

# Bus & Motorcoach NEWS

WHAT'S GOING ON IN THE BUS INDUSTRY



**INVESTING IN SAFETY.** The Martz Group of Wilkes-Barre, Pa., has converted one of its coaches into a mobile training center for new drivers, complete with state-of-the-art driving simulator. See story Page 19.

## How a pair of operators (from out in Oklahoma) saved the industry bacon

WASHINGTON — The often-heard urging that motorcoach operators should develop and sustain relationships with their elected representatives never seemed more prescient than it was last month.

Consider for a moment what it meant during the recently concluded lame duck session of Congress.

Two Oklahoma City operators, who are competitors, hooked up with their U.S. senator to help kill legislation that both the UMA and ABA had warned would devastate the industry, putting operators out of business and blocking new ones from entering the industry.

Bob O'Brien, president of Time Lines, and Jeff Polzien, president of Red Carpet Charters, managed to convince Sen. Tom Coburn, R-Okla., of the potential dangers contained in the Motorcoach Enhanced Safety Act of 2010 (SB 554), culminating in Coburn placing a hold on the measure.

Coburn's action prevented a vote on the bill and effectively killed it for the time being, stunning the measure's supporters and opponents alike, most of whom figured it was a sure bet to pass.

"It wasn't a Time Lines issue, or



Jeff Polzien

Bob O'Brien

a Red Carpet issue, it was an industry issue," says O'Brien.

The bill was not popular with the industry when it was introduced nearly three years ago, and extensive negotiations to rework the measure failed to rid it of provisions the industry considered draconian. (See Nov. 15 and Dec. 1 issues of *Bus & Motorcoach News*.)

Among key objections were requirements that new operators have all of their equipment, personnel, record-keeping procedures and safety management policies in place before applying for operating permits from federal regulators, and that all motorcoaches have seatbelts within three years.

The move to defeat the measure actually began last April when the United Motorcoach Association invited operators from throughout the

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## Hiring Right: Never more important

ASHBURN, Va. — If you haven't reviewed your driver hiring practices for a while, you might consider doing it soon because a misguided hiring decision today could stick with your company for a very long time.

That's the advice Lancer Insurance Vice President Robert Crescenzo had for the dozens of operators and safety managers attending the United Motorcoach Association's seventh annual Safety Management Seminar here last month.

He said there are strong indications that driver

shortages are becoming a permanent curse for the industry, which puts increasing pressure on operators to hire and retain only the best drivers.

"We're beginning to see a trend where driver shortages are with us all of the time, and that can be a huge and costly problem for you," Crescenzo warned.

Adding to the hiring stress, he noted, is that under the new federal safety performance measurement system — known as Compliance Safety Accountability, or simply CSA — more driver actions are being

CONTINUED ON PAGE 18 ►

## Health law goes into effect

WASHINGTON — Key aspects of the new federal healthcare program went into effect Jan. 1, even as Republican members of the House vowed to seek repeal of the far-reaching law.

Twenty provisions of the healthcare overhaul measure approved by Congress last year are slated for implementation this year, despite the Republican maneuvering.

However, some of the biggest changes prompted by the law, including the mandate that everyone buy insurance, the establishment of state insurance exchanges, and sub-

sidies to help most Americans buy insurance, aren't scheduled to kick in until 2014, according to Kaiser Family Foundation.

During the coming months, House Republicans are expected to try to withhold funding for the new law, which could impede its implementation. Democrats, however, will aggressively fight any efforts at defunding.

Democrats frontloaded the law with a number of consumer protection-related provisions they expect will boost support for

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## Tax bill may aid operators

WASHINGTON — The federal tax bill signed into law by President Obama last month has some good things in it for operators of commercial vehicles, says Robert Pitcher, a leading tax authority and vice president of the American Trucking Associations.

The new law, the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010, includes tax relief for individuals and businesses, extends many energy and other tax credits, and makes large changes to the federal estate tax.

It should be noted, however, that a number of the tax breaks and other changes in the law are only temporary.

On the business side, the most important change may be allowing full expensing of business investments in equipment placed into service between Sept. 8, 2010, and the end of 2011.

This tax break applies to all investments eligible for the 50 percent bonus depreciation under prior law. The 50 percent bonus provision goes back into effect at the end of

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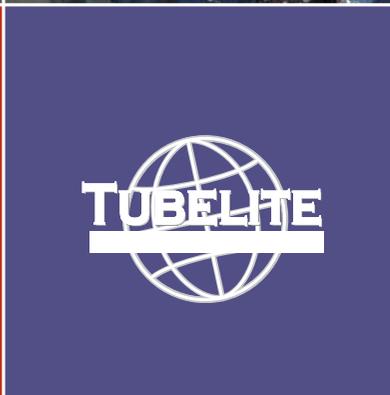
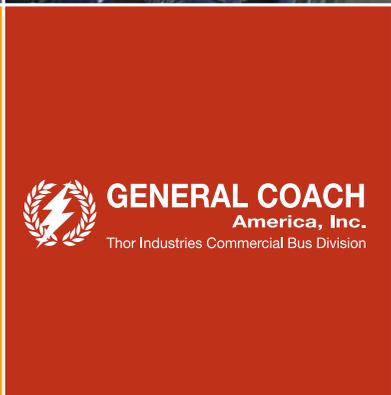
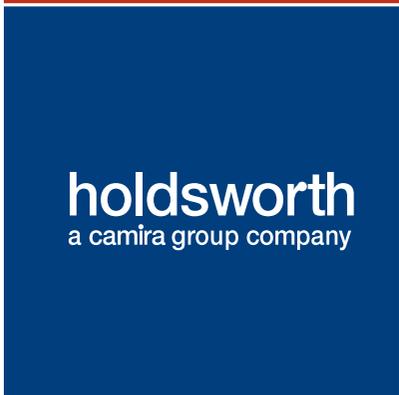
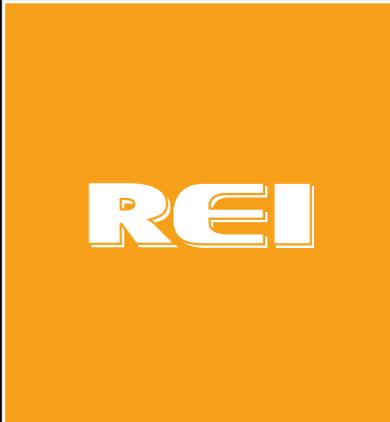


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# Operators see possible silver lining in big blizzard

NEW YORK CITY — The nasty winter blizzard that pummeled the northeastern United States just after Christmas played havoc with motorcoach travel, forcing the cancellation of hundreds of commuter, charter and line runs.

But the two-day storm that also stranded thousands of holiday travelers did produce a little sunshine for some operators.

"It gave us a chance to show off a little and show our service," said Tim Stokes, a spokesman for

BoltBus, the curbside service between New York and Washington, D.C., owned by Greyhound Lines and Peter Pan Lines.

Stokes said that once the storm subsided, and BoltBus buses were back on the road, they were filled to capacity, many of them with people who had been stranded at airports and train stations and had never taken a motorcoach before.

"We had to put on extra buses to meet the demand," he said.

Now, he's looking for some long-term benefits, hoping many

of the first-time riders will return the next time they travel.

"We're sure hoping it happens," he emphasized.

megabus.com, which operates line service between New York and more than a dozen eastern cities, including Washington, saw the same results from the storm.

After shutting down for about 36 hours, business picked up so much the company had to bring in extra buses to keep pace with the demand.

"There were people who could

not get to where they needed to go by using other options and they found us," said Dale Moser, president and chief operating officer.

He, too, is hoping many of those new riders will be back to ride again when they get the opportunity.

DC2NY, another major private line running between Washington and New York, also saw a surge of new customers when bus service resumed after the storm ended.

Godfrey LeBron, vice president of Paradise Travel in Hicks-

ville, N.Y., who jointly manages the line service with Dave Bolen, president of New World Tours in Bristow, Va., said service was shut down most of the second day, but was back on the road the following day with full loads on all of its runs.

"Many of our riders were from Amtrak who just wanted to get home any way they could," he noted. "Many said they were impressed with our service and hopefully they'll be coming back."

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# Legal fight to halt D.C. trip permit reaches dead end

WASHINGTON — There apparently will be no relief for motorcoach operators having to purchase a special trip permit whenever they take a charter to the nation's capital.

The District of Columbia Court of Appeals has denied a petition to rehear a legal challenge to the three-year-old requirement that was pursued by the United Motorcoach and American Bus associations.

The court gave no explanation for its ruling, which likely brings

to an end the legal fight to have the trip permit declared unconstitutional.

"We would have to appeal to the U.S. Supreme Court and I don't think that is a likely scenario," added Peter Pantuso, ABA president and chief executive.

The ABA filed the request for the rehearing last September, just days after the appeals court ruled in favor of a lower court decision that turned aside arguments by the trade groups that the requirement

for motorcoach operators to have trip permits is illegal.

Rejection of the rehearing allows the D.C. Department of Motor Vehicles to continue requiring motorcoach operators based outside of Washington to either buy \$50, six-day permits for each coach they send into the District of Columbia, or purchase apportioned registration tags in their home states so D.C. can receive some money from the cost of the tags and taxes.

In addition to arguing that the trip permit is unconstitutional, UMA and ABA had contended that the alternative to purchase apportioned registration tags conflicted with a reciprocity agreement in the United States and Canada that provides for payment of license fees on the basis of total distance operated in all jurisdictions, including D.C.

UMA has for some time been warning operators who travel to D.C. to make sure they purchase

the trip permits before entering the district because police ticket buses regularly and the fine is a hefty \$500.

Operators who misuse the permits by placing them on other coaches in their fleet can be fined up to \$1,000.

Permits can be obtained by going to [public.dmv.washington.gov](http://public.dmv.washington.gov) and clicking on "online services" on the right side of the screen, then click on "more online services" and then "trip permit."



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# THE DOCKET

## What to watch for from federal regulators during 2011

### 1. CSA will demand better safety performance

The revamped federal commercial vehicle safety program, formerly known as CSA 2010 and now simply called CSA for Compliance, Safety and Accountability, has the potential to be a game changer.

It kicked into gear last month and will get up to speed over the coming year. (See Dec. 15 *Bus & Motorcoach News*.)

The program uses data collected from destination and roadside inspections, crash reports, and traffic reports on moving violations to highlight weaknesses in an operator's safety performance. Then it follows up with a robust and far-reaching enforcement scheme.

The Federal Motor Carrier Safety Administration has begun mailing warning letters to carriers with deficient safety numbers, and states have begun a year-long process of training enforcement per-

sonnel in the new system.

A key element of the program, a new rule shaping the way the agency determines safety fitness, will be put out for public comment in the spring.

Operators that have experience with the program, either as participants in the pilot tests that were run in a number of states or as early adapters, say the key to compliance begins with getting on top of your data (go to [www.fmcsa.dot.gov](http://www.fmcsa.dot.gov) and click on "CSA").

They also recommend paying close attention to operational matters such as pre- and post-trip inspections and driver training.

Operators can learn how to use

the agency's data system or use third-party service providers that offer scorecards based on CSA data, coupled with management tools such as driver performance analysis.

### 2. Distracted driving

The Federal Motor Carrier Safety Administration last year banned commercial drivers from texting while on the road, but that was just the beginning of a broader regulatory effort to address commercial driver distractions.

Near year end, the agency proposed a rule that would restrict the use of cell phones by bus and truck drivers while driving.

The agency is in the early,

data-gathering stages of what may become a proposal covering in-vehicle electronics. It also will be looking at technology standards, enforcement, driver education and data collection as it considers ways to limit distracted driving in commercial vehicles.

The agency also will be considering alternatives to visual messaging, including incentives to promote voice-only technologies.

### 3. Electronic onboard recorders

This could be the year when the corner is turned toward EOBRs becoming the standard for recording driver hours of service.

There still is a lot of resistance

to the idea. But the pressure to make the change from paper to electronics is strong and growing.

The pending 2012 rule is a small step. It will require repeat violators of the hours-of-service rules to use recorders — that's fewer than 6,000 carriers — and offer paperwork relief as an incentive for other carriers to adopt recorders voluntarily.

The Federal Motor Carrier Safety Administration will soon propose a rule to expand that mandate to more (but not all) carriers, in connection with revisions in its supporting documents requirements for the hours-of-service rule.

More significant, there are several bills before Congress that would require the agency to mandate recorders for all. One of them was proposed by a group of leading trucking companies that are convinced the time has come for the industry to embrace this technology.

## Congress, Obama extend transportation funding

WASHINGTON — President Obama has signed legislation extending funding of federal transportation programs through March 4.

The measure, included in the

Continuing Appropriations and Surface Transportation Extensions Act, was approved by the House and Senate just before their year-end recess.

Rep. John Mica, R-Fla., the new chairman of the House Transportation Committee, has made a new highway bill his top legislative priority for 2011.

CONTINUED ON PAGE 6 ▶

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# Law reauthorizes popular diesel retrofit program

WASHINGTON — President Obama signed the Diesel Emissions Reduction Act into law early this month after it was approved by Congress.

The law reauthorizes — for another five years — the program that provides money to reduce emissions from school buses and

other diesel vehicles.

The reauthorization bill was sponsored by Senators George Voinovich, R-Ohio, and Tom Carper, D-Del., cosponsored by several of their colleagues, and endorsed by hundreds of organizations, including the United Motorcoach and National School Transportation asso-

ciations. (See Dec. 15 and Nov. 1 issues of *Bus & Motorcoach News*.)

Allen Schaeffer, executive director of the Diesel Technology Forum, called DERA “one of the most important clean air initiatives passed by Congress in recent years.”

The National School Transpor-

tation Association said it fought for changes that were included in the final version of the law, including allowing for direct applications from private entities under contract to federal, state or local governments; streamlining the application process, especially for small businesses, and giving high-

er priority for projects that benefit school areas.

The annual appropriation level for the measure reportedly was cut from \$200 million to \$100 million to assure passage, but NSTA noted that the amount remained higher than the past three annual appropriations.

## Tolls up again on Pa. Turnpike

HARRISBURG, Pa. — Tolls went up on the Pennsylvania Turnpike this month, but for the first time E-ZPass customers are paying less than cash customers.

In July, the Pennsylvania Turnpike Commission approved a 3 percent increase for users of E-ZPass electronic fare collection and 10 percent for cash customers, effective Jan. 2.

The increase raises the basic cash cost of driving the turnpike to 8.5 cents per mile, highest of the 11 U.S. toll roads of 100 miles or longer.

The Pennsylvania Turnpike has become the high-price leader among longer toll roads largely because of a 2007 state law requiring it to help fund non-turnpike transportation programs.

Under the new toll rates, a 40,000-pound motorcoach will pay a cash rate of roughly \$46 to travel from Pittsburgh to Harrisburg. The E-ZPass rate is about \$44.

For a coach to travel from Pittsburgh to Wilkes-Barre, Pa., the cash rate is \$86.45, while the E-ZPass rate is about \$81.

A complete online toll schedule showing the new higher rates can be found at [www.paturnpike.com](http://www.paturnpike.com) under the “Toll Info” menu.

## NYC tolls rise

NEW YORK CITY — The New York Metropolitan Transportation Authority has raised tolls for New York City-area tunnels and bridges.

The toll increase for E-ZPass users is substantially less than for those paying cash. Motorcoach tolls are as follows:

**Verrazano-Narrows Bridge** — 3-axle (one-way toll)

• Old Cash Fare, \$36 — **New Cash Fare, \$42**

• Old E-ZPass, \$27 — **New E-ZPass, \$28.36**

**Robert F. Kennedy, Bronx-Whitestone and Throgs Neck bridges, and Brooklyn-Battery and Queens Midtown tunnels**

• Old Cash Fare, \$18. **New Cash Fare, \$21**

• Old E-ZPass, \$13.50. **New E-ZPass, \$14.18**

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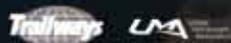
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## 2011 watchouts

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and move on.

**4. Driver health**

The FMCSA's ongoing, long-term review of driver medical standards could lead to a proposal this year for tougher physical qualifications.

The agency is trying to update its rules on conditions ranging from cardiovascular disease to sleep disorders. The updates will be based on recommendations from a panel of experts — the Medical Review Board — who study current medical regulations and suggest improvements.

The agency does not necessarily have to adopt the board's recommendations, but the deliberations of the board are public and offer a glimpse of what the agency might propose.

This is the third stage of a comprehensive revision of the agency's rules aimed at making it harder for unfit drivers to either get medical clearance or evade detection. The first stage came in 2010 in a rule requiring medical certificate information to be integrated into the national commercial driver's license database. Now pending is a final rule setting training and certification standards for medical examiners, and a national registry of Certi-

fied Medical Examiners.

For driver physical qualifications, the agency is looking at recommendations from the board regarding more than a dozen driver health concerns, including diabetes, cardiovascular disease, seizure disorders, renal disease, musculoskeletal disease and sleep disorders.

The sleep disorder issue is of particular concern to drivers and operators. The Medical Review Board does not think that a diagnosis of sleep apnea should necessarily bar a driver from certification, but that certification should be conditioned on the severity of the apnea and its impact on a driver's sleepiness, or on whether the driver is getting the treatment he or she needs.

The board is recommending that all drivers be screened for obstructive sleep apnea.

**5. Clarity on infrastructure? Maybe**

This may be the year Congress finally comes to grips with the key surface transportation challenge of the new century: how to pay for the work that needs to be done. Or it may not be.

Republicans have taken control of the House on promises of cutting government spending and rebuilding prosperity, but it remains to be seen how they will come up with the money to pay for

a six-year federal surface transportation program.

The federal fuel tax, which has not gone up since 1993, does not produce enough revenue to fund ongoing highway needs, and will generate declining amounts of revenue going forward as vehicles get more efficient.

Rep. John Mica, R-Fla., who now chairs the House Transportation and Infrastructure Committee, is calling for replacing or supplementing the federal fuel tax with a variety of funding sources, including possibly a percentage sales tax that would rise and fall with the price of fuel.

A number of legislators and some in industry support the idea of raising the fuel tax, but Congress is generally opposed, as is the Obama administration.

The House transportation committee has done a lot of work on a reauthorization bill, although it remains to be seen what changes the new Republican majority may wish to make.

Several Senate committees have held hearings and done preliminary work on drafting their version of the new law. And the Obama administration is planning to release its proposal early this year.

Mica has said he thinks there is a chance to get a reauthorization bill passed in the first half of 2011,

as long as it is funded by something other than a fuel tax increase.

**6. Environment and fuel**

It's unlikely we'll see cap-and-trade proposals go anywhere in the new, more Republican-oriented Congress, but we likely will see continued activity to cut emissions and greenhouse gases from the U.S. Environmental Protection Agency and various state agencies.

A federal fuel economy proposal for medium- and heavy-duty buses and trucks was unveiled last fall. The final rule must be posted by the end of July, and it will begin to take effect in 2014.

So, 2011 will see manufacturers and operators alike eager to see the final rule, and speculation on how bus and engine makers will meet the new standards.

For the year, the U.S. Department of Energy predicts higher crude oil prices, combined with strengthening refiner margins, will result in annual average prices for diesel fuel of \$3.19 per gallon.

**7. Equipment choices**

2011 will see a large number of operators wrestling with equipment-buying choices. Operators wanting to replace older motorcoaches or to add capacity will be faced with a stiff price penalty for new coaches meeting 2010 EPA emissions standards.

There are still not enough of

the new-technology engines out on the roads for some buyers to feel comfortable making a choice about which engine is right for their operations.

Many operators put off buying new equipment during the recession; it wasn't needed because of the business slowdown. Lots of coaches were parked against fences or ran fewer miles than normal.

This will be a year of research and decision-making.

**8. The driver shortage**

The issue that never really goes away is likely to be more pronounced as the year moves along. (See related story on Page 1.)

The industry has an aging driver population and faces a host of challenges finding qualified recruits. CSA will result in drivers who appear to be unsafe getting pushed out of the system as operators refuse to hire them.

Crackdowns in documentation required to get a commercial driver's license also will pull a significant number of drivers out of the available labor pool.

Further complicating the driver situation are attacks by the federal government and state agencies on the use of independent contractors. The stated purpose of the crack down is to stop the improper "misclassification" of employees as contractors to avoid taxes.

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# Congress gives biodiesel tax credits new lease on life

WASHINGTON — Congress has reinstated the biodiesel tax credit, an action expected to assure the industry will meet an 800 million-gallon federal mandate for 2011.

Reinstatement and extension of the biodiesel tax incentive was included in the Tax Relief, Unemployment Insurance Reauthoriza-

tion and Job Creation Act of 2010 passed by the House and Senate and signed by President Obama.

The legislation extends — through this year — the \$1-a-gallon biodiesel blenders credit, which had expired at the end of 2009. The incentive is designed to make biodiesel price competitive with conventional diesel fuel.

The absence of the tax incentive last year had a detrimental impact on the domestic biodiesel industry. A total of 52 biodiesel production plants were idled during 2010, and production fell to 380 million gallons.

Conversely, retroactive reinstatement and extension of the tax incentive through 2011, is widely

expected to significantly increase domestic production and use of biodiesel, according to biodiesel supporters.

Currently, there are 145 biodiesel plants registered with the USEPA that have a production capacity totaling more than 2 billion gallons of 100 percent biodiesel, according to the EPA.

Pure biodiesel is blended in various percentages with conventional diesel fuel — from 2 to 5 percent is permitted without labeling — destined for the pump.

“Ramping up production will require some time and potentially some reinvestment, but based on feedback from industry, we nevertheless believe that it can occur in time to meet a production goal of 800 million gallons,” USEPA said.

## IFTA reduces interest rate

CHANDLER, Ariz. — Motorcoach operators that underpay fuel taxes will have to pay less interest under a new amendment to the International Fuel Tax Agreement.

By a 45 to 13 vote, the states and provinces that are members of IFTA approved an amendment to the agreement that will reduce the rate of interest charged for underpayments of fuel taxes, reports the American Trucking Associations’ State Laws Newsletter.

For more than 20 years, notes the newsletter, IFTA’s interest rate has been a flat 1 percent per month. The new rate will be tied to the rate the Internal Revenue Service charges on delinquent taxes, and will be much lower.

To give states time to change their systems, the amendment does not take effect until July 2013.

Acceptance of the proposal by the states represents a real victory for operators of commercial vehicles, said Robert Pitcher, editor of the ATA newsletter.

Leading the charge to make the change were a number of state trucking associations that worked with their state IFTA administrator, and Jim Poe of the Indiana Department of Revenue, who sponsored the ballot initiative and “worked harder than anyone to see it approved,” said Pitcher.

## Va. bridge-tunnel expansion planned

RICHMOND, Va. — A group of private investors and developers has submitted a proposal to the Virginia Department of Transportation to expand and operate the Hampton Roads Bridge-Tunnel and the stretch of Interstate 64 that runs between Hampton and Virginia Beach.

The proposed public-private partnership would widen the existing tunnel from four to eight lanes and develop and manage three waterway crossings along the stretch of I-64.

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# More litigation expected for truckers' hours proposal

WASHINGTON — Reaction to the Federal Motor Carrier Safety Administration proposal to change the hours-of-service rule for truckers suggests the revised regulation is likely to remain exactly where it has been for most of the past seven years — in litigation.

No one, it seems, agrees on what the proposed changes will do. The agency says they will make trucking safer. The safety advocacy community says they do not go nearly far enough. The trucking industry says they go too far.

Despite a decade of effort by the FMCSA, there still is no incontrovertible case that one version of its rule is better than another in terms of safety and practicality.

Nor is there likely to be: Trucking is a diverse and complex business, and it is difficult to quantify the effects of safety regulations. Perhaps, as a consequence, the hours' rule has become highly politicized.

Public Citizen and its allies describe the current rule as a "midnight regulation" of the George W. Bush administration "issued in the waning hours before leaving office."

The American Trucking Association describes the proposed revision as the work of an Obama administration that is willing "to break something that is not broken, (which) likely has everything to do with politics and little or nothing to do with highway safety."

Meanwhile, the motorcoach industry fears both regulators and citizen activist groups when it comes to hours of service. The industry avoided having its hours rules changed seven years ago but industry leaders fear regulators at some point will re-examine the hours' rules for motorcoach drivers.

Trucking companies and the enforcement community continue, as they have for much of the past decade, to conduct business under hours rules that are subject to change from year to year as litigation progresses and rulemakings proceed.

Under terms of a legal agreement with Public Citizen and other groups involved in the repeated lawsuits against the current rule, FMCSA has until July 26, 2011, to come up with a new rule. The groups reserve the right to return to court if they do not like the new rule, and their initial reaction suggests they are not inclined to be supportive.

"The new proposed rule does not eliminate anti-safety provisions that allow truck drivers to drive and work long hours, get less rest and drive while fatigued," the groups say in a statement.

They acknowledge the agency's preference for cutting the 11-hour daily driving limit to 10 hours, but oppose its willingness to consider

keeping the 11-hour limit. They see the requirement that drivers get two nights of rest in their 34-hour restart as an improvement but still would prefer a 48-hour restart.

On the other side, the ATA says the proposal is "overly complex, chock full of unnecessary restrictions on professional truck drivers

and, at its core, would substantially reduce trucking's productivity."

The association has given indications it will consider litigation if the agency produces a final rule that is not satisfactory. It has set up a web site, [www.safedriverhours.com](http://www.safedriverhours.com), that puts forth its concerns about the hours' proposal.

The FMCSA said it is proposing changes to the current hours-of-service rules to give drivers the flexibility to take a break during the day, and reduce the health-and-safety risks of long hours of work. Here are details on the changes and the agency's rationale.

FMCSA is considering the pos-

sibility of limiting daily driving time to 10 hours rather than the current 11 hours. The agency said it favors a 10-hour limit but is looking for comments and data on the issue.

The proposal would give drivers a one-hour break during the day by limiting actual duty time within the 14-hour driving window to 13 hours.



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# Should Congress adopt motorcoach safety legislation?

By Joseph Osterman

Whether it's a school bus, transit bus, motorcoach or shuttle, buses are different than most other forms of highway travel in the United States.

When individuals board a bus, they are in effect relinquishing control to another. In return, they expect, among other things, a safe trip.

They expect there exists a higher level of oversight by government over these vehicles and operations, and they expect that the passenger carrier industry recognizes its responsibility in assuring the safety of its passengers.

Their expectations would be right.

That is why motorcoach and school bus travel is without question the safest form of highway travel today. Deaths and injuries resulting from school bus and motorcoach accidents are a fraction of the overall national numbers each year.

Excuse the bad pun, but the safety record is no accident.

The motorcoach and school bus industries, citizen safety advocates, elected officials, media, and government representatives have worked for decades to improve bus travel. However, when a bus is involved in a serious crash, we are all energized and hear the call to action to make these vehicles and operations safer.

Between 1997 and 2009, the National Transportation Safety Board issued more than 70 recommendations to the U.S. Department of Transportation, addressing needed improvements in motorcoach safety.

The recommendations ranged from improving occupant protection standards to managing the medical oversight of drivers, and just about every subject in

between.

As with most NTSB recommendations, they were a consequence of investigations into tragic accidents that often resulted in deaths and serious injuries. For more than a decade I led the efforts that produced these recommendations and I can tell you the NTSB and safety advocates were discouraged by the lack of substantial progress by the USDOT in adopting the recommendations.

Moreover, I know that with each new investigation, NTSB staff and board members were frustrated. We saw the same issues emerge time and time again, and believed that had the USDOT acted on our recommendations, some of these tragic accidents could have been avoided.

Don't get me wrong, the Federal Motor Carrier Safety Administration and the National Highway Traffic Safety Administration initiated some efforts to conduct research and establish improved rules, but there was no coordinated or comprehensive USDOT plan to make motorcoach travel safer.

The most recent spotlight on bus safety has been in the form of The Motorcoach Enhanced Safety Act of 2010. This proposed law, known as Senate Bill 554 and House Resolution 6441, would mandate a comprehensive framework for the safety oversight and design of commercial motorcoaches. The bills are largely based on NTSB recommendations. The Senate bill was introduced in January 2009, largely in response to increasing concern that after 10 years, very little had changed.

Shortly after the bill was introduced, a new secretary of transportation arrived, and in April, following a series of motorcoach crashes

early in 2009, he directed the heads of the relevant USDOT modal administrations with responsibility for highway, vehicle, and transit safety to develop an integrated Motorcoach Safety Plan with a specific focus on NTSB recommendations.

**'I believe it is time to recognize that the professionals at the USDOT...are making significant progress.'**

During a meeting between the NTSB chairman and the secretary in the spring of 2009, the secretary made it clear he intended to move forward on all aspects of motorcoach safety, and pledged a far-reaching effort.

True to his word, the secretary issued the USDOT "Motorcoach Safety Action Plan" in late 2009. (See Dec. 15, 2009, *Bus & Motorcoach News*.)

This plan proposed action items on each significant area of NTSB recommendations, including driver fatigue, driver performance, driver medical oversight, motorcoach maintenance, operator oversight, crash avoidance technologies, occupant protection, fire safety, vehicle integrity, emergency egress, and data collection and analysis.

More importantly, the action items contain milestones and strategically the UDDOT plan provided an appropriate methodology for the necessary research, evaluation, and development of new technologies and rules.

The plan also incorporated advances already implemented by the industry and progress already made by the USDOT and other in-

dustry groups. One year later, based on its Motorcoach Safety Action Plan, the USDOT has:

- Initiated rulemaking to require the installation of seatbelts on motorcoaches to improve occupant protection.
- Conducted rollover structural integrity tests of motorcoaches.
- Conducted cooperative research with suppliers and manufacturers on stability control systems.

- Initiated research to improve commercial tire performance.

- Completed research regarding motorcoach emergency egress.

- Initiated a motorcoach flammability research and test program with the National Institute of Standards and Technology.

- Coordinated with the Society of Automotive Engineers to develop standards for event data recorders.

- Completed a rulemaking to prohibit commercial vehicle operators from texting while driving.

- Initiated a rulemaking to require electronic onboard recording devices for certain motor carriers.

- Initiated a rulemaking to ban hand-held cell phone use by commercial truck and bus drivers.

- Launched CSA, the new Compliance, Safety and Accountability program for commercial trucks and buses.

During the recent lame duck session of Congress, there was a renewed effort to move Senate Bill 554 and House Resolution 6441 forward. (See related article on Page 1.)

Had you asked me if this legislation was necessary 10 years ago, or even two, I would have enthusiastically said "yes."

But in a world where I believe actions speak louder than words; the USDOT's recent endeavors

have been

thunderous. Where before there was delay, there is now activity.

Where there was disjointed, there is now integrated. Where there was random, there is now strategic.

Yes, it has taken too long but we are now there. The USDOT plan is a game changer. In the end it will result in a new and better approach to the oversight of motorcoach operators, and a new and safer type of motorcoach.

These things are being done methodically and deliberately. For decades I have spent my career pointing out to the USDOT what it has not done, or what it should do.

I believe it is time to recognize that the professionals at the USDOT, who are entrusted with ensuring the safety of the public traveling in and around motorcoaches, are making significant progress.

We should continue to monitor their work and assist where we can. But now is not the time to legislate what the USDOT is already doing. We can reserve that approach if their efforts stall.

*Joseph Osterman was the director of highway safety for the National Transportation Safety Board from 1997 to 2005, and its managing director from 2005 to 2009. He currently manages J S Eastman Enterprises LLC, a consultancy focusing on safety and readiness capabilities of transportation operators.*



Joe Osterman

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# Cheap buses undermine costly high-speed rail systems

By Norman Leahy

The effort by the airport authority in Richmond, Va., to cow residents into flying on the discount carriers who serve the city, or risk losing them, may have hit an unforeseen snag: the arrival of an ultra-low-cost bus service.

According to the *Richmond Times-Dispatch*, megabus.com will have seven daily departures from Main Street Station, with direct routes to D.C., Charlotte, Baltimore, Philadelphia and elsewhere. And the teaser fares start at just \$1.

Plus, there's Wi-Fi and electric power outlets for your gadgets onboard, too.

All that and no TSA groping.

Sounds like Richmond International Airport may have to re-think its scare campaign.

The story would end there, except for a couple of lines buried inside the *RTD* story:

That kind of acceptance has implications for the region's efforts to develop the Southeast High Speed Rail Corridor through Richmond, said city transportation planner Viktoria Badger.

"We can show the need for rail service," she said, through the parallel demand for megabus' services.

Excuse me? How can a low-fare bus service possibly show the need for high-speed rail?

It can't, particularly if you're

## Intercity buses continue surge, new study says

CHICAGO — For the third straight year, regular-route bus service was the fastest growing mode of intercity transportation, outstripping air and rail, according to the latest update of an annual study.

"Intercity bus operations expanded by 6 percent in 2010, suggesting the sector's renaissance is continuing," says the report from the DePaul University Chaddick School for Metropolitan Development.

The study, whose title is nearly as long as an intercity bus, is called "The Intercity Bus: America's Fastest Growing Transportation Mode — 2010 Update on Scheduled Bus Service," and it identifies a variety of factors that are impacting the travel market and producing a boomlet for intercity buses.

"Intercity bus service in the United States remained robust through 2010 as a result of rising travel demand, escalating fuel prices, and investments in new routes," said the DePaul researchers.

bold enough to consider costs. Early estimates on the cost of bringing high-speed rail into the same Main Street Station megabus uses for its pick-ups and drop-offs top \$600 million — and that's before a single passenger buys a ticket (and well before the inevitable and inconvenient overruns crop up).

As matters stand now, if mega-

bus can't make money, it closes operations and that's that. High-speed rail, though, would continue, costs be damned, because someone else would be stuck with the bill.

The Commonwealth Transportation Board — the same people who can't seem to set priorities at VDOT — has already cast its lot with rail. The CTB anticipates its

dream line from Hampton Roads to Richmond and beyond will carry nearly a million people a year in high-speed comfort.

And that's grand, assuming those potential passengers are willing to wait six to eight years after the environmental impact statement is done before the new rails are ready to carry them to

their destinations.

Even with all those obstacles, though, the local political class will continue to pine for its oversized train sets, and they will be sending us the bill for it.

*Norman Leahy is vice president for public affairs at the Virginia Institute for Public Policy. Reprinted from the Washington Examiner.*



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# Ohio Supreme Court ruling favors bus crash survivors

COLUMBUS, Ohio — The Ohio Supreme Court says a university's insurance coverage extended to a charter bus that crashed, killing five student baseball players, the bus driver and his wife.

Whether the decision has far-reaching implications for college bus charters is not clear because the ruling appears to be tailored to the specific circumstances of the crash.

The 5-2 ruling issued late last month is a victory for families and crash survivors that have tried to bring claims against Bluffton University's insurance policies over the deadly 2007 bus crash in Atlanta.

One attorney for a Bluffton University player severely injured in the wreck told a wire service the ruling provides up to \$16 million more in insurance money to pay claims.

At the time of the crash, the university was covered by a primary auto insurance policy issued by the Hartford Insurance Co., an "umbrella" policy issued by American Alternative Insurance Co., and an additional excess liability policy issued by the Federal Insurance Co., according to information provided by the Ohio Supreme

Court.

The Hartford policy included in its definition of an insured person anyone "while using with (the university's) permission" a covered vehicle that the university "owned, hired or borrowed."

The terms and conditions of coverage under the umbrella and excess liability policies were the same terms and conditions of Bluffton's primary auto insurance policy with Hartford.

American Alternative and Federal Insurance, however, both sought declaratory judgments that their policies did not provide coverage for the injuries suffered by the victims of the bus accident.

In March 2007, the five baseball players from Bluffton, their driver and his wife were killed and others were injured when the char-

tered bus in which they were traveling to a Florida tournament crashed in Atlanta.

The university baseball coach had made arrangements to charter the bus from Executive Coach Luxury Travel Inc. and had agreed to Executive Coach's suggestion that one of its drivers known to the coach, Jerome Niemeyer, be assigned as the driver for the Florida trip.

The insurers had argued they could not be liable because the university in northwest Ohio did not own the bus, and they claimed the bus company was responsible for the driver.

The Allen County Court of Common Pleas had previously granted summary judgment in favor of the insurers, holding that neither Niemeyer nor Executive

Coach qualified as "insureds" under the university's insurance policies because the university did not own and had not "hired" or "borrowed" the bus involved in the accident, but rather had contracted with Executive Coach to provide transportation services in a vehicle owned by Executive Coach and driven by one of its employees.

The appellate court agreed.

However, according to the state Supreme Court, the driver was covered under the school's insurance because the university in northwest Ohio hired the bus and had granted permission to the driver.

"Based on the facts of this case," Justice Paul Pfeifer wrote, "we conclude that Bluffton hired the bus when (baseball coach James) Grandey procured the use

of the bus in exchange for payment to Executive. We also conclude that Niemeyer was driving the bus hired by Bluffton with Bluffton's permission because Executive had sought and Grandey had granted a request to allow Niemeyer to drive the bus. Accordingly, we conclude that Niemeyer is an 'insured' pursuant to the omnibus clause."

The Ohio Supreme Court decision reversed a ruling by Ohio's Third District Court of Appeals and remanded the case to the trial court for further proceedings.

Justice Evelyn Lundberg Stratton wrote a dissenting opinion, joined by Justice Terrence O'Donnell. Stratton agreed with the lower courts that found Bluffton did not "hire" the Executive Coach bus because Executive selected the bus and hired the driver.

"The majority's narrow interpretation expands the scope of coverage beyond what the parties to the insurance policy intended," Justice Stratton wrote.

"Today's opinion unreasonably extends coverage to a third party and effectively opens the door for similar claims under other scenarios because the omnibus clause is standard in many insurance policies."

## Judge orders \$15 million to crash victim's family

FORT WAYNE, Ind. — A federal judge has awarded \$15 million to the family of one of four people killed in a 2005 crash on the Indiana Toll Road caused by a truck driver.

District Judge Theresa Springmann found Net Trucking of Burbank, Ill., was negligent by letting

Stanislaw Gil drive more than legally allowed and altering log books.

The judge awarded the damages to the wife, son and estate of Dimitry Karpov of Mayfield Heights, Ohio. Karpov was killed when Gil caused a chain-reaction crash near Bristol. Gil is serving a

14-year prison sentence on reckless homicide convictions.

Court documents say Net Trucking hasn't responded to the lawsuit for more than a year. Springmann also ruled the company fraudulently transferred assets after the crash.

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# Not pretty: Texas high court weighs in on seatbelts

AUSTIN, Texas — In a potentially far-reaching decision, the Texas Supreme Court has ruled that state law is not preempted just because the federal government hasn't adopted a safety standard requiring seatbelts in motorcoaches.

"Regulatory silence will not preempt a state law absent a clear and manifest statement of intent to forbid all regulation in that area," the Texas court ruled last month.

The decision grew out of a crash that occurred seven years ago and that has been litigated nearly nonstop ever since.

In its ruling, the Texas Supreme Court said that jurors in McLennan County, Texas, correctly blamed Motor Coach Industries Mexico for the five deaths resulting from the 2003 crash on Interstate 35.

The jurors found that seatbelts on a Central Texas Trails bus could have kept passengers inside and that laminated glass would have prevented fatal injuries.

Federal regulations don't require seatbelts or lamination on motorcoaches, but all nine Texas Supreme Court justices agreed that jurors followed common law in making their decision without

intruding on federal law.

Justice Eva Guzman wrote that the verdict "does not present any obstacle to the accomplishment of the federal regulatory scheme's purpose."

Judgment on damages will require another trial because District Judge Jim Meyer failed to ask jurors about responsibility of Central Texas Trails and the driver.

In 2003, friends chartered a Central Texas Trails bus to take them from Temple, Texas, to Dallas for a concert.

Near Waco, in rain and fog, the driver crested a hill and saw red lights. Traffic had stopped on the interstate due to an accident.

"He attempted to change lanes to increase his stopping distance, but another car cut him off, so he steered into the earthen median and lost control of the bus," Guzman wrote.

"It crossed the median into southbound traffic and collided with a large sport utility vehicle, spun counterclockwise, and tipped over on its right side," she wrote.

"The bus slid across the southbound lanes and came to rest in the ditch on the far side of the road."

Five died and others suffered injuries.

Central Texas Trails exhausted its \$5 million liability policy, declared bankruptcy, and deposited the proceeds in a liability fund.

**'Jurors found that seatbelts on a Central Texas Trails bus could have kept passengers inside and that laminated glass would have prevented fatal injuries.'**

Families and passengers sued Motor Coach Industries Mexico in McLennan County four months after the crash, along with its importer and distributor.

Central Texas Trails reached agreement with families and passengers four months after that, through non-binding mediation.

"The unique plan allowed the claimants to either accept a mediated percentage of the proceeds or to litigate their claims before a special judge," Guzman wrote.

Those who sued could obtain no more than 10 percent above the

mediator's award.

Central Texas Trails reorganized, and a bankruptcy judge discharged any tort liability in excess of the liability fund.

Motor Coach Industries Mexico tested the discharge in the McClellan County action, moving to join Central Texas Trails and the driver as necessary third parties.

Judge Meyer denied the motion. At the close of the trial, Meyer refused to ask jurors if they could hold Central Texas Trails and the driver responsible.

He also refused to ask if they could subject Central Texas Trails and the driver to proportionate liability as settling parties.

Jurors awarded more than \$17 million.

Before Meyer could enter judgment, the special judge for Central Texas Trails found all the awards but one exceeded the mediator's maximum.

The special judge capped the awards and prorated them. A bankruptcy judge approved the caps and released payments.

Meyer adjusted the awards to account for the mediation, and entered judgment.

On appeal, 10th District judges in Waco sided with jurors on seatbelts and glass, but found Meyer should have defined Central Texas Trails and the driver as settling persons.

The 10th District remanded the case for trial to allocate damages, and the Supreme Court affirmed the decision.

Guzman wrote: "Given that no federal safety standard even discusses passenger seatbelts in motorcoaches, MCI's preemption claim is predicated on regulatory silence.

"Regulatory silence will not preempt a state law absent a clear and manifest statement of intent to forbid all regulation in that area."

She continued that "an agency's mere decision to leave an area unregulated is not enough to preempt state law."

On windows, she wrote that glazing materials would feature prominently on retrial.

Victims sought to avoid retrial by pleading that they styled the agreement with Central Texas Trails as a litigation plan rather than a settlement.

Guzman wrote that it had all semblances of a settlement.

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# Best puts Clarendon's ratings on review

OLDWICK, N.J. — A.M. Best Co. has placed under review, with negative implications, the financial strength rating of Clarendon Insurance Group, parent company of long-time motorcoach industry insurer Clarendon National Insurance.

The current financial strength rating of Clarendon Insurance Group is "A-" (excellent) and its

issuer credit rating is "a-."

The ratings action affects not only Clarendon National Insurance Co., but three other Clarendon group companies.

Best said it took the rating actions following the announcement that Clarendon's corporate parent, German reinsurer Hannover Ruckversicherung AG (Hannover

Re), had reached an agreement to sell all the operating companies of Clarendon Insurance Group to Enstar Group Limited of Hamilton, Bermuda.

"Enstar specializes in the acquisition and management of insurance and reinsurance companies that are in run-off," Best noted. "The under-review status

with negative implications reflects the uncertainties associated with this transaction and any changes that may be brought on by changes in ownership," Best added.

Clarendon no longer actively writes new insurance business, but the company says it will continue paying legitimate claims promptly.

## Big blizzard

CONTINUED FROM PAGE 3

LeBron experienced the storm first hand, too.

Helping to fill in for some vacationing drivers, he took a run to Washington that left the morning the storm began moving in with light snow showers.

While he managed to complete the run before conditions got too bad to drive, he was forced to hunker down in D.C. for the next two days because the horrid weather conditions made a return trip impossible.

"I just couldn't get back," he said. "Our northern drivers were stuck in the south and our southern drivers were stuck in the north."

Another DC2NY driver left Washington for New York at 3 p.m. the day the storm struck and didn't reach the end of the run until eight hours later, about twice as long as it usually takes.

It then took her another six hours to drive the empty bus 32 miles to the garage.

"We sent two mechanics with shovels to help dig her out along the way," LeBron said. "But we got our bus back."

The storm, which dumped more than two-feet of snow in some areas, also interrupted dozens of charter trips and forced cancellation of many more that were scheduled. Transit bus operations also were crippled and there were reports that as many as 1,000 buses were stuck in the snow during the storm.

During the height of the blizzard, a Coach USA bus traveling near Ridgewood, N.J., caught fire, destroying the bus and testing the skills of firefighters.

"The wind and the snow were incredible at the time and, of course, the cold itself makes for icy conditions the minute we start flowing water," Fire Chief Donald Seltmann told a local newspaper.

"And, also, once we got to the scene, wind blowing the huge amount of smoke back made it difficult to see what we had burning at first."

The driver, who was the only person on board the coach at the time, was not injured.

For some operators, the blizzard was a piece of cake.

"The storm couldn't have come at a better time," said Glenn Davis, vice president of VIA Bus in Hammonton, N.J., noting that his business was pretty much shut down for the Christmas holiday and he had nothing on the road or scheduled when the blizzard hit.

"We skated through that one," he said.



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# West Point Tours Trailways owner Jerome Brisman dies

CORNWALL ON HUDSON, N.Y. — Jerome ‘Jerry’ Brisman, president and owner of West Point Tour Trailways of Vails Gate and Highland Falls, N.Y., died late last month at his winter residence in Delray Beach, Fla. He was 79.

Mr. Brisman had been diagnosed with leukemia last May.

A 1952 graduate of the U.S. Military Academy at West Point, Mr. Brisman served for three years in the Army following his graduation from the academy.

Most of his adult life, however, was spent in the school bus and motorcoach industries.

Mr. Brisman’s company, community, church and family were key aspects of his life. He was a past president of the New York School Bus Contractors Association and of Temple Beth Jacob.

His company was the recipient of the Gold Merit Award for outstanding service from the National School Bus Contractor’s Association.

More recently, Mr. Brisman

became enthusiastically involved with the Orange County (N.Y.) Citizens Foundation. He served on the foundation board, actively promoting tourism in Orange County. He was given an award three years ago in recognition of his contributions and accomplishments.

After he was diagnosed with leukemia, Mr. Brisman missed working with his family of employees at West Point Tours, but “his love of his company lives on in them all and he will always be remem-

bered as Mr. B,” said his family.

The Bus Association of New York issued a statement saying it was saddened by the death of “one of its longstanding members.”

West Point Tours Trailways is now headed by two of Mr. Brisman’s sons, Robert and Jay, and was found by their grandfather Max Weiner in 1947. It has a fleet of 180 vehicles, including a dozen motorcoaches.

In addition to its school bus operations in Newburgh, Cornwall and Highland Falls, West Point Tours is

the authorized tour guide service at the U.S. Military Academy.

Mr. Brisman is survived by his wife, Gloria Brisman; daughter, Judith; three sons, Jeffrey, Robert and Jay, and two siblings, Henry Brisman and Audrey Gold.

Memorials in Mr. Brisman’s name have been established with the Hospice of Orange & Sullivan Counties Inc., 800 Stony Brook Ct., Newburgh, NY 12550, and Temple Beth Jacob, 344 Gidney Ave., Newburgh, NY 12550.

# Carolina American Tours’ Clarence McGill dies at 80

GREENSBORO, N.C. — Clarence McGill, owner and chairman of Carolina American Tours of Fayetteville, N.C., died at his home here early this month. He was 80.

Mr. McGill grew up in and worked for the business founded by his father in the 1930s, McGill’s Taxi and Bus Lines Inc., of Asheboro, N.C. He never held another job during his lifetime.

The company operated by his father provided a variety of transportation services to area residents, including running a shuttle during the Great Depression to local factories. The name was later changed to Asheboro Coach Co.

In addition to providing taxi and charter bus service, the company was one of the first in the area to provide motorcoach packaged tours, and it served as a scheduled stop for Trailways and Greyhound.

Through the years, Mr. McGill acquired other bus companies in Fayetteville, Wilson, Greensboro and Salisbury, N.C., becoming the largest privately-owned motorcoach operator in the Southeast.

According to a long-time competitor, at one time Mr. McGill operated a fleet of 90 large buses. As recently as a dozen years ago, it was operating more than 50 coaches. Today, it has a fleet of 13.

Consolidation of the companies Mr. McGill acquired through the

years resulted in another name change, to Carolina American Tours.

Mr. McGill was an avid supporter of the North Carolina Motorcoach Association of which his father was a founding member in 1945. He served on the association board for many years and a term as president in 1993.

The association presented Mr. McGill with an “outstanding achievement” award at its annual meeting about a year ago.

In addition to his professional activities, Mr. McGill was a dedicated Shriner, Mason and Kiwanian.

Mr. McGill is survived by his wife, Martha; two daughters, Rhonda Routh and Phyllis Phillips; a step-daughter, Diana Lynch, and a step-son, Ron Cook.

Diana Lynch worked alongside her father and has headed Carolina American Tours for a number of years.

Memorials have been established in Mr. McGill’s name with the Central United Methodist Church, 300 South Main St., Asheboro, NC 27203; Shriners Hospitals for Children, Office of Development, 2900 Rocky Point Drive, Tampa, FL 33607, and Hospice and Palliative Care of Greensboro, 2500 Summit Ave., Greensboro, NC 27405.

# Flagship Trailways’ Robert Fors

WESTERLY, R.I. — Robert A. Fors, safety and training manager for Flagship Trailways in Cranston, R.I., died late last month. He was 66.

Mr. Fors was a native of Stow, Mass., and a member of the U.S. Coast Guard during the Vietnam War.

He was the owner/operator of South County Trails of Westerly,

along with being a driver and district manager for Greyhound Lines. Most recently, he was safety director at Flagship Trailways.

His family said he loved traveling, cooking and playing host.

He is survived by his wife, Judith A. Freeman of Westerly; two sons, Davin and Kevan; a step-daughter, Alison Comolli, and a step-brother, Eugene Akers.



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# Today's business environment: Death by a thousand cuts

By Dave Millhouser

Rafting down the pristine Ichetucknee in north central Florida, we spotted a tree on a bluff overlooking the river. It had a rope hanging from a branch and we figured it was there so we could swing over the water and drop in.

I was young (derived from the Latin dumb) and came to the conclusion that if you held on for a second swing, you'd get a better ride.

It depends on your definition of "ride."

I swung over the water, held tight and then swung back — smack into the tree trunk. THEN I let go of the rope, dropped to the ground, and thumped into the water.

You have to know when to let go.

The current business and regulatory environment is not treating our industry well, and it's clear that some companies feel like they are "swinging over hell on a rotten vine."

Operators and suppliers are weighing options, deciding — in some cases — if continuing makes sense.

One coach manufacturer recently quit, and a major engine company decided that the cost of meeting new USEPA regulations for on-highway engines was so steep it couldn't reasonably expect to recover its investment. So, it stopped building truck and motorcoach engines.

Some jurisdictions make it so painful to operate a bus, that charter companies avoid them. Tiny taxes have companies dying "the death of a thousand cuts."

New coach prices have increased to the point that charter revenue often is not sufficient to justify buying them. The price increases have been driven, not by manufacturer greed, but in large part by the cost of meeting new government mandates.

There's not too much you can do about the economy. Run a lean business, look for opportunities, pray.

The other side of the equation is a bit different, and there may be some things we can do. We live in a democracy, and a substantial part of the problem is government.

The combination of mandates (many well intentioned) and a

thirst for revenue has increased the burden operators and vendors bear to the point where companies large and small are looking at the future, and some are dropping out.

In the months following deregulation, a prominent charter company in Baltimore took a look at what was happening and closed its doors. The owners guessed, correctly, that for the foreseeable future competition would be based on price alone.

They felt they could survive economically, but why bother? Every time one of their coaches departed, there was the risk of a catastrophe that could ruin their financial future. The reward didn't justify the risk, and they sold their coaches.

This is not what government intends.

When companies quit, jobs disappear, revenue is lost and the public is not served.

In real terms, some regulation is self defeating. New engines are so expensive that older, less green, less efficient, less safe, coaches stay in service longer. New taxes drive companies out of jurisdictions, or out of business, providing

no revenue. You get it, and its fun preaching to the choir.

Since this is a democracy, we need to make the government types more aware of the cumulative affects of the burden they're piling on, and the unintended consequences. No one agency is the problem, and no single tax or regulation forces folks to quit, and each thinks THEIR tax/regulation is important.

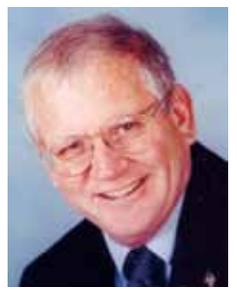
It's important to quantify what they're doing to us, and make it visible.

That requires a two-pronged approach. Each of us needs to be in the face, with all the respect we can muster, of the people who represent us. Help them understand what the results of their "piling on" are going to be.

That involves building personal relationships with politicians and regulators where possible, and working to defeat wrong-headed ones (almost got you Patty Murray).

It also involves speaking with a single voice through associations, and in partnership with other travel-related industries. That has to be done on both a state and federal level.

We need to avoid the trap that so many politicians fall into. It's about the survival of the industry, not our own



Dave Millhouser

personal or institutional ambitions. Hang together, or hang separately (stole that one from Ben Franklin).

This is not about our quitting, it's about rational choices. You aren't in business to be the government's ATM, you serve the public.

When it becomes impossible to do that, and there is no light at the end of the tunnel, coach companies will close, eliminating jobs, revenue and service.

We need to express that clearly, or our industry is going to shrink dramatically by attrition. Then there will be no service, jobs or revenue. Government needs to know when to let go.

Dave Millhouser is a bus industry marketing consultant and freelance writer. Contact him at his new email address: Davemillhouser@gmail.com.

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# UMA, NTA announce extended plan for combined conventions

ALEXANDRIA, Va. — Two years ago, the United Motorcoach Association and the National Tour Association announced they were exploring the idea of co-locating their annual trade shows.

Just over a year ago, the two organizations announced plans for their first jointly located convention in Orlando in 2013.

Now, the two organizations have expanded those plans by adding additional dates — in 2014 and 2015 — and a combining of their conventions.

First up will be Orlando, Fla., Jan. 19-23, 2013, next will come Los Angeles on Feb. 16-20, 2014, and then New Orleans on Jan. 17-21, 2015.

All three cities promise to be big draws for travel professionals, according to Victor Parra, UMA

president and CEO.

They “are incredible destinations: fun, accessible and popular,” he said. And, they “are important group travel and tourism destinations.”

By collaborating with their annual events, UMA and NTA will bring together 2,000 buyers, with thousands of supplier and destina-

tion partners. “It’s a perfect match,” said NTA President Lisa Simon.

“Combining NTA’s expertise with tour operators and product development, and UMA’s expertise with the motorcoach industry, we can put on a great show,” said Simon. “Together, we can both bring more business to our members at one event.”

Parra said he received “a great reception” at the NTA annual convention in Montreal in November about the idea of co-location of UMA and NTA in 2013.

“I gave presentations to DMOs, tour operators and travel suppliers and the enthusiasm was amazing,” he said. “Plus, the turnout was huge.”

Now celebrating its 60th year, NTA is the leading association for professionals serving travelers to, from and within North America.

UMA, which marks its 40th anniversary this year, is North America’s largest association for operators of motorcoach companies providing charter, tour and regular route services.

## NTA becomes ‘self managed’

LEXINGTON, Ky. — For more than 35 years, Host Communications of Lexington provided professional management of the National Tour Association.

At the start of this month that relationship ended and NTA became self managed.

Under the new arrangement, the association is operating under the professional leadership of President Lisa Simon, along with the current NTA staff. The association continues to be based in Lexington.

The NTA board made the decision to move to a new management model “after due diligence revealed that directly employing its staff would provide a more nimble management structure and better serve the 60-year-old association’s initiatives of building business for its members.”

“It will be business as usual,” said Cathy Greteman, NTA chairwoman and CEO. “We’re confident this will be a seamless transition for our members.”

Commenting on the new management arrangement, UMA President and CEO Victor Parra said the change should enhance the UMA partnership with NTA and strengthen their joint trade show efforts.

Host Communications, which specialized in management of associations and nonprofit organizations, as well as sports marketing and broadcasting, began managing the NTA in 1974.

Three years ago, Host was acquired by IMG, the global sports and media company formerly known as International Management Group.

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## Bill stopped

CONTINUED FROM PAGE 1

country to take part in a “fly-in” to Washington to discuss industry issues with their lawmakers.

UMA has long called for its members to get to know their federal and state legislators so they can keep them informed about industry issues.

O’Brien and Polzien joined the trek to Washington and during their meeting with Coburn’s staff discussed the industry’s opposition to the motorcoach safety act. They followed up the meeting with numerous telephone calls, emails and letters, all reiterating the urgency

of stopping the bill.

Coburn, who seemed most concerned about how the measure could bring a virtual halt to expansion in the motorcoach industry, responded by placing a hold on the bill.

While Senate rules allow senators to block legislation by placing “a hold” on it, his action was far from easy.

He reportedly came under intense pressure from other senators to lift the ban and allow the legislation to come to a vote. Also, a citizens’ group placed a hard-hitting advertisement in two Oklahoma newspapers urging him to lift his hold.

And, he was attack by political bloggers who urged supporters of

the bill to call the senator’s office and tell him they were against what he was doing.

“He was getting a tremendous amount of pressure but he held strong,” said O’Brien. “I think he did an outstanding job.”

UMA Vice President Ken Presley, who also provided the senator with key data about the industry’s strong opposition to the bill, recognized O’Brien and Polzien for their efforts.

“Sen. Coburn’s interest was rooted in the fact that two of our members cared enough to visit with his staff in April and then follow up with written correspondence,” he said.

Presley said that killing the bill not only kept the new-entrant provision from taking effect, but also prevented passenger-restraint requirements the industry opposes from becoming law as well.

“Everyone in the industry should realize they were one U.S. senator away from having to install seatbelts in every motorcoach (in their fleet) within three years,” he said.

Presley stressed that the National Highway Transportation Safety Administration and the Federal Motor Carrier Safety Administration are addressing the passenger-restraint issue and when they come up with something it

will be driven by science. (See related article on Page 10.)

Meantime, Presley said UMA appreciates all of the operators who weighed in with their senators and he urged that they continue to stay in touch with them because the fight is far from over.

In fact, it will be coming up again in the new 112th Congress.

Sen. Kay Bailey Hutchison, R-Texas, an original sponsor of SB 554, plans to resubmit the legislation again this year.

“We don’t know the timing yet, but the senator does plan to introduce the bill again during this Congress,” said Courtney Sanders, the senator’s communication director.

## Hiring right

CONTINUED FROM PAGE 1

used to calculate their employer’s overall safety score, and violations a driver gets while working for a company will remain with the carrier for two years even if the driver is terminated. (See Jan. 1 *Bus & Motorcoach News*.)

Crescenzo said the insurance industry worries, during periods when hiring drivers becomes tougher, because operators are more likely to hire the wrong people, which often leads to an increase in accidents, resulting in

costly claims.

“We take it very, very seriously,” he emphasized.

He said the key to good hiring rests with the practices and policies a company has in place and the men and women who administer them.

“We have a lot of expectations of our drivers, but we also need (to have) a lot of expectations of ourselves,” he stressed.

Crescenzo said a careful review of an applicant’s background, written examination, personality testing, road tests and dozens of other time-tested steps should be

taken before a company hires a new driver.

Also, he urged operators to immediately become familiar with and make use of one of the newest tools — the Federal Motor Carrier Safety Administration’s Pre-employment Screening Program, which gives them on-line access to up to five years of driver crash data and three years of inspection data regardless of the state in which the driver worked. (See Nov. 1 and June 1 issues of *Bus & Motorcoach News*.)

“If you have a poor driver, customers will think all of your driv-

ers are like that,” he said. “You don’t want to have a reputation of being a terrible company because you hired someone who had a bad record and caused an accident.”

Careful hiring, he suggested, can keep companies from mistakenly bringing on drivers who are more likely to have accidents than other drivers.

He said federal studies have shown that drivers who are aggressive, impatient, inattentive, inexperienced or unhappy with their job tend to be involved in the most accidents.

While hiring only the best driv-

ers can be a challenge, keeping them can be just as difficult, especially during periods of driver shortages.

Crescenzo said operators spend as much as \$5,000 to train new drivers so they should have programs in place that encourage the drivers to stay with the company. Driver contests, special drawings, gift certificates and company hats, ties and jackets can help, he said.

And his best hiring advise?

“If you have any doubts about whether you should hire someone or not, then my recommendation is don’t,” he said.

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# Martz upgrades driver training program in big way (again)

WILKES-BARRE, Pa. — About seven years ago, the Martz Group completely revamped its safety system.

The nation's 11th largest motorcoach operator instituted a new driver training program that included more than 160 hours of combined classroom and over-the-road instruction.

The safety system overhaul resulted in Martz being named winner of the "Safety Leader of the Year Award" at the 2005 UMA Motorcoach Expo.

Now, Martz has made another major investment in its safety program by adding a sophisticated driver simulator designed specifically for the bus industry.

Martz placed an MPRI Driving Simulator in a motorcoach that was reconfigured to serve as a classroom on wheels.

James River Bus Lines of Richmond, Va., purchased a similar MPRI simulator two years ago, installing it on a trailer.

The Martz mobile classroom will rotate among all company locations — in Pennsylvania, Maryland, Virginia and Florida, providing newly hired and current drivers with state-of-the-art training in po-



The new Martz Group "classroom on wheels" not only trains new drivers and recertifies veteran drivers, but it also promotes the program wherever it goes.

tentially dangerous situations, such as a tire blowout, black ice, high wind and other events that would be impossible to recreate on a highway.

Mike Jordan, safety director at the Martz location in Wilkes-Barre, said drivers have reacted very positively to the simulator.

"Our operators really appreciate the opportunity to recertify on the simulator, and encounter unique experiences that can occur on any given day," said Jordan. "The scenarios are realistic and practical. Our people are actually eager to

have their turn on the new unit."

In addition to the simulator system, the mobile classroom has comfortable seating and desks for 10 students, Wi-Fi accessibility, and power outlets for laptops and other training aids.

A large flat-screen television allows other students to view the same scene that is taking place on the simulator as a driver takes his or her turn at the wheel of the training device. The big-screen TV also allows students to jointly watch webinars, view videos and



Driver Penny Porter takes her turn at the wheel of the simulator.

see PowerPoint presentations for other training applications.

"Training at Martz receives a tremendous amount of attention," said Ed Steltz, vice president of human resources. "New drivers receive a minimum of 168 hours of classroom and on-the-road training before they are placed in revenue service. That is a huge investment of time and money.

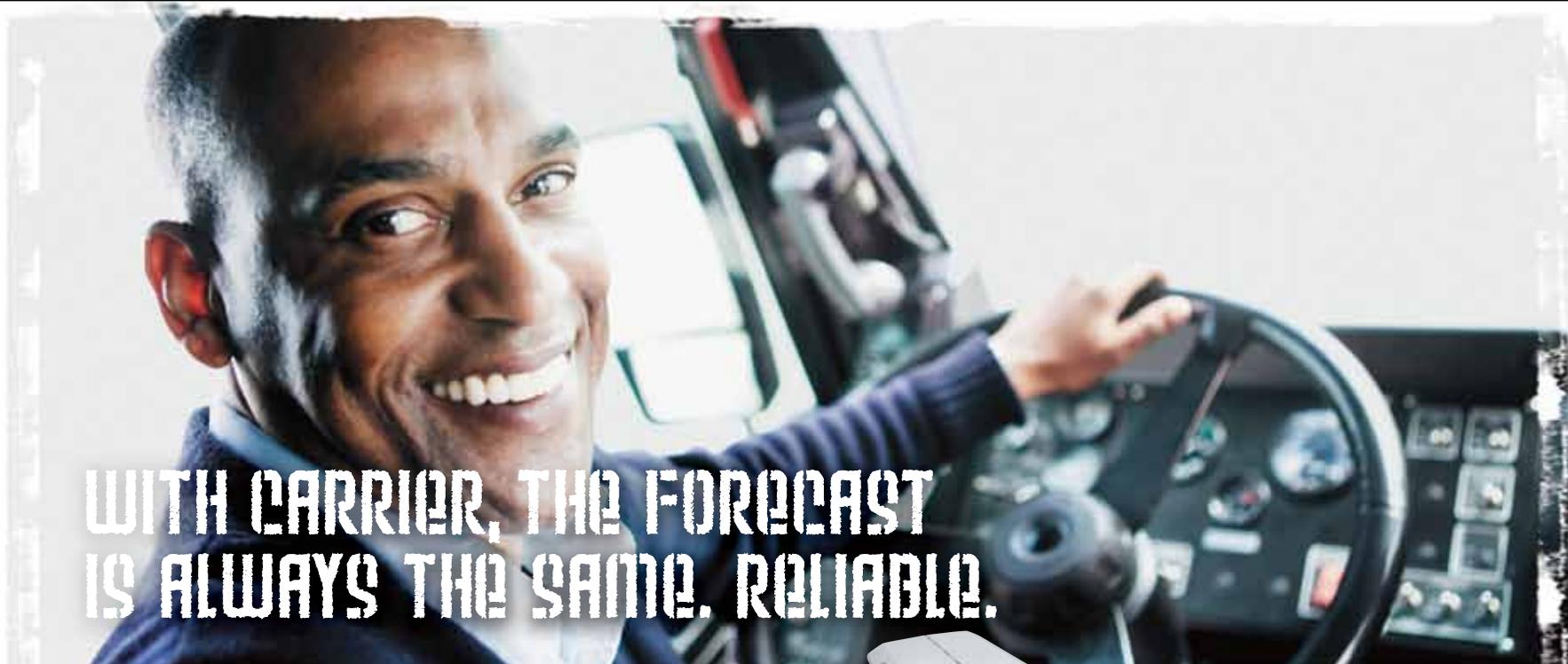
"The integration of the mobile classroom and simulator into this already intense program will maximize individual training time, im-

prove awareness and provide real-life experience before the driver takes the first trip.

"We anticipate reduced training costs, improved performance and a reduction in the number of accidents new drivers encounter," Steltz added.

Craig Smith, CEO of the Martz Group, said the company hoped to be able to share the technology with other companies.

To learn more about the Martz program and simulator, contact Steltz by calling (570) 821-3840.



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## People

FARIBAULT, Minn. — **ABC Companies** has announced the appointment of *Wade Norton* as director of sales for **ABC Parts**, **Muncie Transit Supply** and **Baker Transit Parts**.

In this new position, Norton will be responsible for North American aftermarket sales for ABC Parts and the Muncie and Baker affiliates.

“Wade brings with him strong bus industry expertise, as well as a background in diesel engines, trucks, heavy equipment, buses and motorcoaches,” said Larry Carlson, general manager of ABC Parts.

ABC also announced the appointment of *Ryan McElvaney* as parts territory sales manager for the Northeast region. McElvaney’s territory includes Connecticut, Maine, Massachusetts, New Hampshire, Pennsylvania, Rhode Island, Vermont, and New York, excluding Long Island and NYMTA.

McElvaney is a graduate of Millersville (Pa.) University. Most recently he was a staffing manager for **Robert Half International**.

ORLANDO, Fla. — **iTransit Inc.** has announced the appointment of *John Hagel* as regional sales manager.

“John is a great addition to the iTransit sales team,” said *Rob Lambert*, iTransit vice president of sales. “He is a veteran in the motorcoach industry and will play a vital role in the continued growth and expansion of the iTransit sales department.”

Hagel has been in the motorcoach industry for three decades in both sales and service. He spent 17 years with **ABC Companies** as shop supervisor, as well as regional sales manager.

He has also worked at **Coach Crafters**, and most recently was a regional sales manager for **Setra**.

Based in Faribault, Hagel primarily will be responsible for the Midwest and Northeast regions of the U.S.

## 3 charged for throwing objects from overpasses

ATHENS, Tenn. — Three young men have been arrested in connection with a rash of incidents involving objects being thrown from Interstate 75 overpasses in eastern Tennessee, including one involving a small electric motor hitting a university-owned motorcoach.

Charges filed against the three include reckless endangerment, felony vandalism, criminal conspiracy to commit reckless homicide

## Hot contest at cold Georgia roadeo

ATLANTA — Despite 18-degree temperatures, nearly 60 drivers registered to compete in the 2010 Georgia Motorcoach Operators Association coach roadeo here last month.

The second annual event gave coach drivers an opportunity to demonstrate their skills on an obstacle course that features a variety of circumstances they may experience while driving a motorcoach.

The competition tests knowledge of defensive driving and regulations, plus basic coach driving skills. Contestants are given a written general knowledge test and a pre- and post-trip inspection test.

Coach manufacturers provided

the buses for the driving skills competition.

Drivers from American Coach Lines of Atlanta captured two of the top three places in the competition. Leonard Moore won first place, while Warren Goss came in second. Third went to Mike Sheppard of Daniel’s Charters and Tours of Gainesville, Ga.

Walter Hubbard, president of the Georgia Motorcoach Operators Association said the Waterfront Marina and parking lot at Stone Mountain Park provided an excellent venue for the roadeo.

“Though the temperature was



Leonard Moore Warren Goss Mike Sheppard

cold and everyone was wrapped snugly in heavy winterwear, the excitement was not affected,” said Hubbard.

“Coming in to warm up and celebrate the achievement of the top three drivers ended a great day of networking and education. Leonard Moore received much applause for winning first place for the second year,” said Hubbard.

ABC Companies, Daimler Buses North America, Motor Coach Industries and Prevost sponsored awards and cash prizes for the top winners, as well as a commemorative T-shirt for all who attended.

Allen Insurance Group gave a restaurant gift card and Cracker Barrel Old Country Store gave a rocking chair to each of the top three drivers.

All drivers for Georgia Motorcoach Operators Association members are eligible to compete.

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# Manufacturer recommends inspections for vehicle lifts

MADISON, Ind. — UMA Motorcoach Expo exhibitor Rotary Lift® says that, just like motorcoaches, vehicle lifts should be inspected daily.

“Maintaining a safe and efficient repair shop is everyone’s responsibility,” said John Rylee, Rotary Lift director of marketing. “Technicians should check their lifts every day, and the fleet maintenance manager should schedule professional lift inspections annually.

“Regular inspections help ensure that all the lifts in the shop are operating properly. After all, you can’t afford to have a lift out of action.”

The lift industry trade association, the Automotive Lift Institute, also endorses daily operator lift inspections, and recommends that all vehicle lifts be inspected by a qualified lift inspector at least annually, “to ensure reliability and the continued safe operation.”

Lift owner manuals provide inspection instructions. At a minimum, technicians should check the following daily:

- Lift controls are working properly.
- All locks and restraints are working correctly.
- There is no deformation or excessive wear of any lift components, including posts, arms, hoses or wiring.
- There is no damage or excessive wear on any of the lift contact

points, including adapters.

- There are no hydraulic leaks.
- There are no cracks or loose concrete around floor anchors, if applicable.

If any of these problems exist, or if the lift makes unusual noises or sudden movements, operates erratically, or creates chips or filings during use, the lift should be taken out of service and the condition repaired by factory-trained service personnel.

Rotary Lift has extended its In-

spect to Protect™ program to help maintenance managers find local qualified lift inspectors through the Rotary Authorized Installer North American network.

Rotary Lift has produced a new Inspect to Protect video highlighting the importance of vehicle lift inspections.

For more information about the Rotary Lift Inspect to Protect program, visit Expo Booth No. 910, go to [www.rotarylift.com/inspect](http://www.rotarylift.com/inspect), or call (800) 640-5438.

## Calendar

### JANUARY 2011

**17-19 International Motor Coach Group Maintenance and Safety Forum**, Tampa, Fla. Info: Go to [www.imgcoach.com](http://www.imgcoach.com), or call (888) 447-3466.

**18 Ontario Motor Coach Association Tour Operator Council**, conference call. Info: Email [ann@omca.com](mailto:ann@omca.com).

**19-23 UMA Motorcoach Expo 2011**, Tampa (Fla.) Convention Center. Info: [www.motorcoach-expo.com](http://www.motorcoach-expo.com), or call (800) 424-8262.

**21 National Association of Motorcoach Operators Membership Meeting**, UMA Motorcoach Expo, Tampa (Fla.) Convention Center. Info: Go to [www.namocoaches.org](http://www.namocoaches.org).

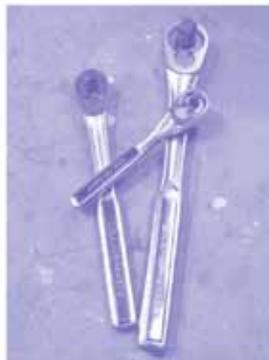
**21 UMA 8th Annual Vision Awards Banquet**, Tampa, Fla. Info: Go to [www.motorcoach-expo.com](http://www.motorcoach-expo.com), or call (800) 424-8262.

**31-Feb. 2 Tennessee Motor Coach Association 2011 Convention and Marketplace**, Harrah’s Casino Tunica (Miss.). Info: Go to [www.tnmca.net](http://www.tnmca.net).

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**Dennis Lyons – Vice President – DATTCO, Inc.**

*“Coach Manager is our central resource for sales, fleet allocation and customer billing. Distinctive Systems has been an outstanding business partner for Peter Pan and Coach Manager has increased our ability to utilize all company assets more effectively.”*

**Steve Manning – IT Director – Peter Pan Lines, Inc.**

*“Five years ago I set out to find the best motorcoach charter software available, and with Coach Manager, we are quite proud to say that we use the best charter software in the world.”*

**Ray Land – President – Fabulous Coach Lines**

*“Distinctive Systems’ ability for extensive customization allows each user to tailor the application to their unique business needs and procedures, creating a greatly fulfilling product. Coach Manager allows you to gather the information you need, in the form that you need it, to run a successful company. It gets an ‘A’ in my book!”*

**John Nichols – President – J. A. Nichols & Company**

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## Obamacare

CONTINUED FROM PAGE 1

the overhaul. Among the changes taking effect this year are provisions that could prove popular, including a requirement for health-care plans that spend less than 80 percent of premiums on healthcare services to provide rebates to customers.

The so-called “donut hole” also would be narrowed, with Medicare beneficiaries receiving a discount on brand-name prescriptions.

Democrats have touted the healthcare law as the crowning achievement of the two years they

were in charge of both Congress and the White House.

In a note to supporters, Vice President Joe Biden said 32 million people would have health insurance because of the law.

But the new law has been far from overwhelmingly popular. Polls show voters have mixed feelings at best, and Republicans running against healthcare won a huge victory in the midterm elections, crushing Democrats at the polls.

Here’s a list of the changes that went into effect Jan. 1:

**Medical-loss ratio requirements:** Healthcare plans must provide rebates to customers if they spend less than 80 percent of premiums on health care (85 percent

for the large-group market).

However, a number of plans have been exempted from the requirements.

Healthcare plans must begin calculating the ratios this year, with rebates starting in 2012. Also in 2011, so-called “mini-med” plans will be required to collect and share data so federal regulators can decide how to apply the medical-loss ratio to the low-value plans going forward.

**Closing the donut hole:** Medicare beneficiaries will receive a 50 percent discount on brand name prescriptions, as the government works to close the Medicare Part D “donut” hole.

The discount applies to drugs

whose manufacturers have signed agreements with the Centers for Medicare and Medicaid Services; those who won’t see their drugs covered by Part D.

The “donut hole” refers to a gap in Medicare prescription drug coverage included in the 2003 law that created the program. Below a certain threshold (\$2,830 in 2010), Medicare pays 75 percent of drug costs.

And for beneficiaries who reach a catastrophic level of spending on drugs (\$6,440), Medicare pays 95 percent of the costs above that threshold.

Beneficiaries whose spending falls between those two thresholds — the so-called donut hole — until now had to pay 100 percent of costs in the gap.

The new reform law progressively closes the gap, first with \$250 rebate checks starting in 2010 and then with a 50 percent discount on brand-name drugs starting this year. By 2020, beneficiaries will get a 75 percent discount, thus completely closing the donut hole.

**Primary care bonus:** Doctors will get a 10 percent Medicare bonus for primary-care services, while general surgeons in health professional shortage areas will also get a 10 percent bump. The temporary bump lasts through Dec. 31, 2015.

**Medicare prevention benefits:** Cost-sharing for Medicare-covered preventive services earn-

ing an “A” or “B” grade from the U.S. Preventive Services Task Force will be eliminated.

Medicare deductibles for colorectal cancer screening tests will also be waived, and Medicare coverage will be authorized for a personalized prevention plan.

**CLASS Act:** A national, voluntary program will allow employees to purchase long-term care insurance. Enrollees who become disabled will be able to get payments to help them in their daily lives after they pay into the program for five years.

**Premium threshold freeze:** The income threshold for income-related Part B premiums will be frozen at 2010 levels for 2011 through 2019. The Part D premium subsidy will be reduced for individuals earning more than \$85,000 and couples earning above \$170,000.

**Medicare Advantage changes:** Payment rates to private Medicare Advantage plans will be gradually reduced in comparison to Medicare fee-for-service (FFS) rates. Payments will be frozen at 2010 levels, and plans cannot impose higher cost-sharing requirements for some benefits than required under the fee-for-service program.

**Home healthcare:** States can allow Medicaid enrollees to designate a home healthcare service as their provider, and states can receive 90 percent federal matching payments for two years for home health-related care.

## Tax bill

CONTINUED FROM PAGE 1

2011, and the new law extends it through 2012.

The existing limited full write-off of business investments for small businesses was made permanent at \$125,000 per year, with the amount indexed for inflation. The existing tax credit for research and development was also extended for two years, that is, for 2010 and 2011.

Several energy tax credits, including those for biodiesel and ethanol, were also extended for 2010 and 2011, effective back to the beginning of last year. (See related story on Page 8.)

The alternative fuels tax credit of 50 cents per gallon was also extended for that period, and seems to apply to propane used in forklifts. The exact application of the alternative fuels credit may depend on the terms of guidance still to be issued by the Internal Revenue Service.

The federal estate tax expired at the end of 2009, and would have sprung back into existence at very high rates for 2011 if Congress had not acted.

The new law brings the estate

tax back into effect as of the beginning of 2010, at a rate of 35 percent and with a \$5 million deduction of the value of an estate. These rates will be in effect through 2012.

Estates of those who died during 2010 will have a choice of applying these rates or the modified carry-over basis rules in effect for 2010 under prior law. The new law also sets exemptions for the federal gift and generation-skipping taxes at \$5 million.

For individual income taxpayers, the law retains through 2012 the tax brackets that have been in effect since the 2001 and 2003 tax cuts, as well as the rates on capital gains and dividends. The alternative minimum tax has been patched again, for the same period.

Finally, the employee’s portion of the social security employment tax has been reduced, for 2011 only, from 6.2 to 4.2 percent. The self-employment tax has likewise been reduced, from 12.4 to 10.4 percent.

The IRS has already issued new withholding tables reflecting the changes made by the new law, and will require employers to make the necessary adjustments in withholding by the end of this month — at the latest. The new tables may be found at [www.irs.gov](http://www.irs.gov).

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Safety & Compliance	04/05/2011	Safety & Compliance	10/04/2011

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