



U.S. Department
of Transportation

Deputy Administrator

1200 New Jersey Ave., S.E.
Washington, D.C. 20590

Federal Motor Carrier
Safety Administration

DEC 28 2007

Refer to: MC-ESS

Mr. Avelino A. Gutierrez, Staff Counsel
Legal Division, Room 516
1120 Paseo de Peralta
Santa Fe, NM 87504

Dear Avelino:

As you know, Federal Motor Carrier Safety Administration (FMCSA) has worked closely with the Unified Carrier Registration (UCR) Board and the States to facilitate the collection and posting of UCR compliance data provided by the various States. The State of Indiana has taken the lead in building a UCR payment collection system that currently 29 States utilize, while an additional six States transmit the data directly to FMCSA or via a third party vendor.

To meet the November 15, 2007 enforcement deadline established by the UCR Board, FMCSA agreed to upload State payment data into its SAFER web site. This allowed enforcement officers to determine, at the roadside, whether or not a given carrier had paid the UCR fee. To meet this objective, States were encouraged to send FMCSA payment flat files which were uploaded into SAFER. These flat files, while time consuming, labor intensive and costly to process, allowed a large quantity of payment data to be uploaded into SAFER at one time. It should be emphasized that these flat files were only a quick fix to be used until the States were approved (certified) by FMCSA to transmit and receive data through a real time process called web services.

On November 30, 2007, FMCSA notified the Board that FMCSA would no longer accept flat files after December 14, 2007. The specifications and directions for States utilizing the web services process were provided to the UCR Board on August 27, 2007. Based on the fact that five States were not certified at that time, I extended the deadline for States being certified and FMCSA continues to accept flat files from these States.

Thus far, four States (Alabama, Illinois, Indiana, and Maine) have been certified to transmit data to FMCSA via web services. The States of Iowa, North Dakota, and Virginia are at various stages of meeting the certification requirements. FMCSA staff continues to work closely with the States that have not yet been certified to transmit data to FMCSA via web services.

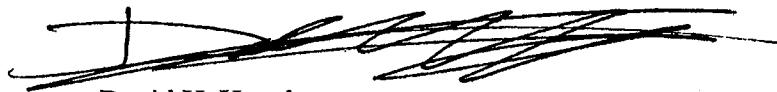
To appreciate the financial burden on FMCSA of continuing to convert flat files, the Board should know that to date, FMCSA has expended \$236,906 in IT costs to accommodate the receipt and posting of flat files containing UCR compliance information. It is estimated that it will cost an additional \$3,000 per each additional flat file submitted in the future by those States not certified to transmit this information via web services.

While the Agency has and will continue to make every effort to assist the Board in the successful implementation of this program, it should be again stated that no funds were budgeted for FMCSA to accept or convert flat files. Accordingly, the Agency is seeking the Board's assistance to support those States not yet certified. In the alternative, FMCSA asks the Board, or some other party, to assume responsibility for converting flat files and transmitting the information to FMCSA via web services until the uncertified States become certified.

To minimize the on-going drain on Agency resources associated with this activity, FMCSA is considering establishing a new deadline in early January after which it would only upload flat files once a week from those States not certified. While this would impact on the timeliness of UCR compliance information from those States, FMCSA believes it must take this action to limit future expenditures of unbudgeted funds on this project.

I hope to discuss this issue with the UCR Board at our meeting next month in Florida.

Sincerely yours,

A handwritten signature in black ink, appearing to read "David H. Hugel", with a vertical line through the first letter "D".

David H. Hugel

cc: Julie Otto
Robert C. Pitcher
Dave Lazarides
Ruth Skluzacek
D.B. Smit