

Hazmat Shipping Best Practices: Must-have Hazmat Shipping Paperwork



Executive Summary

When a US DOT inspector arrives on site to audit your hazmat shipping operations, knowing what's expected will minimize your stress and help the process go smoothly. A big part of hazmat shipping inspections is an administrative review of paperwork like shipping papers, training records, Special Permits, and more. Knowing what to track, record, and keep on file will help you make sure your next inspection is fast, straightforward, and free of costly civil penalties.

What to Expect When You're Inspected

A US DOT inspector is on property for an audit of your hazmat shipping operations. Don't panic!

When you're prepared for the DOT to visit your facility, you can greet the inspector and start the audit process with confidence. To be prepared, you must take a proactive approach—know what the inspector will look for and what you can do to make sure your inspection is successful and enforcement-order free. This basic guide shares critical details of hazmat documentation that often cause problems during audits, including violations and costly fines. Preparing for an audit is a wise investment. Fines for noncompliance start at \$450 for training violations and can be as high as \$175,000 for serious civil violations. Criminal violations can be as much as \$500,000 for a company. For individuals, criminal fines are as high as \$250,000, and penalties can include up to five years in prison.

Up-to-date Regulations

First, because the domestic and international hazmat regulations change continuously, it is critical that your key employees have easy access to the latest rules. These can include the 49 CFR for domestic shipments, the IATA Dangerous Goods Regulations (DGR) for air shipments, and the IMDG Code for vessel shipments. Having out-of-date regulations is a red flag for an enforcement officer, as it may indicate your shipments are not prepared in accordance with new standards.



Security Plans

During a review of your shipping papers, the compliance officer may determine that you need a site-specific security plan. Keep in mind that not all companies are obligated to have this DOT-mandated plan. The requirements for the triggers and the companies that require a plan can be found at 49 CFR 172, Subpart I. Your responsibilities here include having the most up-to-date version of the plan available for need-to-know employees. The plan must address specific items laid out in the regulations.



Risk assessment. Part of the evaluation of your written security plan will include the risk assessment your company performed. The purpose of this assessment is to determine where your facility is vulnerable and how security issues will be addressed.



Personnel security. Employers must corroborate the background information they received from all employees who prepare or have access to the shipments that trigger a need for a security plan.

Preventing Unauthorized Access. Security plans must include the measures taken to prevent unauthorized access to your “higher-danger” materials, both on your property and on the road (if you are a hazmat carrier). Further, specific personnel responsibilities for the plan’s execution must be clearly spelled out.

Annual Review. Shippers must review their site’s security plans annually and provide update training for any changes made that affect employee responsibilities. Recently, DOT added a requirement for security plans: The job title of the plan coordinator must now be indicated on the plan. For details on threshold values and which shipments trigger this plan requirement, see 49 CFR 172, Subpart I.

DOT Company Registration

If your company ships hazmat in amounts that require placarding, you likely must have a US DOT Hazmat Certificate of Registration. Hopefully, that registration number is handy. If your company also transports hazardous materials, each vehicle must carry your DOT registration number.

DOT hazmat registration is an annual fee paid to DOT to support small community emergency response groups. The fee covers the fiscal period of July 1 to June 30. Companies can register or renew their registration on DOT’s website: <http://phmsa.dot.gov/hazmat/registration>.

Training Records

Employee training records document your hazmat employees’ training in three required areas: general awareness, function specific, and security awareness. Some employees may also need safety and in-depth security plan training. Initial training must be completed within the first 90 days of the employee starting a hazmat job and must be repeated every three years.



Inspectors place a great deal of importance on training records. Simply put, records of appropriate, timely training reflect your company’s wider attitude toward regulatory compliance. Some of the basics required on the training records include employee name, training date, and the name and address of the training provider.



Many companies add a specific certification document to employees' training records stating that the employee was properly trained to perform certain listed functions. To demonstrate compliance efforts, it is very helpful to maintain current copies of the training materials from the classes as well as the test employees completed.

Because 49 CFR requires hazmat employees to be trained once every three years, training records should be kept on file for at least three years for long-term employees. If a hazmat employee leaves the company or changes to a non-hazmat role, the training records for that employee must be retained for ninety days after the employee is no longer performing hazmat functions for that employer.

For more details on training record requirements, see 49 CFR 172, Subpart H.

Shipping Papers

Shipping papers will be reviewed during the audit. In fact, mistakes on shipping papers are very often the reason for an audit. These papers represent your company's promise that your shipments were correctly classified, described, packaged, marked, and labeled. DOT representatives have often stated that the person who signs shipping papers might have to be the most thoroughly trained hazmat employee on property, since their signature certifies that every step of the hazmat shipping process was done according to the regulations. The full details are at 49 CFR 172, Subpart C.

The standard hazmat shipping paper, or an electronic copy, must be retained for two years. It may be kept at a central location or saved electronically. In letters of interpretation, DOT has said that if a compliance officer asks, you should be able to supply copies of shipping papers at any facility within two business days.

An annual review of shipping papers and procedures for all materials offered for transport is a recommended practice. Review all of your standard shipping papers for basic accuracy and possibly prepare templates to help ensure consistency. Up-to-date, accurate operating procedures are critical, especially at facilities where personnel may offer hazmat for transport when managers are not present to review the shipment.

Emergency Response Information

In addition to signed shipping papers, emergency response information and an emergency response telephone number are usually required to be on or with shipping papers per 49 CFR 172, Subpart G. This information must also be accessible and available at all locations where hazmat packages are prepared. The emergency response information must include seven specific pieces of information to help first responders deal with a release or fire involving the shipment. [49 CFR 172.602(a)] The shipper may supply the information in any the following ways:

- A stand-alone document;
- A modified Safety Data Sheet; or
- A modified page from the Emergency Response Guidebook.

Regardless of the format the shipper chooses, all emergency response information must include the full basic description for each item on the shipping paper.



Emergency Response Phone Number



For most hazmat shipments, an emergency response phone number is required on the shipping paper. There are several detailed requirements for emergency response information at 49 CFR 172, Subpart G.

The emergency response phone number must be monitored by a person the entire time the shipment is in transit—that means from the time the shipment leaves the shipper’s loading dock until the time the receiver or customer takes possession of the shipment.

The person answering the phone must have knowledge of the emergency response information, so that the caller can properly respond to the hazmat incident. If your company handles the phone response internally, the compliance officer may want to verify the system, the accompanying documentation, and the knowledge level of the person receiving the call.

Many companies contract an emergency response information service vendor to receive emergency response calls. If your company uses a service provider, make sure you have supplied your vendor with the needed information, so that the vendor can field these emergency calls.

International Concerns

Having discussed domestic shipments, let’s look at some related issues for international shipments. For instance, do your international papers for export shipments contain an emergency response phone number that begins with the US connection code instead of 1-800? 1-800 numbers are not accessible outside the US and do not meet DOT requirements for international shipments.

You should retain shipping papers for international shipments for two years, just like domestic shipping papers. Many people do not realize that the same retention requirements apply to shipping papers for international shipments.

For import shipments, the shipper also must send information to freight forwarders to ensure shipments will pass customs and meet all DOT requirements. Having the documentation to verify that this was done can be very useful.

The Hazardous Waste Manifest

Shipments of hazardous wastes, as defined by the Environmental Protection Agency (EPA), typically require the use of the Hazardous Waste Manifest.

The Hazardous Waste Manifest is a DOT shipping paper. Employees who sign the Manifest must have training on the US DOT hazmat shipping regulations. If your company contracts a hazardous waste service provider to complete the Manifest, employees who review this manifest for accuracy may need DOT training as well.



Package Closure Instructions

Currently, packaging closure requirements seem to be very high on the audit priority list. All UN certified packagings will come with instructions that describe how to close them properly. A copy of these closure instructions must be kept by your company.

If requested, all packaging manufacturer's closure instructions for hazmat packages must be made available. Shippers often incorporate these instructions into shipping procedures or post them in packaging areas to help employees package materials and meet the document retention requirement.

Also, if your employees use torque wrenches to close drums, maintaining any tool calibration records is always a good idea. The regulations covering these issues are found at 49 CFR Part 173, Subpart B and Part 178.

Special Permits

Special permits allow companies to perform a hazmat function that is not normally allowed in the regulations, but have been proven to be equally safe. If your company ships hazmat under a DOT special permit, there are a couple of things to remember:

- Have you checked the renewal date recently?
- Does the special permit require its number to appear on the shipping papers or on the package?
- Has your special permit been incorporated in the regulations —making the permit unnecessary?

This last one is worth checking, because US DOT routinely absorbs special permits into the 49 CFR rules. Recently, DOT incorporated 98 special permits into the HMR.



Keeping Documentation Longer Than Required

To ensure compliance with hazmat shipping documentation requirements, many companies resort to retaining all documentation forever.

While keeping all documentation forever ensures you will always have the documents available, it also raises other issues. All documentation offered to inspectors can be cause for a civil penalty, whether or not the required retention period for that document has passed. Shippers can assign a documentation control person to determine what documents can be discarded after the required retention period is up. If no longer needed for compliance purposes or otherwise, documentation may be moved off site to avoid unwanted consequences.

Be Prepared

When the call comes to announce that an inspector is on property for an audit, being prepared will help make the visit productive and violation-free.



Building Confident Compliance Teams

Effective training is the key to a confident and productive work force. To help you and your team **build a strong compliance program** and understand the regulations that affect your business, Lion Technology designs training to empower as well as educate. Since 1977, two out of three Fortune 500 companies in manufacturing, chemical, and transportation—as well as Federal and State government agencies—have trusted Lion for expert training delivered by full-time instructors. At Lion’s **nationwide, interactive workshops**, industry professionals get the knowledge and tools to succeed, and keep their sites in compliance.

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If you’re responsible for compliance with RCRA hazardous waste rules; 49 CFR, IATA, or IMO hazmat shipping standards; US EPA air, water, and chemical regulations or OSHA workplace safety mandates, visit **Lion.com** now to see how effective, engaging training can simplify your responsibilities and make it easier to comply with the complex rules that affect your job.

www.Lion.com

888-546-6511

info@lion.com

