

Information on New Fees for Interstate Motor Carriers under the Unified Carrier Registration Agreement (UCRA)

(Courtesy of American Trucking Associations State Laws Department)

SSRS Is Gone. The Single State Registration System (SSRS) imposed on interstate regulated motor carriers was repealed by Congress effective at the beginning of 2007. There will be no SSRS program in 2007 or in future years.

Instead, all interstate motor carriers – regulated, exempt, and private – as well as interstate brokers, freight forwarders, and leasing companies, are subject to fees under a new system, the Unified Carrier Registration Agreement, or UCRA, enacted by Congress and administered by states. States will shortly begin to require interstate carriers and others to register for the UCRA program and to pay the new fees imposed under this program.

Who Is Subject to UCRA? Any motor carrier that operates in interstate or international commerce is subject to the UCRA fees. That includes many businesses that were not subject to SSRS, including private carriers, exempt carriers, regulated carriers that did not travel into SSRS states, and brokers, freight forwarders, and leasing companies. Carriers based in Canada and Mexico and operating in the U.S. are also subject to UCRA.

Motor carriers and others subject to UCRA should be receiving information from states on the new program in the next few weeks. The mailing will include a UCRA application form and instructions, and information on how to register for UCRA and pay the UCRA fees on-line.

Like SSRS, UCRA Is a Base-State Program. That is, a motor carrier or other business subject to UCRA will register with and pay fees to its base state only, on behalf of all the other UCRA participating states. The notice that carriers will be receiving from the states will include instructions on which state is a carrier's base state. In most cases, a regulated carrier's UCRA base state will be the same state as its SSRS base state has been.

Which States Are Participating in UCRA for 2007? The following 34 states are in the UCRA program for 2007, and can serve as a UCRA base state:

Alabama	Louisiana	Oklahoma
Arkansas	Maine	Rhode Island
Colorado	Massachusetts	South Carolina
Connecticut	Michigan	South Dakota
Georgia	Mississippi	Tennessee
Idaho	Montana	Texas
Illinois	Nebraska	Utah
Indiana	New Hampshire	Virginia
Iowa	New Mexico	Washington
Kansas	New York	West Virginia
Kentucky	North Dakota	Wisconsin
	Ohio	

Carriers located in other states, or in Canada or Mexico, will have to choose one of these states to serve as their UCRA base state.

How does a Business Register for UCRA? A business may register for UCRA in either of two ways. Any business may register directly with its base state under procedures set by the base. It is anticipated that all states

will accept mailed registrations and walk-in traffic, and some may also operate on-line systems. However, any business subject to UCRA, no matter what its base state may be, may register and pay its fees on-line through the single national on-line UCRA system developed and hosted by the Indiana Department of Revenue on behalf of all the UCRA states. This system is expected to be fully operational on and after September 10, 2007, and is located here: www.ucr.in.gov.

What Does UCRA Registration Involve? A business registers for UCRA by filling out the one-page UCRA application, which calls for contact information, the entity's designation of its base state, and a statement of what fees it owes. Submission of this form, with payment of the fees, either to the base state or through Indiana's site, completes registration for the year. No filing of federal financial responsibility (insurance coverage) is required.

How are Fees Paid? The form of payment acceptable to a state depends on the state; the Indiana site will accept credit cards and electronic transfers, although a fee will be charged to the payor.

How Are the UCRA Fees Computed? Unlike SSRS fees, UCRA fees are not per-vehicle fees, but are levied per fleet. Nor do the UCRA fees depend on where a carrier's traveled, as the SSRS fees did. Instead, whether an interstate carriers travels in few or many states, the size of the fee depends only on the number of commercial motor vehicles it operates. For this purpose, commercial motor vehicles includes trailing equipment as well as power units. For example, if a carrier operates 100 tractors and 200 semitrailers, the number of its vehicles for purposes of the UCRA fee will be 300. The total of vehicles will in most cases be the same as the carrier reported to the U.S. Department of Transportation on its latest Form MCS-150. For 2007, the UCRA fees are:

<u>Fleet Size</u>	<u>Fee</u>
0-2 vehicles	\$ 39
3-5 "	116
6-20 "	231
21-100 "	806
101-1000 "	3,840
over 1000 "	37,500

Brokers, freight forwarders, and leasing companies that do not operate trucks of their own will owe \$39.

Is There a UCRA Credential? Although it is anticipated that most states will issue receipts for UCRA payments, no UCRA credential is required to be carried in vehicles.

How Will UCRA Be Enforced? When a business pays its UCRA fees, the base state will convey that information to the U.S. DOT, which will flag the carrier's US DOT number. Roadside enforcement can check for that flag on-line, to determine whether a carrier is current with its UCRA obligations. It is anticipated that states will begin to enforce the 2007 UCRA requirements about November 15.