

# **The Unified Carrier Registration Act of 2005**

*Informal Guidance for Interested Parties*

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Disclaimer: The answers provided here are based on the informal interpretation of the Unified Carrier Registration Act of 2005 (“UCR Act”) by the Unified Carrier Registration Plan Board of Directors (“UCR Board”) and are subject to further interpretation by the UCR Board. The answers given here do not limit or restrict future UCR Board interpretations or the UCR Board’s implementation of the UCR Act or the Unified Carrier Registration Agreement (“UCR Agreement”).

## **A. Law**

### *1. What is the law that governs the UCR Agreement?*

The UCR Agreement is found in 49 United States Code (USC) section 14504a (hereinafter referred to as section 14504a or § 14504a).

The UCR Agreement is established by federal law in the UCR Act, which is part of the federal highway reauthorization bill known as the Safe, Accountable, Flexible, Efficient Transportation Equity Act, A Legacy for Users (“SAFETEA-LU”), Public Law 109-59, enacted August 10, 2005. The UCR Act is sections 4301 through 4308 of SAFETEA-LU. In particular, the structure of the UCR Agreement is set forth in section 4305 of the UCR Act, which enacts §14504a as a new section in 49 USC.

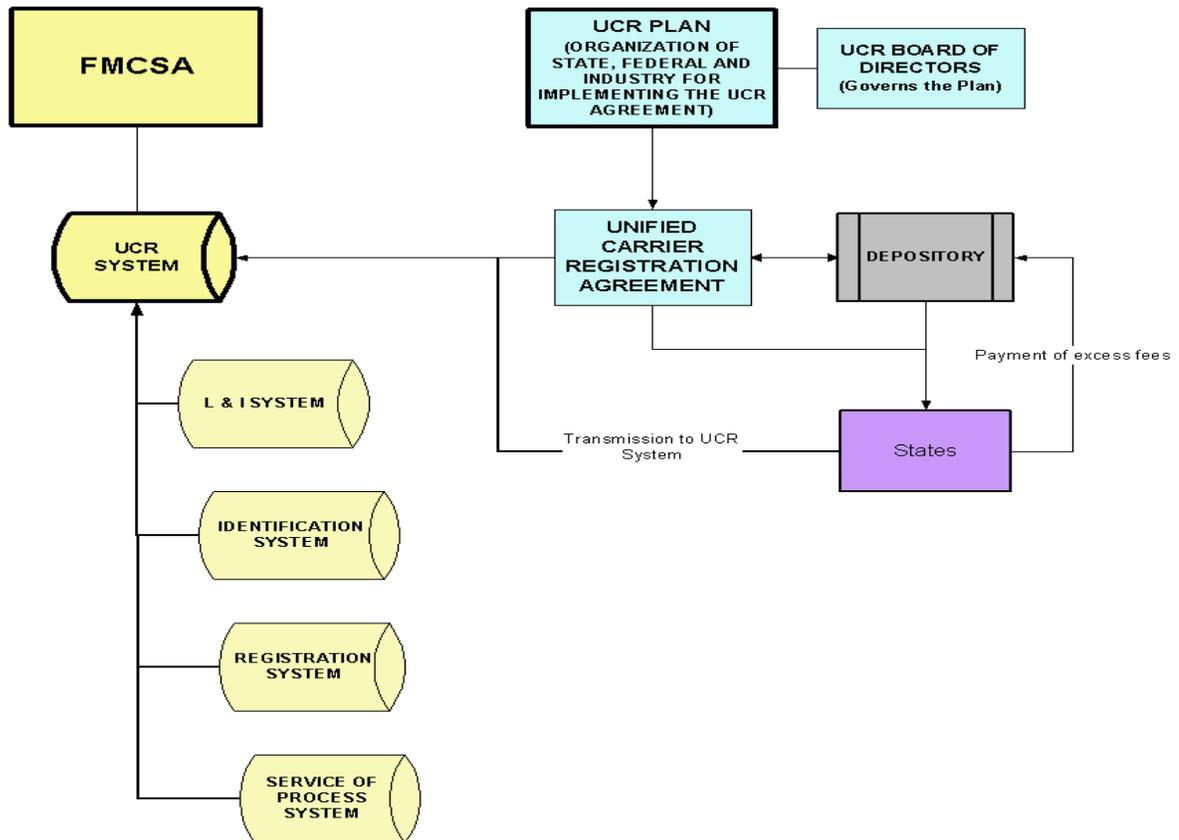
The UCR Agreement has been amended under Section 301 of the SAFETEA-LU Technical Corrections Act of 2008, Public Law 110-244, enacted June 6, 2008, and in the Rail Safety Improvement Act of 2008, Public Law 110-432, enacted October 16, 2008.

## **B. Relationship to Other Laws**

### *1. What is the relationship between the Unified Carrier Registration System (“UCRS”) established under section 4304 of the UCR Act and the UCR Agreement?*

Despite their similar names, UCRS and UCR Agreement have little to do with one another, and the timetables for their implementation are not dependent upon one another. In addition to creation of the UCR Agreement, the UCR Act addresses the consolidation of a number of the currently separate motor carrier databases maintained by the Federal Motor Carrier Safety Administration (“FMCSA”) into a single on-line system to be known as the UCRS. *See the following flowchart.* The UCRS is a federal computer system of motor carrier data, which under the UCR Act was to be established during 2006 but will in fact require more time to complete. The UCR Agreement is a base-state system administered by federal and state governments and by the motor carrier industry for the collection of fees levied on motor carriers and related entities. It is anticipated by some that future State enforcement of the UCR Agreement may be accomplished by accessing carrier data stored in the UCRS, but the mechanism for doing this is not yet established, and its precise nature remains unclear at this time.

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2. *What is the relationship between the Unified Carrier Registration Plan (“UCR Plan”) and the UCR Agreement?*

The UCR Plan is the organization of State, Federal and industry representatives responsible for developing, implementing and administering the UCR Agreement. The UCR Agreement is the interstate agreement, developed under the UCR Plan, governing the collection and distribution of registration information and fees generated under the UCR Agreement (“UCR fees”).

3. *Is there any relationship between the fees under the UCRS and the UCR fees?*

No. Section 4304 of the UCR Act imposes certain fees with respect to the UCRS (for example, on motor carriers first applying for federal authority and on some third parties accessing data in the system). Their only purpose is to provide funds to maintain the UCRS. These fees are collected by FMCSA and are federal monies; they have nothing at all to do with the UCR fees.

4. *What is the relationship between the UCR Agreement and the Single State Registration System (SSRS)?*

Under the UCR Act, the SSRS is repealed as of January 1, 2007, and States may no longer collect SSRS fees. The UCR Agreement was intended by Congress to replace revenues the States have derived from SSRS and certain other programs, and to provide the sole means for any State to recoup these monies. Included in the UCR Agreement are many businesses that were not subject to the old SSRS – motor private carriers of property, exempt carriers, regulated carriers that did not travel into SSRS states, brokers, freight forwarders and leasing companies.

5. *What is the “transition termination date” mentioned in section 4303(c) of the UCR Act?*

The UCR Act deals with a number of subjects in addition to the UCR Agreement. Among these is the final repeal of a remnant of federal economic regulation of motor carriers, that is, the distinction between interstate common and contract carriers. Section 4303 eliminated this distinction on January 1, 2007. This provision has nothing at all to do with the UCR Agreement.

### **C. Hazardous Materials**

1. *Does § 14504a or the UCR Agreement affect a State’s annual registration of interstate and intrastate hazardous materials carriers or hazardous waste carriers?*

No. As long as the hazardous materials or hazardous waste annual registration applies to all motor carriers and motor private carriers of property, whether interstate or intrastate, it is not considered an “unreasonable burden upon interstate commerce” under § 14504a(c) because it applies whether or not the carrier is subject to jurisdiction under subchapter I of chapter 135, 49 USC. Likewise, States that are part of the Alliance for Uniform Hazmat Transportation Procedures could continue to require annual renewals and fees.

Note: Section 14504a simply does not deal with hazardous materials carriers or hazardous waste carriers. Interpretations in this document are not intended to mean that hazardous materials carriers or hazardous waste carriers are included in the UCR Agreement.

### **D. Intrastate Operations**

1. *Does § 14504a prohibit States from regulating motor carriers that operate only in intrastate transportation?*

No, § 14504a does not affect a State’s regulation of intrastate only carriers that do not handle interstate freight or provide interstate transportation.

2. *Under § 14504a, with regard to intrastate operations by an interstate carrier, what is a State prohibited from doing and what is a State allowed to do?*

Section 14504a draws a distinction between the requirements (including the requirement to pay a fee) a State may impose on an interstate carrier when it *initially* applies for intrastate operating authority, and those requirements that pertain to the *renewal* of the intrastate authority by an interstate carrier.

A State shall not:

- Require an interstate motor carrier, or motor private carrier of property, to *renew* or charge a fee to renew its intrastate authority or insurance filings or any other filings required of an intrastate carrier, except with respect to intrastate operations whose regulation has not been federally preempted (transportation of hazardous materials, hazardous waste, and household goods; authorization and rates for nonconsensual towing; and non-charter bus operations).
- Recoup revenues under the UCR Agreement for which it collects a fee for the *initial* application.

A State may:

- Require an interstate carrier to complete the application requirements, including the fees and proof of insurance coverage, for an *initial* application for intrastate operating authority.
- Require an interstate carrier to complete the application requirements, including the fees, for the annual *renewal* of an intrastate operating authority to transport hazardous materials, hazardous waste, and household good; provide non-consensual tows; and conduct non-charter bus operations.
- Recoup under the UCR Agreement the revenues it loses, based on calendar year 2004 revenues, from the discontinuance of an intrastate authority *renewal* program.

3. *Are a State's other fees and taxes affected by these provisions?*

No. A State's other fees and taxes on motor carriers are not affected. In particular, the law contains a provision that specifically states that these federal provisions do not affect the rate of a fuel use tax a State may impose or the rate of its vehicle registration fees.

## **E. Prohibitions**

1. *Section 14504a(c) prohibits States from doing certain things and imposing certain fees on interstate carriers. What are these?*

In addition to the prohibitions noted in the answer to question D2, § 14504a(c) prohibits a State from requiring an interstate motor carrier, or motor private carrier of property, to register with it the carrier's interstate operations, to file information concerning the carrier's federally required insurance, to file the name of the carrier's federally required agent for service of process, and to pay any fee or tax from which a carrier engaged exclusively in intrastate operations is exempt.

2. *Except under the UCR Agreement, can States require registration and/or collect fees from interstate for-hire motor carriers transporting property or passengers or interstate motor private carriers transporting property, for the carriers' interstate operations?*

No. Under Section 14504a, States will not be able to register or collect fees from interstate exempt carriers and interstate motor private carriers of property except under the UCR Agreement. Whether or not a State elects to participate in the UCR Agreement, it may not engage in any of the activities prohibited by the UCR Act.

3. *If an interstate motor carrier's interstate authority is revoked, is the motor carrier then subject to interstate registration by a State?*

No, the motor carrier is still subject to the UCR Agreement. Enforcement of operations under a revoked interstate authority is not part of the UCR Agreement.

4. *Will there be a credential for UCR registrants under the UCR Agreement?*

No. There is no UCR Agreement credential requirement. 49 USC § 14506 includes a general prohibition against State requirements on interstate motor carriers, motor private carriers of property, freight forwarders, or leasing companies to display any credentials in or on a commercial motor vehicle. Although there are a number of exceptions to this general prohibition, none apply to the UCR Agreement.

5. *Will I need to carry a credential in the truck?*

No. You are not required to carry any proof of compliance in the vehicle. You can carry the receipt for payment of the fees if you choose.

6. *May motor carriers and motor private carriers that are exempted from UCR fees, be subject to the regulations of the State in which operations are being conducted?*

Yes.

## **F. UCR Agreement**

1. *What will be included in the UCR Agreement, and who will put it together?*

Section 14504a provides much of the framework for the UCR Agreement, and the rules under which the UCR fees will be collected and administered. To the extent that § 14504a fails to supply what is necessary in this regard, it gives authority to the UCR Board to set such rules and procedures with respect to (at least) what information an entity subject to the UCR fees will need to submit to its Base State every year, the procedures by which an entity can change its Base State, how information will be transmitted from a Base State to the UCRS, transmission of UCR fees from a Base State to the UCR depository, and how the UCR Agreement may be amended.

2. *With regard to an unreasonable burden, does the transportation or service referred to in the phrase "motor carrier or motor private carrier providing transportation or service subject to jurisdiction under subchapter 1 of chapter 135" that is found in 49 USC, § 14504a(c)(1), mean all interstate transportation provided by an interstate motor carrier, or interstate motor private carrier of property?*

Yes, it means all interstate transportation of both regulated and exempt commodities as well as both regulated and exempt transportation services. Further, the UCR Agreement is intended to be inclusive of all interstate for-hire motor carriers transporting property or passengers and

interstate motor private carriers transporting property and, therefore, it would make no sense to apply the “unreasonable burden” section to certain types of carriers and not to others.

Note: Subchapter 1 of chapter 135 contains §§ 13501 through 13508.

### *3. What is a UCR registrant’s Base State under the UCR Agreement?*

The UCR Agreement is a base-state system, under which a UCR registrant pays UCR fees through its Base State on behalf of all the participating States. A UCR registrant shall select its Base State using the following hierarchy:

- I. If your principal place of business state as completed in Section 1 of the form is AK, AL, AR, CA, CO, CT, DE, GA, IA, ID, IL, IN, KS, KY, LA, MA, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NM, NY, OH, OK, PA, RI, SC, SD, TN, TX, UT, VA, WA, WI, or WV, you must use that state as your base state.
- II. If your principal place of business state is not one of those listed above but you have an office or operating facility located in one of those states, you must use that state as your base state.
- III. If you cannot select a base state using (I) or (II) above, you must select your base state from (I) above that is nearest your principal place of business or select your base state as follows:
  - a. If your principal place of business state is DC, MD, NJ or VT or the Canadian Province of ON, NB, NL, NS, PE, or QC, you may select one of the following states: CT, DE, MA, ME, NH, NY, PA, RI, VA, or WV.
  - b. If your principal place of business state is FL or a state of Mexico, you may select one of the following states: AL, AR, GA, KY, LA, MS, NC, OK, SC, TN, or TX.
  - c. If your principal place of business state is the Canadian Province of ON or MB, you may select one of the following states: IA, IL, IN, KS, MI, MN, MO, NE, OH, or WI.
  - d. If your principal place of business state is AZ, HI, NV, OR, or WY, or the Canadian Province of AB, BC, MB, NT, NU, SK or YT or a state of Mexico, you may select one of the following states: AK, CA, CO, ID, MT, ND, NM, SD, UT, or WA.

### *4. How will the administrative costs of the UCR Agreement be paid?*

Section 14504a(h)(3)(B) specifies that following the distribution of funds from the UCR depository to States that did not on their own collect all the revenue to which they were entitled in a given year, there is to be a distribution to pay the administrative costs of the UCR Agreement. The UCR Board will include in its recommendation of the level of UCR fees an amount to cover the administrative costs of the UCR Agreement.

## **G. UCR Board**

### *1. Are meetings of the UCR Board open to the public?*

Yes. Meetings of the UCR Board and its subcommittees are open to the public. Notice of UCR Board meetings will be published in the *Federal Register*.

*2. What subcommittees will the UCR Board establish, and how will these operate?*

Section 14504a(d)(5) requires the UCR Board to establish at least three subcommittees: an audit subcommittee, a dispute resolution subcommittee, and an industry advisory subcommittee. To date, the UCR Board has established an industry advisory subcommittee, an audit subcommittee, a revenue and fees subcommittee, a procedures subcommittee, a UCR systems subcommittee, a best practices subcommittee, and a UCR depository subcommittee. Section 14504a(d)(5) specifies few details of the operations of the UCR Board's subcommittees, except that the chair of each one is to be a member of the UCR Board and that each one is to include both government and industry representatives among its members. The exception is the industry advisory subcommittee, whose membership is to be entirely made up of industry representatives.

## **H. State Participation**

*1. Which States are participating in the UCR Agreement?*

The participating States are Alabama, Alaska, Arkansas, California, Colorado, Connecticut, Delaware, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, and Wisconsin.

*2. Which States are not participating in the UCR Agreement?*

The non-participating States are Arizona, Hawaii, Florida, Maryland, Nevada, New Jersey, Oregon, Vermont, Wyoming, and Washington D.C.

*3. How did the States elect to participate in the UCR Agreement?*

To participate in the UCR Agreement – that is, to collect UCR fees – each State signified to the USDOT its desire to do so by filing with the USDOT Secretary its plan for UCR Agreement administration. This was a one-time filing that was required to have been filed by August 10, 2008.

*4. What is the content of the plan each State submitted in order to participate?*

Section 14504a(e)(1) specifies that the plan filed by a State must set out which State agency will administer its UCR Agreement program, and that this agency will have the legal authority, resources, and qualified personnel necessary to do so. In addition, the plan must show that the State will use at least as much money for motor carrier safety programs, enforcement, or for UCR Agreement administration as the revenue it will derive from the UCR Agreement.

*5. May a State use the revenues it derives from UCR fees for intrastate motor carrier safety programs and enforcement?*

Yes. Section 14504a draws no distinction in this regard between programs that affect intrastate motor carriers and interstate motor carriers.

*6. Did the States need enabling legislation to participate in the UCR Agreement?*

That depended on a State's own constitution and statutes. However, a State generally requires legal authority to collect any fee. Some States may have authority under their existing statutes adequate to collect UCR fees. Others may already have enacted the UCR Agreement enabling laws.

*7. If a State needed and did not yet have enabling legislation, may it still have elected to participate?*

Yes. A State may have filed with the USDOT its plan to administer the UCR Agreement prior to obtaining legal authority actually to engage in such administration. It is possible, however, that if without additional legislation a State lacks the authority to collect UCR fees, it might also lack the authority to elect to participate.

*8. If a State did not participate in SSRS, may it participate in and derive any revenue from the UCR Agreement?*

Yes. Alaska and Delaware did not participate in SSRS but elected to participate in the UCR Agreement, and have an annual entitlement of \$500,000. In addition, States may receive an amount up to the amount collected in 2004 from interstate exempt and intrastate renewal fees received from interstate carriers.

*9. Was there a deadline by which a State must elect to participate in the UCR Agreement?*

Yes. Sections 14504a(e)(1) and (4) specify that if a State was going to participate in the UCR Agreement, it must have filed its plan to do so with USDOT by August 10, 2008, three years following the enactment of the UCR Act. If a State missed that deadline, it may never participate in UCR Agreement.

*10. May a participating State change its mind and withdraw from the UCR Agreement?*

Yes. Section 14504a(e)(3) specifies that a State may withdraw from UCR Agreement participation by either withdrawing the plan it filed with the USDOT or notifying the USDOT Secretary that it intends to withdraw. If a State does this, it may not thereafter participate in the UCR Agreement.

**I. UCR Fees**

*1. What are the UCR fees based on?*

For for-hire motor carriers transporting property or passengers and motor private carriers transporting property, the UCR fees are based only on the total number of commercial motor vehicles operated. The UCR fees for brokers, freight forwarders (those, that is, that do not operate motor vehicles – the UCR fees of those that do are based on fleet size), and leasing companies are levied at the smallest fee category. UCR fees depend not at all on the extent of a carrier's operations, only on the fact that it is engaged to some extent in interstate commerce. A carrier may, for example, have operations in just a few States, none of which participate in the UCR Agreement. Its UCR fees will be the same as a carrier that operates the same number of commercial motor vehicles but whose operations extend to all participating States. Neither will it matter under the UCR Agreement, which State is acting as a carrier's Base State – the level of UCR fees for a fleet of a given size will stay the same.

*2. Will a motor carrier, or motor private carrier of property, subject to the UCR fees be required to file a supplemental report and fees if the size of its fleet increases or decreases during the year?*

No. UCR fees will be set through a graduated structure of rates according to the number of commercial motor vehicles operated by a motor carrier, or motor private carrier of property, during the preceding year. Changes during the UCR Agreement registration year in the number of vehicles operated will not be reflected until the following year and the carrier will not need to report them currently.

*3. How are the UCR fees going to be established?*

Section 14504a(d)(7) requires the UCR Board to recommend every year to the USDOT Secretary the level of UCR fees to be effective the following year, and requires the USDOT Secretary to actually set the UCR fees within 90 days following the UCR Board's recommendation. This process requires formal notice and opportunity for public comment. Implicitly, in order for the UCR Board to make such a recommendation, the UCR Board must determine which States are going to participate in the UCR Agreement in the following year, what the aggregate of these States' UCR Agreement entitlement revenues may be (plus what amount of UCR Agreement administrative costs are to be recouped through the UCR fees), how many entities are subject to the UCR Agreement and how many commercial motor vehicles they operate, and what structure of UCR fees will best serve to collect the revenue calculated to be needed.

4. *Once UCR fees are set, under what circumstances might they be changed?*

Resetting the UCR fees may be necessary if the States participating in the program have changed, if too much or too little revenue is collected under the program in a prior year, if the number of taxable entities or their fleet sizes have changed significantly, or if UCR Agreement administrative costs have risen. When resetting fees is necessary, the UCR Board will recommend the new fees and the USDOT Secretary will set them pursuant to a federal rulemaking.

5. *What are UCR fees?*

The UCR fees for 2010 and forward are based on the number of self-propelled commercial motor vehicles operated by your company (trailers are not counted as commercial motor vehicles). Brokers, leasing companies and freight forwarders pay a flat \$76 fee.

Bracket	Number of self-propelled CMVs owned or operated by motor carrier, or motor private carrier of property	Fee per company for motor carrier, or motor private carrier of property	Fee per company for broker, freight forwarder or leasing company
B1	0-2	\$76	\$76
B2	3-5	\$227	
B3	6-20	\$452	
B4	21-100	\$1,576	
B5	101-1,000	\$7,511	
B6	1,001 and more	\$73,346	

## **J. UCR Depository**

### *1. What is the role of the UCR depository?*

The UCR fees collected by a participating State under the UCR Agreement, at least to the extent they exceed the revenue to which the State is entitled under the program for the year, are to be forwarded by the State to the UCR depository for eventual distribution among other participating States. When more revenue is collected under the UCR Agreement during a year than all of the participating States in the aggregate are entitled to, the UCR depository is to retain the excess, which may go to satisfy State entitlements in the following year.

### *2. How will a participating State get its UCR Agreement revenues?*

Each participating State will collect UCR fees from each UCR registrant that has designated the State as its Base State. A State will retain those collections until it has satisfied its UCR Agreement revenue entitlement, after which it will transfer additional collections it makes to the UCR depository. A State that does not collect enough to satisfy its entitlement will be paid the difference by the UCR depository from the funds transmitted to it by the States that have collected an excess.

## **K. Financial Responsibility**

### *1. How is enforcement of financial responsibility laws for interstate motor private carriers of property or for-hire motor carriers transporting property or passengers to be accomplished?*

With regard to the filing of proof of financial responsibility, the UCR Act has taken this area away from the States, and put it with the FMCSA as part of the Unified Registration System. However, a State may enforce its laws requiring liability coverage for any vehicle operating on the State's public ways. In other words, if an interstate motor carrier is found to be operating on a State's highways without liability insurance coverage, the State may take an action against that motor carrier. The State, including its political subdivisions, does not need to turn such enforcement over to the FMCSA.

### *2. Is verification of financial responsibility information a part of the registration process under the UCR Agreement?*

No.

### *3. May a State require an annual insurance or surety bond filing by an interstate motor carrier that is operating under an intrastate authority from the State?*

No. A State may require the insurance or surety bond filing as part of the initial issuance of the intrastate authority, but under § 14504a(c)(1) not annually thereafter. A State may require the insurance company or surety company providing such coverage to notify the State whenever the coverage is cancelled or not renewed. Additionally, nothing in the UCR Act prohibits a State from verifying the coverage as part of its internal review process of intrastate motor carriers.

4. *Can a state require a Form E for motor carriers exempt from federal operating authority requirements who must now register under UCR?*

No.

## **L. Entities and Vehicles Subject to the UCR**

1. *Who is subject to the UCR Agreement?*

Any motor carrier or other entity that is required to obtain a USDOT, FF, MC or MX number and/or is required to register with FMCSA or should be registered as an interstate or international commerce carrier is subject to the UCR Agreement. Carriers based in Canada and Mexico that operates in the United States is also subject to the UCR Agreement.

2. *What entities are subject to the UCR fees?*

Except as noted in Section M below, the UCR Agreement requires all for-hire motor carriers transporting property or passengers and motor private carriers transporting property to register with the United States Department of Transportation (“USDOT”) as well as brokers, freight forwarders, and leasing companies (collectively referred to as UCR registrants) to pay UCR fees.

3. *What will UCR registrants under the UCR Agreement have to do to comply?*

A registrant is required to register annually for the UCR Agreement and pay UCR fees.

4. *What entities based in Canada, Mexico, or any other country are subject to the UCR Agreement?*

For-hire motor carriers transporting property or passengers, motor private carriers transporting property, freight forwarders, leasing companies, and brokers based in Canada, Mexico, or any other country that operate in interstate or international commerce in the United States, are subject to the UCR Agreement.

5. *What is freight forwarder?*

The term “freight forwarder” is an individual or company (other than as a pipeline, rail, motor, or water carrier) that receives shipments and combines them for transportation by a pipeline, rail, motor, or water carrier.

6. *What is a broker?*

The term “broker” is a person, other than a motor carrier or its employee, who acts as agent of the motor carrier for compensation to provide or arrange for motor carrier transportation.

7. *What is a leasing company?*

The term 'leasing company' means a lessor that is engaged in the business of leasing or renting for compensation motor vehicles without drivers to a motor carrier, motor private carrier, or freight forwarder.

8. *How does a driveaway/towaway operation fall under the UCR Agreement and the fee structure?*

Driveaway/towaway operations in interstate commerce require the person/company to register in the UCR and pay the lowest fee category. The driveaway/towaway vehicles are the freight and are not commercial motor vehicles subject to the UCR.

9. *A company operates vehicles owned by the Department of Energy. The company has its own USDOT number as a motor private carrier of property and provides the drivers for the vehicles. There is no lease agreement and the vehicles have no markings other than a U.S. Government license plate. The vehicles are being operated across state lines but do not stop at weigh stations. Do they register under the UCR Agreement? What fee bracket do they fall into?*

The company is treated as a drive-away operation and will file a UCR application. The fee bracket will be the lowest fee category.

10. *Is a dealership that transports vehicles greater than 10,000 lbs GVW by driving them in interstate commerce to the owner, another dealership or to an auction required to file under UCR?*

Yes. This is a driveaway operation subject to the UCR at the lowest fee category.

11. *Does a carrier using a van to haul placarded amounts of hazardous materials in interstate commerce need to file under the UCR Agreement no matter what the weight of the vehicle?*

Yes

12. *Is a motor carrier who operates only within a commercial zone transporting interstate freight required to file under the UCR Agreement?*

Yes.

13. *Is an exempt motor carrier, that is, one that hauls agricultural and other commodities exempt from federal operating authority requirements, required to file under the UCR Agreement?*

If the carrier operates commercial motor vehicles, the answer is yes.

*14. Are agricultural plated commercial motor vehicles used in interstate commerce that are exempt from other registrations or specific safety requirements subject to UCR?*

Yes.

*15. If a carrier's vehicles travel only in states that are not participating in the UCR Agreement, is the carrier still required to file under the UCR Agreement?*

Yes.

*16. A seasonal carrier owns no vehicles but leases 25 commercial motor vehicles from Ryder for a 10-day period, 6 trucks for a 10-day period and 25 trucks for a 10-day period. Since each lease period is less than 30 days, would the carrier fall in the lowest UCR Agreement fee bracket.*

Yes.

*17. Is John Doe operating as a motor carrier under the d/b/a John's Trucking and as a broker under the d/b/a John's Broker Service required to register twice under the UCR Agreement; once as a motor carrier and again as a broker? Would the same be true for a corporation such as JD, Inc., operating as a motor carrier under the d/b/a JD Trucking and as a broker under the d/b/a JD Brokerage?*

In both instances, there is a single entity (a single sole proprietor and a single corporation). That entity would only register once as a motor carrier.

*18. A company fills out a UCR application claiming it is a motor carrier and a broker. The company is paying for its operated vehicles only and not paying the fee for a broker? Shouldn't he pay the fee for the broker operation as well?*

No. The company would only file and pay a fee as a motor carrier.

*19. Is a person operating two separate legal entities (a motor carrier and also a broker) required to register twice under the UCR Agreement, once as a motor carrier and again as a broker?*

Yes.

*20. Suppose a carrier has a contract with the US Postal Service to haul mail interstate – is he exempt from the UCR Agreement?*

No.

21. *Under a long-term lease, who files the UCR application and counts the number of commercial motor vehicles, the leasing company or the motor carrier?*

The motor carrier.

22. *What about when a motor carrier leases to another motor carrier? Who pays?*

If the motor carrier maintains its registration status as an interstate motor carrier with FMCSA then both entities are required to pay. If the leasing motor carrier has all of its vehicles leased under a long term lease to another motor carrier then it would pay at the lowest fee level (Bracket 1).

23. *Does a new carrier/entity have to register in the UCR before providing interstate transportation?*

Yes, the new carrier/entity shall complete the UCR registration and pay the appropriate fee when a USDOT number is issued. There is no proration of the UCR fee.

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24. *Is a truck driving school subject to the UCR?*

Yes. Exception – a government operated school would not be required to file under the UCR.

25. *Is a school bus operator who contracts to transport school children to and from school and school sanctioned functions required to register under UCR?*

Yes, if the operator is providing transportation in interstate or foreign commerce.

26. *Does a company with customized transport vehicles file under the UCR Agreement?*

Yes, if the customized transport vehicles fall within the definition of a commercial motor vehicle utilized in interstate commerce.

27. *Are companies that own service trucks, utility trucks, or commercial motor vehicles that haul a sewer/septic tank cleaning system that is part of the truck itself required to file a UCR application if those vehicles are used in interstate commerce?*

Yes.

28. *Are trash haulers required to file under UCR?*

Yes. Beginning in the calendar year 2009, trash haulers are subject to UCRA.

29. *Are trash haulers transporting recyclable materials in interstate commerce in commercial motor vehicles required to file under UCR?*

Yes.

30. *Would a mobile crane/well drilling equipment operating interstate be subject to registration under the UCR.*

Yes.

31. *Would a towable forklift weighing 13,000 lbs need to be registered in the UCR Agreement?*

Beginning in UCR registration year 2010, the definition of a commercial motor vehicle does not include towed vehicles such as a towable forklift or a trailer.

For UCR registration years 2008 and 2009 the definition of a commercial motor vehicle includes a towed vehicle with a gross vehicle weight rating or gross vehicle weight of at least 10,001 pounds.

32. *A company uses only intermodal container chassis to transport steamship line containers. Will these chassis be counted under UCR for purposes of determining fees?*

Yes, for registration years 2008 and 2009. No, for registration year 2010 and subsequent years.

33. *Are for-hire motor carriers transporting property or passengers or motor private carriers transporting property that are charitable and nonprofit organizations subject to the UCR Agreement?*

Yes. Charities and nonprofit organizations are not exempt from filing and paying fee under the UCR Agreement.

34. *Are electric companies that are called out of state by the governor for a storm emergency required to have UCR?*

Yes, unless an executive order sets aside those requirements for that state.

35. *Are interstate for-hire motor carriers transporting property or passengers and interstate motor private carriers of property operating only small vehicles (gross vehicle weight rating ("GVWR") or gross vehicle weight ("GVW") of 10,000 pounds or less, or designed to transport 10 passengers or less, including the driver) subject to UCR fees?*

Yes, although vehicles 1) with a GVWR or GVW (whichever is greater) less than 10,001 pounds, or 2) designed to transport less than 11 passengers including the driver, would not be counted in the carrier's fleet. If the carrier only operated these small vehicles its fleet size for UCR purposes would be zero and it would register and pay in the lowest fee category (Bracket 1).

## **M. Entities and Vehicles Not Subject to the UCR**

1. *What entities are not subject to the UCR fees?*

In addition to the other entities listed in this section, there are three types of entities that are not subject to UCR fees: (1) entities that receive USDOT numbers under the PRISM program as

“registrants” but have no interstate operating authority; (2) purely intrastate carriers, that is, those that do not handle interstate freight or make interstate movements, unless the State has elected to apply the provisions of the UCR Agreement to such intrastate carriers, and they are listed as intrastate in MCMIS; (3) motor private carriers transporting only passengers.

*2. Are companies that operate fire trucks and other emergency vehicles as part of their business subject to the UCR Agreement?*

No. However, non-emergency vehicles used to support these operations would be subject to the UCR.

*3. Does an intrastate only transporter of hazardous materials (regulated by USDOT) need to register under the UCR Agreement?*

No.

*4. I own a household goods moving company that provides intrastate transportation under authority from my state, and provides interstate transportation under an agreement with a national van line. Under that agreement, the national van line leases my commercial motor vehicle(s) for each interstate move. Does my company need to register in the UCR Agreement?*

No. However, the national van line that leases your commercial motor vehicles would have to register.

*5. Is a for-hire motor carrier transporting property or passengers or motor private carrier transporting property that operates solely in Hawaii required to file and pay under the UCR Agreement?*

Beginning with the registration year 2010, a motor carrier or motor private carrier operating solely in Hawaii is not subject to the UCR. However, brokers, freight forwarders, and leasing companies are subject to the UCR. See 49 U.S.C. sec. 14504a(a)(5), as amended by Public Law 110-432.

*6. Does the definition of motor private carrier include passenger operations?*

No. Motor private carriers transporting passengers in interstate commerce are not required to register under the UCR Agreement.

*7. What is a registrant DOT number and is the holder subject to the UCR Agreement?*

States in the federal PRISM program are required to obtain a US DOT number from each entity that registers a vehicle with them under IRP. When an entity seeking to register a vehicle would not otherwise need a DOT number, such as an owner-operator without his own authority and permanently leased to a motor carrier, the state issues the entity what is referred to as a registrant DOT number. The holder of a registrant DOT number is not a motor carrier and is not subject to the UCR Agreement.

8. *Are commercial motor vehicles operated by a federal, state, city, or county governmental agency or an Indian tribe (a sovereign nation) required to be registered under UCR?*

No.

9. *Are PODS (portable on demand storage) that are specially designed containers to store household goods considered trailers for counting commercial motor vehicles?*

No.

10. *I am out of business and don't need a USDOT number anymore. Should I file the UCR form?*

No. Also see Section Q below.

## **N. How to Count Commercial Motor Vehicles**

1. *How do I count the number of commercial motor vehicles to report in columns A, B, C, and D of Section 4 on the UCR application form?*

You have two options: (1) Use the number of commercial motor vehicles listed on the last MCS-150 form you submitted for your USDOT number; or (2) Use the number of commercial motor vehicles you operated for the 12-month period ending June 30 of the year immediately prior to the year for which the UCR registration is made.

2. *What vehicles are considered commercial motor vehicles for purposes of the UCR fees?*

The number of commercial motor vehicles for purposes of determining a carrier's UCR fees is the number of commercial motor vehicles the carrier reported in the most recent Form MCS-150 it filed with FMCSA or the total number of commercial motor vehicles it owned or operated under long-term lease for the twelve-month period ending on June 30 immediately prior to the beginning of the UCR Agreement registration year for which the fees are being determined.

Beginning with the UCR registration year 2010, a commercial motor vehicle is a power unit that is operated in commerce and has a GVW or GVWR of at least 10,001 pounds or, in the case of a passenger vehicle, is one built to carry more than 10 persons, including the driver. It also includes a vehicle that transports hazardous materials in a quantity that requires placarding. It does not include, for this purpose, a vehicle that operates wholly in intrastate commerce.

For UCR registration years 2008 and 2009, towed vehicles such as trailers are also considered to be commercial motor vehicles for purposes of the UCR fees.

3. *May a carrier add other vehicles for UCR fee purposes if the carrier wants to?*

A motor carrier may; a motor private carrier of property may not. For UCR fee purposes, a motor carrier may include in the number of its commercial motor vehicles those that operate wholly in intrastate commerce. A motor carrier may also choose to include its vehicles, both

interstate and intrastate, with a GVW or GVWR of 10,000 pounds or less, or built to transport 10 persons or less, including the driver. A motor carrier might wish to add these vehicles because including them in the calculation of its UCR fees makes these vehicles subject to the vehicle-credential restrictions found in 49 USC § 14506.

*4. What if I add more vehicles throughout the registration year?*

“Supplemental” applications are not required under the UCR Agreement. Vehicles added during a year will be paid for during the following registration year. The UCR Agreement requires the fee paid reflect the number of CMVs operated in the last reported MCS-150 form or in the preceding 12-month period. You must indicate which criteria you are using under Section 4 of the UCR application.

*5. How do I determine if the vehicle I operate is in intrastate transportation to calculate the UCR fees due?*

A commercial motor vehicle is used exclusively in intrastate transportation if:

- 1) The vehicle will never cross the state border during the course of the UCR registration year ;
- 2) The vehicle will never transport property, waste, or recyclable material that originated from out-of-state or is destined to go out-of-state; and
- 3) The vehicle does not have an apportioned plate issued under the International Registration Plan (IRP).

## **O. How to Use The National UCR System For Registration**

*1. I have received forms and instructions from my base state. Am I required to send the information back to them or can I use the Indiana system instead?*

Any one required to file under the UCR Agreement may use the national web based system hosted by Indiana. When you go into the system and your physical address is located in a participating state, the system will treat this application as if it was being filed in your base state. Information and monies will be shared with that state on a monthly basis. To ensure that the base state is properly selected and will receive your fees, please verify that the physical address is correct before completing your application process (if not, the correction must be made to your MCS-150 first (see Question 15) – wait 24 hours and then process your UCR application). If your company is not located in a participating state, the system will ask you to make a base state selection.

*2. One of the acceptable forms of payment listed for the UCR Agreement fees is e-check. What's an e-check?*

An e-check is a method of payment by presenting or giving the customer's bank account number and bank routing number to electronically charge the customer's account. No special account or process is needed.

## **P. Refunds**

*1. If an entity has requested a refund from its base State because it is not subject to the UCR Agreement and the State also determines that the entity is not subject to the UCR Agreement, must the State then refund the monies?*

Yes.

### **Q. Updating USDOT Information**

*1. I am out of business and don't need a USDOT number anymore. How do I cancel my USDOT number?*

To have your USDOT number cancelled, fill out items 1-16 of a new MCS 150 form, check the Out of Business box at the top of the form, sign and mail it to: FMCSA, Attn: USDOT Number Application, 1200 New Jersey Avenue SE, Washington, DC 20590. You can call FMCSA's toll free number at 1-800-832-5660 to have a MCS-150 form mailed to you.

*2. How does a company correct the information previously submitted to FMCSA on an MCS 150 form?*

If a company finds that it needs to correct or update the information it has earlier submitted to FMCSA on a Form MCS 150, the company should go to and update the system using their previously assigned pin number or print the MCS-150 form and submit to FMCSA (or the carrier's base state IF the base state processes MCS-150s).

### **R. Enforcement Questions**

*1. What happens if I don't register under UCR?*

Enforcement officials across the nation may detain vehicles operated in interstate commerce and subject them to enforcement action. States may also be conducting audits to ascertain proper fees have been paid. The type of enforcement action will be dependent upon each individual state.

*2. A carrier has a USDOT number (interstate) and occasionally transports freight across state lines. During a trip the carrier is moving freight between two points in the same state. They are not registered under UCR. Should a violation be listed on the inspection report for no UCR registration?*

Violation for no UCR. The requirement to register under UCR exists whether the carrier's vehicle is loaded or empty at the time of the stop and regardless if the vehicle is crossing state lines at the time of the stop. Refer to L1 of the Q&A and 1.(k)(3) the definition of interstate commerce in the UCRA.

3. *A carrier has a USDOT number (interstate) and is returning from dropping freight in another state. The vehicle is currently empty. The driver has no bills and his log book shows a drop in another state. The carrier is not registered under UCR. Should a violation be listed on the inspection report for no UCR registration?*

Violation for no UCR. Refer to L1 of the Q&A and 1.(k)(3) the definition of interstate commerce in the UCRA.

4. *A carrier has a USDOT number (interstate) and is transporting freight across state lines. They claim to have registered 2 vehicles with UCR as interstate and 20 as intrastate only. The carrier is registered under UCR. It cannot be determined during a roadside inspection which vehicles are registered as interstate. Should a UCR violation be listed on the inspection report?*

No violation. Refer to N1 and N4 of the Q&A.

5. *A leased vehicle is stopped for an inspection. The carrier's name and USDOT number and the leasing company's name and USDOT number are both displayed on the vehicle. Both USDOT numbers are interstate. Neither USDOT number is registered under UCR. Should a violation be listed on the inspection report? Who should the violation(s) be listed against, carrier, leasing company or both?*

Violation to carrier for no UCR. A separate violation would exist for the leasing company (how this is recorded would depend upon each respective state's enforcement authority and procedure). Refer to L2, L19, and N2 of the Q&A and to 10.(e)(2) the calculation of number of vehicles in the UCRA.

6. *A construction company is doing roadwork on a bridge over a river between 2 states. They drive a rubber tire crane (off-road motorized construction equipment) greater than 10,001 GVW across the state line on a daily basis. The construction company does not have a USDOT number. They only have pickup trucks less than 10,000 GVWR and use contract carriers to move material and equipment between job sites. The construction company is not registered under UCR. Is the construction company required to be registered under UCR operating off-road motorized construction equipment in interstate commerce?*

Violation to carrier for no UCR if the off-road motorized construction equipment is defined as a commercial motor vehicle. Refer to L29 of the Q&A and to the guidance questions 7 and 8 of 390.5 of the FMCSR.

7. *A private carrier is transporting property across state lines in a one ton truck greater than 10,001 GVWR. They have never been registered with USDOT and have no USDOT number. The carrier is not registered under UCR. Should a violation be listed on this inspection report for no UCR registration?*

Violation to carrier for no UCR. Refer to L1 of the Q&A.

8. *A for-hire bus with a maximum seating capacity of 11 people, including the driver, picks up passengers at an airport. Some of the passengers are from out of state. The passengers are transported 22 miles to a downtown drop off location. The carrier has a USDOT number (interstate) but is not registered under UCR. Should a violation be listed on this inspection report for no UCR registration?*

Violation for no UCR. Refer to L1 and N2 of the Q&A.

9. *A farmer is moving grain from his farm across state lines to a processing plant. He has a USDOT number (interstate) but is not registered under UCR. Should a violation be listed on the inspection report for no UCR registered?*

Violation for no UCR. Refer to L1 of the Q&A.

10. *A carrier operated during 2009 as an interstate motor carrier but did not pay UCR for the year. Now the carrier has filed an application form for 2010.*

- *Can the state refuse to process the 2010 application until the 2009 obligation has been paid in full?*

Yes. The UCR Board by its own motion encourages States to require the justification of non-payment of 2009 fees before the carrier is allowed to pay the 2010 fees.

- *Can the state apply the funds submitted for 2010 to the amount due for the 2009 (or any previous year that a carrier has not paid) UCR first making them legal for that year and then apply any remaining funds to 2010 and require the carrier to submit the rest of the funds necessary to pay for 2010?*

Yes, if the applicant has approved the use of funds to be applied to a prior year filing requirement.

11. *Assuming a carrier had not paid UCR during 2009 but had paid for it for 2010. How should a violation for failing to pay 2009's UCR be written?*

- *Should it be one single violation for the entire year?*
- *Should it be a separate violation for every day in which the company was operational regardless of whether or not a load was transported in commerce?*
- *Should it be a separate violation for every day of the year that the company was operational and transported a load and if so, would it matter if the load was an interstate or intrastate load?*

Violations of UCR for prior years are entirely dependent upon an individual state's laws.