



# **Unified Carrier Registration Plan**

## **Board Meeting Minutes**

March 12, 2020

Teleconference & Screen Sharing

## UNIFIED CARRIER REGISTRATION PLAN

### Board of Directors Meeting March 12, 2020

#### MINUTES

#### OPEN TO THE PUBLIC

**I. Welcome and Call to Order**

The UCR Board Chair welcomed attendees, called the meeting to order, called roll for the Board, facilitated self-introductions, and confirmed the presence of a quorum.

**II. Verification of Meeting Notice**

The UCR Executive Director verified that the publication of the meeting notice on the UCR Plan website and distribution to the UCR contact list via email occurred on March 3rd, 2020. He confirmed that the public notice was then published in the *Federal Register* (Vol. 85, No. 46) on March 9<sup>th</sup>, 2020.

**III. Review and Approval of Board Agenda and Setting of Ground Rules – Board Chair**

The UCR Board Chair proposed that an additional conversation on COVID-19 and its implications be added to the agenda. The Board agreed. A MOTION was MADE and SECONDED to adopt the proposed agenda as amended.

**IV. Approval of Minutes of the January 28, 2020 UCR Board Meeting**

A MOTION was MADE and SECONDED to adopt as presented the minutes from the January 28, 2020 Board of Directors meeting. THE MOTION CARRIED.

**V. Report on COVID-19**

The Executive Director reported that an update on COVID-19 was distributed to the UCR contact list via email on March 12<sup>th</sup>, 2020. He reported there is a strong possibility that the UCR Board meetings in April and June will occur via teleconference. UCR advised those who have NOT booked airfare to wait until more information is available. The UCR Board Chair answered questions from those on the call. She noted that pre-booked flights will be considered a reimbursable item, and that UCR will be allowing telephonic attendance to the mandatory UCR training.

**VI. Report of FMCSA**

The FMCSA representative noted that there was nothing to report at this time. The FMCSA is still waiting on approval of the pending appointments of the three board members in waiting.

**VII. Ratify Extension of Recommended 2020 Enforcement Date**

The Chief Legal Officer lead a discussion on the proposed ratification of the decision by the UCR Board Chair and the Executive Director to extend the recommended 2020 enforcement date to June 1, 2020. The UCR registration period for 2020 opened on February 13<sup>th</sup>, 2020 which was later than expected. The UCR Board had already recommended a May 1<sup>st</sup>, 2020 enforcement date. However, the May 1<sup>st</sup> date did not provide a 90-day period prior to enforcement. The Chief Legal Officer asked that the Board consider ratifying the decision of the UCR Board Chair and the Executive

Director to move the recommended enforcement date to June 1, 2020. After discussion, a MOTION was MADE and SECONDED to ratify the decision of the UCR Board Chair and the Executive Director. THE MOTION CARRIED.

**VIII. UCR Board Nominations**

The Executive Director noted that the terms of four current Board Members expire May 31<sup>st</sup>, 2020. The next terms for these positions begin June 1<sup>st</sup>, 2020 and will expire after three years. The Executive Director asked if those Board members whose terms are expiring are willing and able to serve additional three-year terms. All responded that they are willing and able to do so. A MOTION was MADE and SECONDED that the Board recommend to the Secretary of the United States Department of Transportation that these four current Board members be re-appointed by the Secretary to serve for three-year terms. THE MOTION CARRIED.

**IX. Proposed Adjustments to UCR 2020 Meetings Schedule**

The Executive Director reviewed proposed modifications to the 2020 UCR calendar of meetings. Two new Education and Training Subcommittee meetings were added via teleconference to ensure progress of the UCR video training modules. In addition, the location for the November 19, 2020 meeting of the Education and Training Subcommittee has been changed to Scottsdale, AZ. A new Board meeting will be taking place in San Diego, CA in December of 2020, and will be in place of the January 2021 Board meeting. A MOTION was MADE and SECONDED to grant authority to cancel or change the location or method of a Board meeting to the UCR Board Chair, giving as much notice as is possible. THE MOTION CARRIES. The Executive Director noted that the June UCR mandatory training may need to be postponed or cancelled and rescheduled depending on the implications of COVID-19.

**IX. Data Event Update**

The Chief Legal Officer provided an update to the Board on the action items approved at its August 1, 2019 meeting related to the March 2019 data event. UCR has completed the notification process, and 261 individuals accepted UCR's offer of free identity monitoring services. The Chief Legal Office informed the Board that fewer people had accepted UCR's offer than had been projected. As a result, UCR's costs for this aspect of the data event were lower than anticipated. The Chief Legal Officer also informed the Board that UCR had made a claim against Seikosoft's liability insurance for costs incurred as a result of the data event in the amount of \$419,000. The Chief Legal Officer indicated that he and the UCR Depository Manager are in discussions with Seikosoft's insurance provider regarding the claim.

**X. Updates Concerning UCR Legislation**

The UCR Board Chair called for any updates regarding any UCR Legislation since the last Board meeting. No updates were provided.

**XI. SUBCOMMITTEE REPORTS**

**Audit Subcommittee**

**A. Update on 2020 State Compliance Reviews**

The UCR Depository Manager provided an update on plans for the 2020 state compliance review, including a discussion of the planned schedule. Eight states are scheduled for a compliance review in 2020. Georgia and Tennessee were scheduled for mid-March, however, due to the COVID-19 concerns, these meetings will be postponed to sometime later in the year depending on further information. Georgia and Tennessee were asked to proceed in providing advanced documentation by the mid-March. The UCR Depository Manager will be

following up to make sure UCR receives this information. A portion of the work will be done remotely. Doing this work in advance will expedite performance of field reviews. The Idaho review is scheduled for June 22, 2020. Connecticut and Massachusetts are scheduled for August, Illinois in September, and West Virginia and North Carolina for later in the year. The UCR Depository Manager advised the Board that COVID-19 could cause further delays in the state compliance review plans for 2020.

**B. 2020 Solicitation Campaigns**

Seikosoftware reported on the percentage of new entrant motor carrier campaigns managed by the NRS, the percentage of new entrant motor carrier campaigns managed by the states, the percentage of unregistered motor carrier campaigns managed by the NRS and the percentage of unregistered motor carrier campaigns managed by the states. Five states are using the campaign management tools provided by the UCR. Seikosoftware is managing 29 states using these same campaign management tools. Approximately 30-40k emails are being distributed every day. Seikosoftware is seeing good coverage and spikes in registration since the start of these campaigns.

**C. Non-Universe Motor Carrier Solicitation Campaigns**

Seikosoftware reported on the solicitation campaign targeting motor carriers identified through roadside inspections as operating in interstate commerce but identified in MCMIS as either intrastate or inactive. Seikosoftware answered questions from the Board concerning the campaign.

**D. State Audit Activity to Date**

The Audit Subcommittee Chair reported on state audit activity to date and answered questions from the Board.

**E. Annual State Reports**

The Audit Subcommittee Chair reported on the need for states to perform their MCS-150 retreat audits in the NRS, review and close their FARs, as well as reporting requirements in the NRS. The Subcommittee Chair also led a discussion on the need for states to collect UCR registrations and adjustments for both the 2019 and 2020 registration periods as part of their audit investigations through 12/31/2020.

**Finance Subcommittee**

**A. Proposed Cash Advance Policy for certain UCR Required Travel**

The Board reviewed a proposed policy for cash advances from the UCR Depository to state personnel and other applicable stakeholders who are required to travel for UCR training and other UCR sanctioned events. These advances will be considered loans from UCR and must be repaid by the borrower upon reimbursement. A MOTION was MADE and SECONDED to approve the Travel Cash Advance Policy, including minor revisions made by the Chief Legal Officer. THE MOTION CARRIED by a vote of 13 to 1.

**B. Certificates of Deposit**

The UCR Depository Manager provided an update on the reinvestment of funds in several Certificates of Deposit based on direction from the Board at the January 28, 2020 meeting. These Certificates of Deposit matured on February 4<sup>th</sup>, 2020. The funds were immediately reinvested in three laddered Certificates of Deposit. There was no lag time between them, and UCR will be earning money on the interest accrued. The Depository Manager reported that

the Board will need to decide how to use the funds earned from the interest on the Certificates of Deposit.

**C. Status of 2020 Registration Year Fee Collections**

The Depository Manager provided an update on the status of collections for the 2020 registration year and reaffirmed the dates for month-end cut-offs. The Depository Manager also reported on the timeline for participating states receiving funds from the Depository, when appropriate. As of March 12th, the 2020 registration fees are just shy of \$60 million (56% of the authorized amount). Approximately \$47 million will be sent to the states for disbursement on March 13<sup>th</sup>, 2020 and out for release the following week.

**D. January 2020 Operating Costs**

The Depository Manager provided an update on the year-to-date operating costs, noting that year-to-date operating costs total \$157,161, which compares favorably to budget.

**Education and Training Subcommittee**

**A. Update on Plans to Launch Training Modules**

The Education and Training Subcommittee Chair provided an update on plans to launch an initial wave of training modules by June 2020 and answered questions from the Board.

**B. Training Plans for NCSTS Summer Conference**

The Education and Training Subcommittee Chair reported on plans to conduct in-person UCR training at the NCSTS Summer Conference on June 8, 2020 in Portland, OR. The Education and Training Subcommittee Chair noted that COVID-19 could delay in-person training activities.

**XII. Contractor Reports**

• **UCR Executive Director**

The Executive Director provided a report covering recent activity for the UCR. The Executive Director is working on contingency plans regarding COVID-19 with the Kellen Company. He also reported on a recent survey of the states to determine how UCR funds are allocated in each state. The Executive Director will send the survey results to the UCR Administrator for posting on the Board's web access portal.

• **DSL Transportation Services, Inc.**

DSL reported the latest data on state collections resulting from the Focused Anomalies Review (FARs) program. The states have collected \$140k of the FARs and have already posted \$305k of 2020 FARs. It was noted that most states are still focused on 2019 FARs. Illinois has picked up the pace and has 26 for 2020 already. California and Idaho are states of concern for the collection of FARs.

• **Seikosoftware**

Seikosoftware provided an update on recent/new activity related to the National Registration System. Seikosoftware has continued to work on tech upgrades to provide benefit to the National Registration System and made corrections to the CAP status reports and registration systems reports. For 2020, there have been 230,231 registrations in the 29 days that 2020 registration

has been open. It was noted that the support team has been fantastic in responding to the volume of questions, as there were over 2,300 phone calls, and 2000 chats online.

- **UCR Administrator (Kellen)**

The UCR Administrator provided its management report covering recent activity for the Depository, Operations and Communications. The UCR Administrator also reviewed with the Board the financial information included in the board packet for this meeting.

**XIII. Other Business**

The UCR Board Chair called for any business, old or new, from the floor. It was noted that next month UCR will be using a different call system with a different call number. The new dial in information will be included in the meeting notice.

**XIV. Adjournment**

The UCR Board Chair adjourned the meeting.