



## CVSA DOT Reauthorization Policy Issues



### ISSUE #7

## ESTABLISH A SINGLE POINT OF CARRIER REGISTRATION, CREDENTIALING AND SAFETY DATA ACCESS

### PROBLEM

At the present time, interstate carriers, shippers, process agents, brokers and/or freight forwarders must comply (as appropriate) with the following credentialing requirements through a separate process for each item:

1. Register under the new Unified Carrier Registration System (presently in effect in 33 states) which registration is filed annually with fee payment;
2. Obtain a federal U.S. DOT number by filing a carrier identification report called the MCS-150 (different forms for HM and permitted carriers) every 24 months;
3. Obtain Operating Authority (as required);
4. Obtain a Hazardous Materials Safety Permit (as required);
5. Register under IFTA and IRP annually on a staggered monthly schedule. (This may be one question as to whether or not these two should be included in a federally administered system since the rates vary according to state. There are actually two questions here one is whether they should be rolled into a federal system as is and the other is whether they should be morphed into a model similar to UCR in that a single nationwide fee system that is uniform across states be adopted, administered by FMCSA and funds flow back to the states.); and
6. File proof of Licensing and Financial Responsibility (as required).

Add to this various intra-state permits (i.e. oversize/overweight) and authorities that are required and it creates a difficult maze for the industry to track and comply with. The ultimate result of these separate registration processes and their supporting information systems is that few communicate with one another, information sharing is inconsistent, and duplication of efforts is common. The result is that many inconsistencies in the data and software/systems used to select entities for contacts/reviews/inspections and for tracking and evaluating safety fitness/performance to assist enforcement now exist and will continue to worsen.

### BACKGROUND

The last 10 years has seen tremendous growth in technology development and deployment. This is especially true in the world of the truck and bus industries. Just in time deliveries require the supply chain to be lean, efficient and responsive to customer demands.

In many respects, the government (federal and state levels) has failed to keep pace with the private sector advances in this area. A large reason for this is due to the fact that there are many "legacy" systems in place that governments have invested tremendous resources in and are reluctant to throw away, and states have limited funding with which to design and deploy new ones.

The conflicting problem on this issue is there are multiple offices within FMCSA that provide the oversight, policy guidance, funding and support necessary for the various federal processes and systems identified above, as well as the field systems to support compliance and enforcement efforts. In addition, the oversight of some programs lies either wholly or partially outside the scope of FMCSA's authority which creates additional problems and confusion.



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While both the CVISN and COMPASS programs have laudable objectives, in our view their execution has not been conducted in a manner that is consistent with their seemingly similar visions. We do not see this changing under the current conditions at the Agency and the directives Congress has provided.

### SOLUTION(S)

Establish within FMCSA a system of registration that combines the ~~six~~<sup>4</sup> programs outlined in the problem section above. This system would not pre-empt the ability of states to run intrastate programs but would consolidate all interstate registration programs under one roof. Carriers would register and pay for all interstate credentials in one location. FMCSA would also be required to work with states to utilize current state resources to assist in the physical processing of applications in each state. However, FMCSA would be the sole provider of the data system used and would be responsible for training state agencies to be able to process and issue credentials.

Funds collected would be deposited into a single depository with the appropriate amounts due to each state remitted on a regular basis. The fees for each credential must include mechanisms to annually adjust their rates to keep pace with inflation and have a component to fund the systems, equipment, and staffing sufficient to maintain a high quality, robust system that operates round the clock.

In addition to utilizing state resources to process applications in-person, the system must also allow carriers to register and make payments online in a secure manner. Finally, carriers that fail to maintain credentials, make payments or keep information about their operations up-to-date should face progressive penalties including but not limited to administrative and civil penalties.

By consolidating all of these systems into a one-stop-shop the FMCSA would vastly improve the quality of data needed to track and regulate carriers; states would continue to receive the funds needed to operate; and, carriers would save time and money by not having to navigate a time consuming and confusing web of separate credentialing requirements. Such a system should not preclude states from continuing to operate their own intrastate registration systems but should allow them to subject their intrastate carriers to the requirements of the new federal system in return for the elimination of their current intrastate programs.

We believe the nucleus for this authority exists within the Unified Carrier Registration Program (established under SAFETEA-LU) which calls for the establishment of a new Unified Registration System. The creation of such a system will help both the administration and enforcement of all of the various programs under its umbrella. This new unified system should cover the 4 primary elements of commercial motor vehicle movements: carrier, vehicle, driver and cargo. It could also be the vehicle to help states reign in and help create more uniformity in their requirements for various permits (UCR precludes permits), or at least make more uniform among the states permit requirements that must remain.

SAFETEA-LU provided for the use of UCR revenues to administer the UCR program and the new Unified Registration System. Whether the scope of that authority would provide the funds for the enhanced on-line federal system is not clear. Additional funding and authority may be necessary and should be requested in the next Reauthorization. It is not expected that a pending rulemaking in FMCSA that deals with the new Unified Registration System (currently an April 2008 publish date) will propose a registration system that would include all of the elements for the on-line registration system described above. Legislative provisions in the next Reauthorization will be necessary to bring this about.