

AMERICAN TRUCKING ASSOCIATIONS

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Bill Graves
President and Chief Executive Officer

February 20, 2009

Avelino Gutierrez, Esq.
Chairman, Board of Directors
Unified Carrier Registration Agreement
P.O. Box 1269
P.E.R.A. Building
Santa Fe, NM 87504-1269

Dear Chairman Gutierrez,

I am writing to protest the recent decision by the Board of Directors of the Unified Carrier Registration Agreement (UCRA) to recommend sharply higher UCRA fees to the Federal Motor Carrier Safety Administration (FMCSA) for 2010 and subsequent years. This increase is unwarranted and places an extremely heavy burden on the interstate motor carrier industry, including the members of the American Trucking Associations.

The increase in UCRA fees is unwarranted because in the aggregate the UCRA participating states have not sought to enforce the requirements of the UCRA to a degree that would even begin to allow the program to be effective. Instead, the Board has taken the easy way out and opted for an increase in taxes on those compliant carriers that have been paying the fees. These companies will now be called on to pay both for themselves and for the dishonest or negligent carriers that have failed to pay. ATA believes this increase might very likely be only the first in a series of spiraling increases, as higher fees lead to greater carrier noncompliance and still lower collections.

The burden the increase in the UCRA fees places on the motor carrier industry can hardly be overstated. It is not too much to say that trucking companies are facing their greatest economic challenge since the early 1930s. Freight volumes have fallen precipitously, company revenues have followed, and upwards of 3,500 trucking fleets of five or more vehicles went bankrupt last year. This year will be worse, very possibly far worse, and there are no reliable signs that the economy will turn around before 2010. This is *not* the year to increase taxes on our industry.

ATA believes it is time to repeal UCRA, to rid ourselves of this awkward relic of economic regulation and replace the revenues it has attempted to raise with a simple, federally funded grant to the states of additional Motor Carrier Safety Assistance Program (MCSAP) moneys. ATA and its members collaborated in the creation of the UCRA program, and ATA has

Good stuff.
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served on the UCRA Board and assisted in the governance of the Agreement. The Board's decision to increase the fees on compliant carriers at a time of unprecedented hardship for the industry has convinced us our efforts were misplaced. They will henceforth be directed to the elimination of the UCRA and its replacement by a simpler, equitable, and reliable source of funding for state highway safety and enforcement programs.

Sincerely,

d Graves

cc: The Honorable James L. Oberstar

The Honorable Peter DeFazio

The Honorable John Mica

The Honorable Kay Bailey Hutchison
The Honorable John D. Rockefeller IV