

Gutierrez, Avelino A., PRC

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Sent: Tuesday, August 28, 2007 1:07 PM
To: Gutierrez, Avelino A., PRC
Cc: John Jabas; William Leonard; Dave Lazarides; Earl Eisenhart; Rick Craig; Rick Schweitzer; flaqua@state.nd.us; Robert Voltmann; bpitcher@trucking.org; Tom Klingman; Gene Eckhardt
Subject: 2008 UCR Fee Recommendation
Attachments: UCR 2008 Entitlements & Fees A-2.doc; UCR 2008 Entitlements & Fees B-2.doc



UCR 2008



UCR 2008

Entitlements & Fees Entitlements & Fees

Mr. Chairman,

The Revenue & Fees Committee submits the following two 2008 UCR fee proposals for consideration for the upcoming UCR Board meeting being held Thursday, Aug. 30, 2007.

Both proposals use the same carrier universe parameters as was used for 2007 fees.

Proposal A-2 sets an entitlement figure for total state participation except for Oregon who has officially opted out of the UCR Program.

The \$108,576,599 figure takes into account all entitlement figures of the states participating in UCR for 2007 as well as monies for North Carolina, California, Missouri, Minnesota and Pennsylvania.

A total of \$5 million has been set aside for the remaining 10 non-participating states who have until mid-August of 2008 to join the UCR program (Delaware, Florida, Vermont, New Jersey, Nevada, Wyoming, Maryland, Alaska, Hawaii and Arizona).

Next, \$5 million has again been set aside for Administrative expenses in 2008 due to the fact that we have not collected any UCR fees for 2007 and the likelihood of collecting \$5 million for Administrative expenses in 2007 grows slimmer each day.

A new .05% Reserve (\$592,883) has been added to arrive at a new 2008 entitlement figure of \$119,169,482.

Using the same 2007 brackets and the "equilibrium" methodology used for setting the 2007 fees, the 2008 fees range from \$43 for bracket one up to \$42,292 for bracket six.

So to summarize using the "equilibrium" methodology, no company would pay more than \$43 per CMV and the most companies would pay in the highest bracket would be \$42.25 per CMV. The most paid per CMV goes down slightly moving from bracket one through to bracket six.

Proposal B-2 uses the same methodology as A-2; however, no monies have been set aside for the 10 states that have yet to submit a plan for UCR participation in 2008.

The Revenue & Fees Committee recommends A-2 which sets aside fees for any state that chooses to join the program prior to mid-August of 2008.

By accounting for the revenues for the non-participating states, there would not be the need to go back and amend the target revenue and fees if a state chose to join as late as early August of 2008.

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