

REGULATORY TOPIC OVERVIEW

Unified Carrier Registration System

(JANUARY 2024)

The Unified Carrier Registration System ("UCR") is the only *inter-state* function performed by the Division of Public Utilities and Carriers' (DPUC) Motor Carriers Section. All other functions of the Motor Carriers Section are focused solely on *intra-state* services providing for-hire transportation of property or persons from one point to another within Rhode Island.

UCR is the successor to the Single State Registration System (SSRS), which required <u>FOR-HIRE</u> carriers engaged in <u>interstate</u> commerce to pay each state it traveled to or through one set dollar amount per vehicle (it was \$8 in RI; different nominal amounts in other states). Each state would take in fees from its local carriers and then remit the appropriate dollars to each other state. FOR-HIRE carriers grew wary of an unlevel playing field that required them to pay fees while private carriers (Coca-Cola, Frito Lay, for example) did not, and lobbied Congress to pass what came to be known as the Unified Carrier Registration Act (UCRA) in 2005. That new law required ALL carriers (for-hire and private alike) to share the costs of the program. Additionally, the UCRA aimed to make States "whole" relative to what they had taken in through SSRS, as well as through intrastate renewal fees the UCRA prohibited states for collecting going forward. States were obligated to calculate that amount (and have it verified), and that amount became each State's "UCR Cap." Participating States are allowed to realize no more than their cap but are <u>not guaranteed to reach that cap</u>. Rhode Island's cap was set at \$2.285 million. Currently, only 41 states participate in the UCR system; nonetheless, ALL interstate commercial carriers must register annually regardless of whether their home state participates. Carriers from Mexico and Canada are also subject to UCR registration if entering the United States.

As a small state with a small population of carriers, Rhode Island is essentially identified as a "recipient state," meaning R.I. receives its own dollars from its own carriers' registration fees but must rely on the bigger "donor states" (Texas, Illinois, Indiana, etc.) to reach their cap and remit overcollections to the UCR Depository for disbursements to smaller states. Although the program experienced considerable hiccups during the first few registration years (starting with 2008), it now runs efficiently, and Rhode Island does realize the full \$2.285M annually. A concern expressed by all participating states is that the UCRA set caps at 2006 levels, with no escalation. Any change to cap levels would take an Act of Congress.

The program is governed by the UCR Board of Directors, the composition of which is set by federal statute. The Board consists of state regulators affiliated with the National Conference of State Transportation Specialists, regulators in the four (4) regions of the USDOT's Federal Motor Carrier Safety Administration, and members of the transportation industries. The DPUC's Associate Administrator sits on the UCR Board of Directors for a term ending in 2026.