



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

November 20, 2025

From: *William A. Quade*
William Quade, Acting Associate Administrator for Hazardous
Materials Safety, PHMSA

To: Office of Hazardous Materials Safety Staff, PHMSA

Subject: Inspection and Enforcement Priorities

SUMMARY

This memorandum establishes the inspection and enforcement priorities (priorities) of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Hazardous Materials Safety (OHMS). By focusing OHMS's inspection and enforcement priorities on areas that provide the greatest positive impact on hazardous materials safety, OHMS will be better positioned to fulfill its statutory mission and avoid allocating valuable resources on efforts that produce minimal safety benefits or that are based on unduly broad, novel, or strained application of the federal hazardous materials safety laws or regulations.

OHMS Leadership has identified areas requiring increased attention and oversight based on regulatory trends, incident data, industry feedback, and internal performance assessments. These priorities reflect the current policies, practices, and procedures of the Department of Transportation (DOT) and will guide OHMS's efforts in conducting inspections and investigations and initiating enforcement actions.

BACKGROUND

The Hazardous Materials Transportation Act (HMTA) and its amendments (collectively, the Federal Hazardous Materials Transportation Law, 49 U.S.C. § 5101 *et seq.*) authorize PHMSA to "protect against the risks to life, property, and the environment that are inherent in the transportation of hazardous material in intrastate, interstate, and foreign commerce."¹ Consistent with that statutory directive, PHMSA has issued comprehensive federal safety standards and reporting requirements for entities conducting regulated hazardous materials activities (Hazardous Materials Regulations, 49 CFR Parts 171-180 (HMR), pursuant to a delegation of authority under 49 U.S.C. § 5103), including a table of regulated hazardous

¹ 49 U.S.C. § 5101.

materials,² hazardous materials communications requirements,³ emergency response information,⁴ training requirements,⁵ and prescribed safety and security plans.⁶ The HMR specify general requirements for shipments and packagings,⁷ as well as specific requirements for individual modes of transportation⁸ and for varying packaging types.⁹

To protect the public, property, and the environment, the Federal Hazardous Materials Transportation Law authorizes PHMSA to conduct inspections and investigations, to make requests for records and other information, and to initiate enforcement actions to ensure safety and facilitate compliance with the federal hazardous materials safety laws and regulations.¹⁰ PHMSA may also remove a package from transportation or issue orders to address imminent hazards posed by unsafe conditions or practices.¹¹ PHMSA is directed to maintain facilities, technical staff, a central reporting system, an information center, and continuous review to help decide on, coordinate, and take appropriate actions to ensure safe transportation of hazardous materials.¹²

OHMS is the entity within PHMSA that conducts hazardous materials safety inspections and investigations and initiates enforcement actions.¹³ Although OHMS enjoys considerable discretion in performing these functions,¹⁴ any decision to pursue an enforcement action must be based on a reasonable interpretation of the law considering principles of fair notice, the facts and evidence available, agency resources, Administration policy, and PHMSA's mission—protecting people, property, and the environment by advancing the safe transportation of energy and other hazardous materials.¹⁵

OHMS generally uses the following three types of enforcement actions to ensure regulated entity compliance with the hazardous materials safety laws and regulations:

- *Warning Letters.* OHMS issues warning letters to notify regulated entities of probable violations of the hazardous materials safety law or regulations.¹⁶

² 49 CFR Part 172, Subpart B.

³ 49 CFR Part 172, Subparts C-F.

⁴ 49 CFR Part 172, Subpart G.

⁵ 49 CFR Part 172, Subpart H.

⁶ 49 CFR Part 172, Subpart I.

⁷ 49 CFR Part 173.

⁸ 49 CFR Parts 174-177.

⁹ 49 CFR Parts 178-180.

¹⁰ 49 U.S.C. § 5121(a)-(c).

¹¹ 49 U.S.C. §§ 5121(a)(1)(C) and (d)(1).

¹² 49 U.S.C. § 5121(f).

¹³ See 49 CFR § 107.305(b).

¹⁴ See *Heckler v. Chaney*, 470 U.S. 821, 830–31 (1985) (holding that agency decision not to undertake certain enforcement action is unreviewable under the Administrative Procedure Act, 5 U.S.C. § 701(a)(2)).

¹⁵ OFFICE OF THE GEN. COUNSEL, U.S. DEP'T OF TRANSP., MEMORANDUM TO SECRETARIAL OFFICERS AND HEADS OF OPERATING ADMINISTRATIONS: PROCEDURAL REQUIREMENTS FOR DOT ENFORCEMENT ACTIONS 5 (Mar. 11, 2025) (DOT Enforcement Memo), <https://www.transportation.gov/sites/dot.gov/files/2025-03/Procedural%20Requirements%20for%20DOT%20Enforcement%20Actions.Cote%20Memo.Signed.03-11-2025.pdf>.

¹⁶ 49 CFR § 107.309((a).

Warning letters advise regulated entities to correct these probable violations to avoid a potential enforcement action in the future.¹⁷ Regulated entities may respond to warning letters, but warnings are not subject to further adjudication.

- *Ticketing*. OHMS issues tickets to regulated entities for alleged violations that do not have a direct or substantial impact on safety.¹⁸ Tickets include a statement of facts on which the conclusion of the alleged violation is based; the maximum penalty provided for by statute, the proposed full penalty determined according to PHMSA's civil penalty guidelines, the statutory criteria for penalty assessment, and the ticket penalty amount (one half the baseline guideline penalty, with potential adjustments); and a statement that within 45 days of receipt of the ticket, the person must pay the penalty, make an informal response, or request a formal administrative hearing.¹⁹
- *Notices of Probable Violation (NOPVs)*. OHMS issues NOPVs to regulated entities of alleged violations of the hazardous materials safety law or regulations.²⁰ NOPVs include information about the alleged violation and supporting evidence, the amount of the proposed civil penalty, and the regulated entity's options for responding to the allegations.²¹ Regulated entities may respond to the NOPV within 30 days²² by admitting the violation (typically by paying the proposed civil penalty),²³ making an informal response (which may also request an informal hearing),²⁴ or requesting a formal hearing.²⁵

POLICY

OHMS recognizes that hazardous materials safety is a shared responsibility and that providing a clear and concise statement of its inspection and enforcement priorities serves the public interest. Such a statement allows interested stakeholders to understand the areas that OHMS has determined will provide the greatest benefit, both in terms of protecting the public, property, and the environment and of promoting hazardous materials safety.²⁶

OHMS staff should be mindful of these priorities in conducting their inspections and investigations and in initiating enforcement actions. Consistent with DOT policy, OHMS staff should also limit their inspection, investigation, and enforcement activities to matters that are clearly subject to PHMSA's jurisdiction under the federal hazardous materials safety law and regulations without relying on unduly broad, novel, or strained applications of the law or

¹⁷ 49 CFR § 107.309(b).

¹⁸ 49 CFR § 107.310(a).

¹⁹ 49 CFR § 107.310(b).

²⁰ 49 CFR § 107.311(a).

²¹ 49 CFR § 107.311(b).

²² 49 CFR § 107.313(a).

²³ 49 CFR §§ 107.313(a)(1), 107.315(1).

²⁴ 49 CFR §§ 107.313(a)(2), 107.317(a)-(b).

²⁵ 49 CFR §§ 107.313(a)(3), 107.319(a)-(b).

²⁶ DOT Enforcement Memo at 4.

regulations.²⁷

Outreach Priorities

Our outreach priorities are designed to improve industry engagement, to increase awareness of regulatory requirements, and to build stronger compliance partnerships:

- **Increasing communication and engagement with hazardous materials shippers:** Strengthening dialogue with industry stakeholders promotes trust, encourages collaboration, and provides opportunities to address compliance issues before they result in enforcement actions.
- **Supporting shipper understanding and compliance with hazardous materials package selection requirements:** Clear guidance helps to reduce packaging-related violations, to mitigate the risk of leaks or spills during transportation, and to ensure the safe delivery of hazardous materials.
- **Promoting proper classification of materials prior to shipment:** Accurate classification is fundamental to safe transportation. By reinforcing this requirement, we can reduce misclassified shipments, prevent serious safety hazards, and maintain a high level of industry accountability.

Inspection Priorities

Our inspection priorities target the highest-risk areas in hazardous materials transportation. By focusing on these sectors, we can more effectively prevent incidents and ensure compliance:

- **General hazardous materials shippers:** Routine oversight of shippers helps ensure that the foundational requirements of the HMR are consistently met.
- **Cylinder requalification facilities:** Proper cylinder maintenance and requalification are essential to preventing catastrophic failures during transportation.
- **Cylinder manufacturing (both foreign and domestic entities):** Ensuring compliance at the point of manufacture supports the safe distribution and use of cylinders throughout the supply chain.
- **Drum manufacturing operations:** Quality oversight at manufacturing facilities minimizes risks associated with packaging failures.
- **Drum recertification entities:** Verifying recertification processes protects the integrity of reused packaging and prevents unsafe containers from re-entering commerce.
- **Follow-up inspections of companies with previous major safety violations (recidivism focus):** Revisiting high-risk companies reinforces compliance expectations and helps deter repeat violations.

²⁷ DOT Enforcement Memo at 5.

- **Shippers of lithium batteries:** Increased oversight in this rapidly growing sector helps prevent incidents associated with improperly packaged or declared batteries.
- **Undeclared hazardous material shippers operating via e-commerce platforms:** Targeting undeclared shipments strengthens our ability to address emerging risks in an evolving marketplace.

Enforcement Priorities

Our enforcement priorities will maintain adherence to regulatory requirements and internal standards, continuing to advance safety by incorporating ongoing findings from our inspection results, monitoring industry and individual practices:

- **Ensure Timely and Accurate Case Processing:** All enforcement reports must be processed in accordance with the most current OHMS Operations Manual, with common warning letters and tickets closed or referred to collections in the Case Management System (CMS) within 180 days.
- **Focus on Risk-Based Enforcement:** Prioritize enforcement actions based on violations that present the highest risk to public safety, the environment, and national security.
- **Promote National Consistency and Accountability:** Regional leadership must apply penalty guidelines uniformly and monitor performance metrics to ensure consistent and transparent enforcement outcomes across all regions.
- **Leverage Data to Drive Strategic Improvements:** Use enforcement trends and CMS analytics to inform policy decisions, enhance compliance strategies, and proactively address recurring or emerging violations.

CONCLUSION

OHMS has identified certain priorities in this memo to better protect the public, property, and the environment from the risks associated with hazardous materials transportation and operation of related facilities. Our focus will include outreach priorities designed to improve industry engagement, increase awareness of regulatory requirements, and build stronger compliance partnerships. Inspection, investigation, and enforcement priorities will target the highest-risk areas in hazardous materials transportation and maintain best practices including transparency, consistency, and continual improvement. Your continued dedication and professionalism are essential to advancing PHMSA's safety mission. Thank you for your commitment to excellence in the time ahead.