researchers used crash cost estimates from a recent study by Zaloshnja, *et al.*, which estimated the average cost of a crash involving a large truck (*i.e.*, those > 10,000 lbs GVW) at almost \$80,000 (in 2001 dollars). Dividing the annual costs of the rule (\$22.7 million to \$25.1 million) by this average cost per truck-related crash (\$80,000) allows us to arrive at the cost-beneficial threshold of 285–315 annual crashes. This range (285–315 avoided crashes) represents less than seven one-hundredths of one percent (or 0.07 percent) of the total average number of truck-related crashes annually (estimated at 445,000 using 1999–2000 data). This 0.07-percent reduction is obviously much smaller than the size of crash reductions experienced in studies cited earlier in this NPRM, where case studies revealed crash reductions of 2 and 40 percent from implementation of new driver training programs and is also well below the 15-percent reduction in crashes used in the regulatory evaluation prepared in 1995 for the ANPRM (which involved a more comprehensive training program than proposed here). Therefore, we believe the rule would be cost-beneficial upon implementation.

A complete copy of the preliminary regulatory evaluation is in the public

docket described above under **ADDRESSES**.

Regulatory Flexibility Act

In compliance with the Regulatory Flexibility Act (5 U.S.C. 601–612), the agency has evaluated the effects of this rulemaking on small entities. In addition, DOT policy requires an analysis of the impact of all regulations (or proposals) on small entities, and mandates that agencies strive to lessen any adverse effects on these businesses. The Interim Regulatory Flexibility Analysis must cover the following topics.

(1) A description of the reasons why the action by the agency is being considered.

(2) A succinct statement of the objectives of, and legal basis for, the proposed rule.

(3) A description, and where feasible, an estimate of the number of small entities to which the proposed rule would apply.

(4) A description of the projected reporting, record-keeping, and other compliance requirements of the proposed rule, including an estimate of the classes of small entities that will be subject to the requirement and the types of professional skills necessary for preparation of the report or record.

(5) An identification, to the extent practicable, of all relevant federal rules that may duplicate, overlap, or conflict with the proposed rule.

Reason the Action Is Being Considered

This action is required by Congressional direction. Specifically, section 4007 of the Intermodal Surface Transportation Efficiency Act of 1991 directed the Secretary of Transportation to promulgate regulations requiring training for entry-level heavy truck, school bus, and motorcoach drivers.

Objective and Legal Basis for This Action

The objective for this action is to reduce the number of crashes caused by entry-level drivers of heavy trucks, school buses, and motorcoaches. Congress was specifically concerned about the number of heavy truck crashes caused by inadequate driver training, and believes that better training will reduce these types of crashes. As noted above, the legal basis for this rule is section 4007 of the Intermodal Surface Transportation Efficiency Act of 1991.

Number of Small Entities to Which the Action Would Apply

This action would apply to all small entities regulated by the FMCSA. The FMCSA is currently conducting