

KLINGMAN TOM (TAX1TSK)

From: KLINGMAN TOM (TAX1TSK)
Sent: Tuesday, January 05, 2010 4:58 PM
To: Bill Leonard
Cc: Bob Pitcher - ATA
Subject: Report of the NCSTS IAC

Bill,

I will be arriving in San Diego on Sunday after the NCSTS Excc. Committee meeting has begun. Here is my report:

The NCSTS IAC continues to work with our state partners on the various NCSTS committees predominately related to the UCR. Several of the IAC members provided comments to FMCSA on the proposed 2010 UCR fees rulemaking. All objected to the excessive (in Industry's view) level of fees proposed by FMCSA for the 2010 UCR registration year. Alternatives to the fee levels proposed by FMCSA (and recommended by the UCR Board) varied from no increase from the 2009 fee levels to a fee schedule solely based on the elimination of trailers from the UCR.

Industry encourages the states to continue their efforts on improving the collection of the UCR fees from all entities required to pay them. Most states have made significant improvement in this effort, primarily by requiring compliance with the UCR as a condition for the renewal of an entities' motor vehicle fleet registration and/or fuel use tax renewal. Unfortunately we have seen little to no effort to address the issue of a UCR registrant's reduction of its vehicle count (also known as "retreat"). The impact to the states by their own analysis is a reduction in the amount of UCR fees paid by the registrants in the nature of 25%. To accept this reduction without any type of review is unacceptable to Industry.

The NCSTS IAC looks forward in 2010 to continuing to work with the states to improve compliance with the UCR and other areas of mutual interest.

Respectfully submitted,
Tom Klingman – UPS
NCSTS IAC Chair