TO: UCR Board Members

RE: March 8, 2012, Board Meeting -

UCR Board Request That CVSA Establish A UCR Registration Violation As An Out Of Service Violation.

FROM: Gene Eckhardt

DATE: February 24, 2012

CVSA uses an online form to submit action requests with three substantive sections (see below), each limited to 1,000 characters. The request form can be supplemented with attachments. The online form does not have a "print" feature and it does not work with "File – Send", so I cannot send you the completed form. For your information, I attached a "Print Screen" of the online form and the URL is:

http://www.cvsa.org/members/forms/issuerequestform.php.

SUMMARY OF ISSUE

The issue is commercial motor vehicle safety and enforcement. Every year, states are losing more than $11 MM that would pay for those activities. Since 2007, states have, cumulatively, lost $75.4 MM that was intended to pay for safety activities.

In 2006, Congress created the Unified Carrier Registration (UCR) program to replace the Single State Registration System. FMCSA set the UCR program revenue requirement at $112.8 MM and set fees expected to generate that amount. The UCR program has never met the target revenue requirement.

States need to increase carrier registrations to restore funding to their commercial motor vehicle safety programs and make the UCR system fees more equitable for all carriers.

Carriers that have paid their registration fees oppose fee increases until all companies pay their fair share of the UCR program cost by registering and paying fees.

JUSTIFICATION OF NEED

After five registration periods, the 2011 registration compliance has increased to 80 percent of carriers and $95.9 MM (85 percent) of the revenue requirement. Forty-one states participate in the UCR program. In 2009, FMCSA set registration thresholds that the UCR program must meet before FMCSA will consider proposed fee changes: 90 percent of the carriers in the 41 participating states' jurisdictions, and 59 percent of the carriers in non-participating state jurisdictions.

FMCSA reports that the number of carrier inspections which disclosed a UCR violation increased from 21,125 in 2010 to 31,863 in 2011.

States have struggled diverting money from hands-on safety activities to investigate and take enforcement action against the thousands of small, unregistered motor carriers.

Although the UCR revenue requirement does include money for administrative and enforcement activities, that money is available only after all states receive 100 percent of their individual revenue entitlements.

REQUEST FOR ACTION

The UCR Board asks the CVSA Board to make a UCR fee violation a CVSA out of service (OOS) violation. After five registration periods, each of which have included multiple mailed registration notices, emails, press coverage, etc., no carrier can reasonably claim surprise about the UCR program or fees. Notwithstanding, the solution for the carrier, registering and paying the UCR fee, is simple and straightforward.

Quite simply, the UCR program is a “Catch-22”. To restore lost revenue for safety activities, states need to spend money to investigate carriers and enforce the UCR registration program. However, the money earmarked in the UCR program for those activities is available only after the states collect 100 percent of the revenue to which they are entitled.

States are exploring ways that existing enforcement activities may assist in bringing more companies into UCR compliance, and restoring the lost commercial motor vehicle safety funding.