

Minutes of the Unified Carrier Registration Plan Board of Directors Meeting
Conference Call
March 15, 2007

The teleconference meeting of the Unified Carrier Registration Plan Board of Directors (Board) was called to order by Avelino Gutierrez, chairman, at 3:05 p.m. EDT, on March 15, 2007.

As a preliminary matter, Avelino Gutierrez introduced Buddy Covert with the West Virginia PSC as the newly appointed member of the Board.

Attendance:

Board of Directors - Avelino Gutierrez, Bob Pitcher, Rick Craig, Buddy Covert, Barb Hague, Frank LaQua, Dave Lazarides, Bill Leonard, Angel Oliver, Ruth Skluzacek, Craig Sharkey, and Terry Willert.

Absent – David Hugel, Rich Schweitzer, and Robert Voltmann.

Self-introductions were made by the others present.

The Agenda was reviewed and approved.

Ground rules for the meeting were reviewed.

Craig Sharkey made a motion to approve the minutes as corrected of the eighth (January 15 and 16, 2007) UCR Board Meeting. Motion passed.

Buddy Covert and Dick Henderson provided an update concerning the 911 Commission bill that passed Tuesday, March 13, 2007. It included the Transportation and Rail Security bill with an amendment by Senator Rockefeller to bring back the Single State Registration System (SSRS) until such time as the UCR System is operational.

Terry Willert made a motion to change the current UCR Board policy regarding SSRS, to support any Congressional action to reenact SSRS, and that SSRS only be repealed as of the date on which fees may be collected under the UCR Agreement. Motion passed on a vote of 7 to 4.

Prior to this meeting, Avelino Gutierrez emailed to the UCR Board members a document containing additional questions from FMCSA regarding the recommended fee structure and the Revenue and Fees Subcommittee's response. See Exhibit A.

Bill Leonard, Chair, provided the report of the Revenue and Fees Subcommittee. FMCSA believes trailers must be included in the calculation of fees. A recalculated fee structure based on the number of power units and trailers was presented by Gene Eckhardt.

Ruth Skluzacek made a motion that the first bracket include 0 to 2 commercial motor vehicles. Motion was seconded and passed unanimously.

Ruth Skluzacek made a motion to accept scenario D-2-Rounded as the fee structure to recommend to the FMCSA. See Exhibit B. Motion was seconded and passed on a vote of 10 to 1.

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Barb Hague recommended the fee structure be sent to the USDOT secretary as well as the FMCSA.

Dave Lazarides, Chair, provided the report of UCR System Subcommittee. About 12 states have tried out the Texas registration system. There are still system issues to be worked out with Texas.

Bob Pitcher, Chair, advised that the Industry Advisory Subcommittee had nothing to report.

Frank LaQua, Chair, provided the report of the Depository Subcommittee. NARUC, AAMVA, and IRP are still interested in becoming the temporary depository. An excess funds distribution model will need to be created.

Barbara Hague, Chair, provided the report of the Procedures Subcommittee. The UCR Agreement will be reviewed for possible reformatting into a state perspective and an industry perspective. The UCR registration form will be reformatted to include trailers.

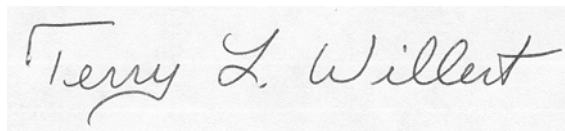
Angel Oliver advised that Texas is moving along as well as it can but still needs several items. She will provide a list of the concerns to Avelino Gutierrez who will then provide the information to the Board and Subcommittees.

Avelino Gutierrez advised that future UCR Board meetings will need to be held telephonically as there are no funds available for face-to-face meetings. Next UCR Board meeting will be Tuesday April 24 at 12:00 noon Eastern Daylight Time.

Old/New Matters

The Pennsylvania Public Utilities Commission has questioned the validity of Board's opinion in the Question and Answer document regarding the assessment collected from an interstate carrier based on intrastate revenues collected under the carrier's intrastate authority. Terry Willert will send notice to Pennsylvania that the Q&A document is the Board's opinion of what the law says and that the ultimate decision would be handled in the courts.

Meeting adjourned at 5:00 p.m. EDT.

A handwritten signature in cursive script that reads "Terry L. Willert". The signature is written in dark ink on a light-colored, slightly textured background.

Minutes corrected and approved by the UCR Board on April 24, 2007.
Terry L. Willert
UCR Board Acting Secretary

Exhibit A
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Additional Questions for the UCR Board Concerning the Board's Recommendation to FMCSA Regarding Setting the 2007 Fee for the UCR Plan and Agreement

Question 1. The UCR plan's recommendation begins by discussing the application of the UCR fees to operators of commercial motor vehicles. See page 3. The statute uses a definition of "commercial motor vehicle" at 49 USC 31101 that includes vehicles that are "self-propelled or towed." However, in the explanation for the development of the fee structure and fee levels, the plan's recommendation stratifies the motor carrier census by the number of power units. See pages 4-5, and Appendixes G, H, J, N and O. Please explain whether the plan's fee levels and fee structures are based on the number of power units reported by the motor carriers in the MCMIS/SAFETYNET data base and, if so, please explain why?

Response 1.

The fee levels and fee structures recommended by the Board are based on the number of power units as reported by the motor carrier in its census file.

It is true that the UCR Act refers to the definition of CMV found in USC Section 31101. However, in the very next paragraph it also refers to additional **self-propelled** vehicles that may be added to the registrant's vehicle count. The basis for the revenues generated pursuant to the UCR Plan are to replace the states' SSRS revenues and the revenues states collected for renewal of a motor carrier's authority to operate within the jurisdiction. Both of these revenue systems were based on self-propelled vehicles. Additionally, in the preemption language concerning identification of vehicles, the statute uses the definition found in 49 CFR 390.21 which is specific to self-propelled vehicles.

The practical matter of counting the number of power units or self-propelled vehicles without counting the number of trailers is appropriate for the fee structure of the UCR Plan. Trailers cannot operate independently but only in combination. The history of Public Law 89-170 (the old bingo stamp program) and subsequently the Single State Registration Program pursuant to ISTEA (Public Law 102-240) were the credentialing of the power unit with the cab card carried in the cab of the vehicle.

As highlighted in the Revenue & Fee Subcommittee's justification write-up, much of the census data in MCMIS is unreliable. An initial review of the trailer data in MCMIS confirms a similar trend of inaccuracy which was also the case with the power unit data. The fact is that virtually all vehicle data currently in MCMIS is highly suspect. Having to incorporate poor trailer data into the equation will only help exacerbate the problem.

Under the UCR Act, the board is to develop a fee bracket structure based on the size of the motor carrier's fleet. The intent of the statute is to charge fees in a fair and

Exhibit A
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equitable manner; and therefore, should not penalize those motor carriers operating combination units (tractor trailers) versus those carriers operating straight trucks.

Question 2. Does the Board plan to bill the entire MCMIS database despite your concerns about its accuracy/reach? If not, how does the Board plan to identify the universe of carriers to be billed? Will the bills be issued to carriers in non-participating States?

Response 2.

Yes the Board plans to perform outreach to the entire motor carrier MCMIS database based upon the carrier's census file classification as being an "active interstate" motor carrier. This will include outreach to motor carriers domiciled in non-participating UCR states as well as to motor carriers located outside of the United States. In addition, the Board plans to perform outreach and bill the freight forwarders and brokers which reside in the L & I System.

Question 3. What State's SAFETYNET database was used as the basis for the UCR Board's analysis?

Response 3.

New York's SAFETYNET database was used for the basis of the Board's analysis.

How recently (what date) had that State's SAFETYNET database been updated before the UCR Board extracted the information?

New York used a SAFETYNET database created in October of 2006. New York downloads the SAFETYNET file nightly in order to use the most current data available. A comparison of the SAFETYNET file created in October of 2006 with a more recent SAFETYNET file created from the February 15, 2007 nightly download shows that the size of the active interstate database of carriers with recent activity has not changed significantly. It is anticipated that when a fee structure is finalized that an up to date SAFETYNET file will be used for industry outreach and billing purposes.

Exhibit B
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Microsoft Excel - UCR Fee Model - 3-14-07 v1.xls

File Edit View Insert Format Tools Data Window Help

Type a question for help

Arial 12

N19

UCR Revenue and Fee Committee
3rd REVISED Recommended Fee Structure and Fees to UCR Board
March 15, 2007

Block	Units		Adjusted Companies		Scenario A - 1	Scenario A - 2	Scenario D - 1		Scenario D - 2	
	From	To	No.	% Total			Calculated	Rounded	Calculated	Rounded
		0	16,679	4.6%	\$50.00	\$65.00	\$38.00	\$39.00	\$38.35	\$39.00
		1	72,446	19.8%	\$50.00	\$65.00	\$38.00	\$39.00	\$38.35	\$39.00
		2	93,657	25.6%	\$100.00	\$65.00	\$75.99	\$77.00	\$38.35	\$39.00
	3	5	72,910	20.0%	\$100.00	\$115.00	\$75.99	\$77.00	\$115.06	\$116.00
B3	6	20	73,130	20.0%	\$230.00	\$230.00	\$227.97	\$229.00	\$230.12	\$231.00
B4	21	100	27,946	7.7%	\$805.00	\$775.00	\$797.91	\$797.00	\$805.42	\$806.00
B5	101	1,000	7,695	2.1%	\$3,420.00	\$3,550.00	\$3,837.54	\$3,800.00	\$3,873.66	\$3,840.00
B6	1,001	200,000	809	0.2%	\$33,900.00	\$35,000.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00
			365,272	100%						

Summary ALL Scenario

Fee Summary - March 15 2007 - Fee Brackets.doc - Microsoft Word

9:03 AM