The sixty-first (61st) Unified Carrier Registration (UCR) Plan Board of Directors (Board) meeting was called to order by Avelino Gutierrez, Chairman at 12:03 p.m. EDT.

Attendance - Board of Directors:
Present – Sandy Bowling, Bill Bronrott, Woody Chambers, Gene Eckhardt, Avelino Gutierrez, Frank LaQua, Dave Lazarides, Bill Leonard, Scott Morris, Neal Murphy, Angel Oliver, Bob Pitcher, and Bob Voltmann.
Absent – Jay Gingerich and Rick Schweitzer.

Frank LaQua conducted a roll call of the States. **Self-introductions** of government and industry representatives were made by those in attendance.

Avelino Gutierrez welcomed the attendees and established the **teleconference ground rules**.

Gene Eckhardt moved to accept the **meeting agenda**, which was seconded by Neal Murphy. There was no discussion and the agenda was approved. The meeting agenda is incorporated as Exhibit A.

Gene Eckhardt moved to accept the minutes of the April 14, 2011, board meeting. Woody Chambers seconded the motion. Rick Wood made a couple of changes. The minutes were approved.

UCR Legislative Update – no update.

FMCSA Update – Bill Bronrott – Incumbents have reaffirmed their desire to continue to serve for the Eastern, Southern and Midwestern regions for the UCR Board of Directors positions. A vacancy exists in the Western region (resignation of Frank LaQua is attached as Exhibit B). Contacts have been made to Idaho, South Dakota and Montana, but the position remains open. FMCSA will continue the search to fill the Western region. Bill Bronrott asked Frank LaQua if he would be able to continue serving past the end of this month until they find sometime to take the position. Mr. LaQua stated he would.

Jose Rodriguez stated they will have the letters out on time for three reappointments. Update on checks coming to FMCSA for UCR fees – less are arriving at FMCSA now, only about 10-20 checks a month. Unfortunately some checks get deposited before their purpose is determined, which then have to be refunded which takes a longer time for the carrier to get UCR, which could cause a carrier to be placed out of service. Jose is hoping the UCR self registration website can be tweaked with possibly a banner added that states "Do not send to FMCSA".

John Jabas stated he, as well as others, attended the IRP annual meeting in Pittsburg and listened to the presentation by FMCSA pertain to PRISM 'Registrants only' filings will cease September 1st. While Julie Otto and Charlie explained what's going to happen, they seemed in conflict with how that's going to affect registrants already registered in the various states. John Jabas asked if FMCSA will issue anything for states to follow. Rick Wood stated he didn't have a copy of the federal register notice issued a few months ago, but that it laid out the reasons for the change and when it will take effect. He can get the cite and send it to Avelino for distribution. John Jabas commented he is already aware of the letter but wants to know what the states will do with the registrants the states have already on file. Rick Wood stated he doesn't know what PRISM procedures have determined.

Audit Subcommittee –Gene Eckhardt – The Audit Subcommittee held a conference call meeting with eight of the eleven members attending. Some information was circulated prior to the meeting to promote the discussion of what the members think the Subcommittee ought to do. There was a lot of discussion without consensus on the function of the Audit Subcommittee. Mr. Eckhardt is hoping there will be some Board direction. He states the current process is that carriers register with the states; states operate the program; the Board oversees the

states; there are many different levels of accountability which causes a lot of concerns for the Audit Subcommittee. He does not believe the Audit Subcommittee should be doing its own thing by setting up performance objects and standards; acting as the promulgator and evaluator of the rules; or performing enforcement. On a broader basis, after listening to all the discussion of the members, his vision is the Audit Subcommittee will serve a function as a "link" between the performance standards adopted by the Board and the Board. He proposed the Audit Subcommittee will take performance standards developed by the Best Practices Subcommittee and adopted by the Board; they will take the registration goals as adopted by the Board; they will not independently establish standards for the Board to adopt; consequently they will only evaluate performance. Changes in the depository distribution of funds link to performance; as well as management of monies through the Indiana system, and activities going on in different subcommittees. The Audit Subcommittee should get its focus on their role through the broader process by linking to performance objectives developed through other subcommittees and adopted by the Board. When the Board chooses to adopt procedure elements regarding depository functions or distribution of monies through the online registration, that will be accomplished independent of the Audit Subcommittee, not developed within the Audit Subcommittee. Then evaluation of performance compared to the standards can be submitted to the Board. To clarify, Mr. Eckhardt would prefer the Audit Subcommittee doesn't create the performance standards and doesn't enforce the standards. Mr. Eckhardt would like the Board members to have a short discussion on how they might view the Audit Subcommittee role in the broader implementation of the UCR program in light of the fact the Board is accountable to FMCSA that states operate their registration systems in a reasonable fashion.

Avelino Gutierrez thanked Gene Eckhardt for organizing the Audit Subcommittee's conference call and to the eight subcommittee members that attended. Obviously they care about the topic. Avelino Gutierrez stated he would not want the Audit Subcommittee, nor anyone else, to act in such a way that would bind the Board. He prefers to avoid sunshine act violations and any rolling quorum allegations that decisions are being made by subcommittees. He reaffirmed the Board will act upon recommendations to avoid legal issues.

Mr. Gutierrez agreed the role of the Audit Subcommittee should be in terms of reporting compliance with performance standards, that the Audit Subcommittee should be the link between the Board and other subcommittees established by the Board. He concurs that each subcommittee has its role in the Board process in that each subcommittee needs to act in the areas of their own expertise and territory. He would like to give deference to Gene Eckhardt as the Chair, and believes the best procedure is to go forward with the various subcommittees making recommendations to the Board in accordance with their expertise and jurisdiction as to performance standards. The Audit Subcommittee's role will be to evaluate performance, not take enforcement action. The Board will be responsible for enforcement.

Dave Lazarides envisions the Audit Subcommittee will not determine the performance areas but review states based upon adopted standards. Dave Lazarides is preparing for that situation in the Best Practices Subcommittee. They will consider financial reporting and financial payments from states. Upon adoption of standards by the Board, the Audit Subcommittee would audit the states against the directive and provide a cumulative report on the outcome.

Woody Chambers believes this creates more redundancy and questioned why they would even have an Audit Subcommittee. Avelino Gutierrez and Scott Morris clarified the UCR act requires an Audit Subcommittee. Gene Eckhardt further explained that in a regulatory environment, when there is a performance standard, someone ought to compare the states' performance to the standard. Further, the people that set the rules shouldn't evaluate the rules, there should be a separation. The role of the Audit Subcommittee should be to review compliance with all performance standards adopted by the Board. Avelino Gutierrez further clarified the Audit Subcommittee shouldn't set policy, but to compare how well the organization is performing on functions adopted by the board, leaving the Audit Subcommittee independent and not connected to other subcommittees.

Frank LaQua stated SSRS didn't have audit functions but IRP and IFTA have audit committees. These organizations seem to do more of the peer review type work and dispute resolutions instead of being done by the board of directors. In the other organizations, the committees propose ballots, which are adopted by the full body.

Avelino Gutierrez clarified that Scott Morris has laid out a performance standard proposal and tabled it in order to address it before the board for full discussion in Utah.

Gene Eckhardt stated he has a clear understanding of the direction of the Audit Subcommittee and how to proceed.

Procedures Subcommittee - Scott Morris – moved to the end of the agenda to allow for full dissemination of committee proposals.

UCR System & Best Practices Subcommittees - Dave Lazarides – The latest 2011 statistics have been provided to Sandy Bowling for updating on the UCR online registration website (Ms. Bowling commented the update has already occurred). Key areas on the cumulative numbers for registration include about 296,000 registered for 67.97 percent compliance. Other cumulative figures represent the difference in participating state carriers and non-participating state carriers, the number of carriers in each category and how many carriers remain in each category. The 90% compliance figure came out of FMCSA, and Mr. Lazarides believes the 90% legitimacy needs to be discussed by the Board. A proposal to adjust the percentage rates outside the 90% standard should be addressed. Avelino Gutierrez believes the percentages are tied to the fee structure and believes any proposal to change that figure rests in the Revenue and Fees Subcommittee.

Two questions were raised by Utah relating to clarification of UCR fees to be paid by carriers that lease their vehicles to another carrier and to carriers operating upon an Indian reservation. Both questions have been assigned to Scott Morris' Procedures Subcommittee.

Dave Lazarides continued with his Best Practices Subcommittee report by stating he will present a webinar in Utah showing how states can utilize UCRLink to perform some best practices. UCRLink will be made available to the states at no cost for a 30-day period after the Utah conference is over. However, the methods he intends to demonstrate can be performed without the UCRLink product, but that product has been designed for this purpose.

The Best Practices Subcommittee will review and determine performance areas. Mr. Lazarides will draft a proposal to present to the Board before the Utah meeting as fodder for discussion. The proposal will contain review areas of activities under the purview of the Best Practices Subcommittee and may also include thresholds.

Cathy Beedle asked what UCRLink would provide access to. Dave Lazarides advised it contains data, based upon the collective data, that creates reports about your own state and your own registered carriers and unregistered carriers and additionally can send emails to unregistered carriers. If anyone wants a tour, contact Dave and he will visit with Chris Campbell about setting up a tour.

Industry Advisory Subcommittee - Bob Pitcher – reported he won't be in Utah, but will call in for the Board meeting. Tom Klingman will hold a joint session of the UCR and the NCSTS Industry Advisory Committees at a time and location to be determined.

Tom Klingman reported, as John Jabas previously mentioned, they just came from the IRP meeting where they viewed a nice presentation on the upcoming implementation of the Mexican long haul rulemaking. They are working with the Chairman of NCSTS to have some time for the Chairman of the IRP, Kevin Clark from Utah, to address NCSTS.   The agenda looks full, but hopefully they can find time to get together to meet outside the meeting schedule, depending upon space and time availability.

Revenue and Fees Subcommittee - Bill Leonard. Avelino Gutierrez would like the Board to consider fees in July. Bill Leonard reported he will commence a meeting of the Revenue and Fees Subcommittee, so they can provide a report to the Board by the end of this month. Tom Klingman offered to host the Revenue and Fees Subcommittee conference call.

Depository Subcommittee - Frank LaQua – The depository made payments for 2010 & 2011. The disbursement for 2010 was $17,671,242 and for 2011 was 4,447,794, which totaled over 22 million.

Registration System of the State of Indiana – Sandy Bowling – Appreciates Jose Rodriguez working with her to get states access to undeliverable addresses, as long as their OC approved it to put undeliverable address into the MCMIS system. Any state that has not been approved should send Sandy an email.

Old/New Matters:

Frank Laqua's resignation was noted (Exhibit B).

Mr. Lamb's email and the letter he sent April 10, 2011 are attached as Exhibits C and D.

Sandy Bowling is concerned about the impact of doing away with Registrant DOT numbers as it will likely create issues with FMCSA as it concerns leasing companies. When an entity is changed to a carrier status, it puts them in the New Entrant Program. If a leasing company is changed to an inactive status or something else, they won't be able to self-register in the UCR system or appear as paid in SAFER

Procedures Subcommittee - Scott Morris – Reminded the Board he has already proposed standards, which have been tabled until June to be addressed in the Procedures Subcommittee meeting and before the full Board.

Scott Morris motioned to accept the Proposal to Assign Non-participating Jurisdictions to a Base State, which was seconded by Dave Lazarides. Scott Morris moved to table the proposal until June, the motion was seconded by Sandy Bowling and the motion passed.

Scott Morris motioned to accept the Proposal to Allocate Indiana System Collections, which was seconded by Dave Lazarides. Scott Morris moved to table the proposal until June, the motion was seconded by Sandy Bowling and the motion passed.

Scott Morris stated if there's an item that needs clarification, to send proposed language to him. It will be quicker and easier than if Scott has to work from scratch. He asked for Rick Wood's or Oklahoma's attorney's help on the Indian reservation question. Rick Woods stated he will help.

Tom Klingman commented all the Board's guidance has been informal to date. He believes it has to move from informal to a formal decision/rule/interpretation so states can hold carriers and registrants accountable.

John Jabas stated he has talked to Sandy Bowling who has a plan on identifying registrants only. John would like Sandy to elaborate at the June meeting unless FMCSA comes up with a plan.

Frank LaQua asked if there would be a call-in number for the Utah meeting. It was discussed the Board will be available via call-in, but subcommittee meetings will not. If a subcommittee meeting needs to be broadcasted, Sandy Bowling should be contacted.

Future Board meetings are scheduled for:

- In Person meeting at Park City Utah. Subcommittee meetings will be held Tuesday, June 14th, afternoon from 1:30 – 4:45 MDT until finished.

- Full Board Meeting - Wednesday, June 15th from 8:00 – noon MDT.

  Sunday, June 12th a.m. – NCSTS Executive Committee Meeting
  Monday, June 13th – General meeting of NCSTS – Non-UCR items and presentations
  Tuesday, June 14th a.m. – NCSTS UCR
  Tuesday, June 14th p.m. – UCR Board Subcommittee Meetings
  Wednesday, June 15th a.m. – UCR Board Meeting 8 – 12 MDT
  Wednesday, June 15th p.m. – NCSTS Executive Committee Meeting

- Thursday, July 14, 2011, 12 noon – 3 p.m. EDT by teleconference
- Thursday, August 11, 2011, 12 noon – 3 p.m. EDT by teleconference

The Board adjourned at 1:30 p.m. EDT.

Minutes approved by the UCR Board on June 15, 2011.

Lynne Jones, UCR Board Secretary

Exhibit A – Meeting Agenda
Exhibit B – Frank LaQua resignation
Exhibit C – AIPBA Email
Exhibit D – AIPBA letter
Exhibit E – Proposed Assignment of Non-Participating Jurisdictions to a Base State
Exhibit F – Proposed Allocation of Indiana System Collections