UCRA Functional Requirements Draft

October 31, 2006

Introduction

The UCR Board is responsible for the development of a system that will support the UCRA agreement. The UCRA system will handle UCR registration and the collection, tracking, distribution and enforcement of the UCRA fees.

The operational guidelines will be provided by the UCRA and the system referred to in this document will be the UCRA system.

Pursuant to Federal Law, the FMCSA would build and maintain the Unified Carrier Registration (UCRA) Registration System as part of the larger Unified Registration "suite" of applications. The UCR system supplied by FMCSA must, at the very least, supply the Unified Carrier Registration Agreement (UCRA) system with the identification numbers, the number of vehicles operating interstate, and the means to enforce the payment of the UCR fee. The federal UCR system should also be the means to respond to all public inquires regarding the operation, insurance and safety of the carriers.

The purpose of this document is to set forth the list of functional requirements for the UCRA Registration system, the rationale for these requirements and the issues that may affect the design and implementation of the system.

The functional requirements of the system shall be to support the procedures agreed to by the Board thru the Procedures Committee. The UCRA system must be easy to use by both the customers and the states.

The document consists of the following sections:

> Current Assumptions Pertaining to UCRA
> UCRA Outcomes Sought
> UCRA Constituencies and Their Needs
> Major UCRA Functional Areas

The document also contains one (1) appendix identifying current UCRA Registration System issues.

This document is being created during a time when many issues related to UCRA remain unresolved. The document will be updated as necessary to reflect the status of these issues.

Current Assumptions Pertaining to UCRA

UCRA must initially be self-sufficient.

While the Board assumes and the statutory language of the Safe, Accountable, Flexible, Efficient Transportation Equity Act, A Legacy for Users (SAFETEA) mandates that the Federal Motor Carriers Safety Administration (FMCSA) will create a Uniform Registration System that would include UCR registration functionality, the Committee realizes that such a system will not be ready for an extended period of time. As a result of the anticipated delay in URS, and in order to fulfill its mandate and ensure that states receive funding for their motor carrier safety initiatives, the Committee has taken the position that all required fee-related UCR functionality should be included in the UCRA registration system. As the FMCSA commits to providing the same functionality within their systems, the Board can transfer the responsibility for that functionality to the FMCSA.

The UCRA System must leverage pre-existing functionality and avoid functionality replication whenever possible.

The system shall not replicate any existing functionality unless that functionality is required to conduct UCR registration, process, track or distribute UCR fees or provide verification of UCR registration to enforcement.

The FMCSA has agreed to reconsider the requests for assistance with the UCRA.

The FMCSA will consider the Board's requests for assistance in enforcing the UCR registration. The UCR Board is sending a letter to the FMCSA asking for consideration and is awaiting the response.

The UCR Board will need to "phase" implementation of the UCRA system.

This document attempts to identify all functionality that would be designed into the UCRA Registration system under normal "ideal" design circumstances. The distinct possibility exists, however, that the luxury will not exist for normal design circumstances and will, in fact, have to meet a tight initial implementation deadline. Facing this kind of tight deadline, the Board may need to set forth "ideal" UCRA functionality and then phase the implementation of that functionality over several releases of the system --- even if phasing takes several years.

The outcome of the URS and the UCR rulemakings could have an effect on the UCRA and UCRA system.

The URS rulemaking will solidify the URS program and the USDOT will be able to move forward with their plan as outlined by the rulemaking. Any changes to the USDOT' intent could affect UCRA and the UCRA system. The same applies to UCR rulemakings.

"Least Common Denominator" States may affect the design of the UCRA system.

The UCRA system must be designed in a way that accommodates <u>all</u> states who are deemed by the USDOT to be qualifying participants. Each State will be able to register registrants, collect UCR fees and deposit UCR money in any manner the Board deems to be appropriate. The choice will be left to the participating state.

UCRA Outcomes Sought

Convenient Registrant Compliance

The registrant must be able to conveniently access UCR registration mechanisms and these mechanisms must be user-friendly.

Registration will take place using at least three (3) different methods:

> Mail
> Internet/Web Application
> Walk-In Registration

In every case, the person performing the registration must not be burdened with registration tools that are cumbersome or inaccessible.

Fee Distribution

The system will provide for nightly transmittal to each state of UCR fees collected for that state.

Easy, Complete UCR Funds Accountability

The Board must be able to ascertain the status of any and all state UCR fund balances on a monthly basis. The system should track state collections as reported thru the base state or as collected directly and transmitted to the base state

The system should have reporting capabilities to support the Board's role for proper allocations from states that over-collect to states that under-collect.

Timely and Reliable Data

The system must provide security to ensure accurate data. The system must be able to handle large volumes of activity especially during start up and the last month of each registration year. The system must be able to accommodate up to half of the 1 million transactions anticipated per year during these large-volume periods. The system must provide for timely updates of registrant data to ensure accurate verification by roadside enforcement.

Data Imports / Exports

The UCRA system will need to interact with several other systems, including MCMIS and state information systems. All aspects of data imports and exports must be handled reliably. Data exchanges must be conducive to effective verification of proper fee collection and proper enforcement.

Easy Public Access

States and the UCR Board are entitled to UCR information and must be able to get that information in a timely, reliable and efficient manner. Registrants must also be able to access and verify their own data.

UCR Constituents

Registrants

Registrants will be able to pay their UCR fees in three (3) methods as mentioned before. To get to the central UCR Registration Web site, registrants should only need to use a common browser. At the end of any UCR registration transaction, registrants need to receive an acknowledgement of fees paid. This acknowledgement must state that registrants do not need to keep any UCR credentials in their vehicles.

Enforcement

Registrants should never be asked for a UCR credential or proof that they have registered at the roadside. Enforcement officers should always be able to independently determine the UCR status of any motor carrier, freight forwarder, or broker thru their current motor carrier queries including ISS, SAFER, and MCMIS.

MCMIS

MCMIS needs to interact with the UCRA system in both directions. As indicated above, MCMIS needs to be able to provide the UCRA system with information related to current and potential registrants using update processes currently provided by the FMCSA. The

UCRA system needs to be able to send UCR registration updates back to MCMIS for enforcement purposes.

State Systems

Each participating State must have a convenient, online method for registering registrants, providing electronic verification of UCR registration and accounting for UCR funds collected by that state; including daily deposit records and transmittal records for excess UCR revenue collections forwarded to the UCRA system. For states that have collected their maximum UCR revenues, there shall be a monthly transmittal process in place to distribute over-collections.

The UCRA system must allow for registration and collection of intrastate vehicles fees thru the process if the state requests that their intrastate program be included. Also, the interstate carrier may opt to pay UCR fees in lieu of intra-state annual fees.

The UCRA system must provide a means for the state to verify, receive, audit, and enforce UCR fees collection. In addition, the states will need a means to know that a carrier has opted to include their intrastate vehicles with their UCRA filing.

Interested Parties

Interested parties such as insurance companies and shippers will continue to get their information thru MCMIS and the current licensing program until it is available thru the URS.

Associations / Agents

Carriers will be able to have their UCR registration and fees processed by their agents. The system should allow agents to easily process multiple registrations.

UCRA System Administration

The UCRA system should have multiple levels of security to allow proper access and reporting to state processors, auditors, enforcement, depository management, board members and appropriate federal staff. Registrants should be able to access their own information at no cost.

UCRA System Functional Areas

This document identifies major areas of UCRA system functionality related to at least one of the following: 1) the UCR registration *process*, 2) the actual UCRA system transaction or 3) the UCRA system "back end" operations. The major UCRA functional areas are:

>Register Registrants and collect fees in accordance with the UCRA
>Acquire Federal Identification Numbers thru the current federal systems
>Record UCRA System Transactions
>Track UCR Funds
>Handle Depository Payments
>Generate UCRA Reports
>Generate UCR Notices
>UCRA System Updates
>Respond to Enforcement Inquires regarding UCR fees
>Respond to State and Federal UCR Fee Inquiries.

In addition, the system will need to provide technical services to those using the system, including registrants and their agents.

Each major area will be described briefly and a non-exhaustive list of sub-functions will be provided for illustration.

UCRA System FUNCTIONALITY REQUIREMENTS

The UCRA system must perform or accommodate the following:

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REGISTER UCR REGISTRANTS

One of the primary goals of the UCRA system is to provide an online registration mechanism for all entities that are required to register and pay fees under the UCR program.

Register UCR Registrants refers to the process of initial UCR registration and annual payment of fees under the UCRA.

According to the document *UCRA,* the UCR registration mechanism must accommodate two (2) distinct constituencies: 1) registrants who wish to self-register and 2) the Base States who will register all other registrants.

Sub-functions include:

>Register Motor Carriers
>Register Freight Forwarders
>Register Brokers

Register Leasing Companies
Update/Renew Registrant Records (by Registrants, agents or Base States)
Generate "Proof of Payment" Acknowledgement

Note: *Register UCR Registrants* will not include processing of compliance filings such as insurance certificates or BOC-3 forms. These federally mandated filings will be performed as part of the application for federal authority and, as such, will be performed independent of UCRA system.

ACCESS FEDERAL IDENTIFICATION NUMBERS

All UCR registrants must have at least one of the following Federal Identification Numbers in order to complete the UCR registration process: USDOT number, MC number or Freight Forwarder (FF) number.

The primary registration number is the U.S. DOT Number and must be used by the registrant if they have one. Until they are issued U.S. DOT numbers, Brokers will need to use their MC number and Freight Forwarders must use their FF number.

Issuance of Federal identification numbers will take place solely through MCMIS and Licensing & Insurance, regardless of whether the actual issuance of these numbers takes place in a state agency, in Washington, D.C. or through a Federal Web site.

RECORD UCRA SYSTEM TRANSACTIONS

Transaction recording is another main requirement of the UCRA system. UCR fee payment may come in the form of credit cards, electronic checks, Paypal, money orders, business checks or even cash.

The FMCSA will have no involvement with UCR payment processing. All UCRA transactions will, therefore, need to be recorded by UCRA system and handled by the States.

Sub-functions include:

Record Payment Types
Record Payment Amounts
Record Registrant's Base State
Record # of Registrant's Vehicles for which payment is being made
Verify proper fee bracket for number of vehicles reported
Record intrastate carrier vehicles option
Accept file transfer of required data from state processes.
Accept file transfer of required data and payment from registrants or their agents

TRACK UCR FEES

The UCRA system must track overall UCR fees relative to fee caps and administrative allocations for budgeting and cash flow purposes.

Sub-functions include:

> Store Allocation and Revenue Cap Amounts
> Track Overall Total and Individual State UCR Fees Collected
> Track State Over/Under Payments (See below)
> Track State Balances

HANDLE DEPOSITORY PAYMENTS

Payments must be made into and out of the UCRA Depository as a function of over-collection and under-collection of UCR fees relative to revenue caps and allocations, as well as direct payments into the UCRA system through the electronic registration portal.

UCRA Depository Payment tracking will be handled within the UCRA system.

Sub-functions include:

> Track Payments from a Base State to the Depository
> Track Payments from the Depository to a Base State
> Track Payments from direct registrants

GENERATE UCR REPORTS

Reports pertaining to UCR registrations will need to be generated routinely. In some cases, reports pertaining to a particular registrant may be necessary. In other cases, reports may be necessary regarding a group of registrants. Financial reports will most certainly be necessary.

For the most part, UCR reports will be generated by the UCRA system. To the extent that the UCRA system sends updates to MCMIS, however, it may be necessary for FMCSA to assist in generating some types of reports. For instance, if we set a UCR registration flag in MCMIS, FMCSA will need MCMIS to generate a report showing the number of carriers who fit some registrant grouping who have not yet registered under UCRA.

Examples include:

> Which registrants operating 100+ vehicles have not registered under UCRA?

Sub-functions include:

    Generate Registrant Reports
    Generate Transaction Reports
    Generate State Financial Reports
    Generate Depository Financial Reports

GENERATE UCR NOTICES

Notices pertaining to UCR registrations will need to be generated routinely.

For example, renewal notices will need to be generated at the beginning of every calendar year. Demand notices between states and the depository will need to be generated by the UCRA system.

Depending on the types of UCR notices required, FMCSA may be required to send out notices.

Sub-functions include:

    Generate Unregistered Registrant Notices
    Generate UCR Renewal Notices
    Generate Demand Notices

UCR DATA UPDATES

Data updates will need to be sent routinely between the UCRA system and other Federal and State systems.

UCRA system will need to exchange data with the FMCSA and the Participating States for proper UCR fee collection, fee distribution, and enforcement.

Sub-functions include:

    Generate Updates – UCRA System to States

    Generate Updates – States to UCRA System

    Generate Updates – UCRA System to MCMIS

    Generate Updates – MCMIS to UCRA System

(Note: we need to identify the timeliness to updates of these Federal databases. Some may be real time, some weekly, some quarterly, etc.)

UCR ROADSIDE ENFORCEMENT INQUIRIES

Because there are no UCR credentials, UCR registration information will have to be available electronically to all enforcement entities at all times…

The UCRA system will not accommodate roadside enforcement inquiries. All roadside enforcement inquiries will be handled by existing enforcement systems and networks.

RESPOND TO PUBLIC UCR QUERIES

All public inquires will be done thru existing systems except that a registrant or its agent shall have access to its own information in the UCRA at no cost.

UCRA SYSTEM TECHNICAL SERVICES

This function pertains to all technical aspects of the UCRA system: system hosting, help desk, routine system maintenance, communications, etc.

FMCSA will continue to provide their current level of technical services with regard to MCMIS and other Federal systems.

Sub-functions include:

> System Hosting
> Technical Help Desk
> System Maintenance
> Communications
> Administer State Access Accounts
> System Security
> Timely Data Updates
> Data Storage
> Disaster Recovery

Appendix A
UCRA System Issues

Fee Payments in Foreign Currency

Interstate/Intrastate Vehicles
  Registration Form
  Vehicles Weighing Less Than 10,000 Pounds

Schematic of Current Federal Database Interaction

Carrier Agents --- Submit Batch Filings

AAMVA Conference in November (Talk to Steve Keppler About Enforcement Options)