

Statement of

Norbert T. Tiemann, Administrator

FEDERAL HIGHWAY ADMINISTRATION

before the

SUBCOMMITTEE ON ACTIVITIES OF REGULATORY AGENCIES
COMMITTEE ON SMALL BUSINESS
U. S. HOUSE OF REPRESENTATIVES

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Mr. Chairman and Members of the Subcommittee:

I am pleased to appear before you this morning and discuss several specific areas of positive action either already taken or being planned by the Federal Highway Administration to alleviate the regulatory problems of the independent trucker. We are aware of the concerns of the intercity truckers and will discuss the current progress in actual and planned improvements in problems relating to fuel taxes, size and weight limitations, compliance with the National 55 Mile Per Hour Speed Law, and the burden of meeting reciprocity requirements.

Fuel Taxes: Through cooperation with the North American Gas Tax Conference and their Committee on Taxation of Fuel Used for Interstate Commercial Carriers, there is a current effort being made to develop a uniform motor fuel taxation plan that would promote standardization and reduction of the many different forms now in use. This plan should bring about uniformity of fuel taxation for Interstate vehicles and allow for refunding taxes on fuel that has already been taxed by another State. The problem of fuel use permits will also be addressed in this effort.

Size and Weights: On February 20, 1974, I testified in favor of increased allowable loads on the Interstate Highway System which

resulted in Congress passing enabling legislation in the Federal-Aid Highway Amendments of 1974 (P.L. 93-643, approved January 4, 1975) which increased the allowable, maximum gross weight to 80,000 pounds on the Interstate Highway System. If the States change their laws accordingly, this will permit an additional nearly 3.5 tons of payload on each load hauled, with its consequent benefit to the economic well being of the trucker.

55 M.P.H. Speed Limit: Under section 114 of the Federal-Aid Highway Amendments of 1974 (P.L. 93-643, approved January 4, 1975) it is the Federal Highway Administration's responsibility to monitor the enforcement of the 55 m.p.h. speed limit on a continuing basis. We take this responsibility most seriously. Each year the Governor of each State must certify to us that his State is actively and effectively enforcing the speed limit. Our seriousness in this effort is attested to by the withdrawal of Federal-aid highway funds from any State that refuses to join in this effort. Trucking company records have shown that the 55 m.p.h. speed limit not only saves fuel but works effectively and efficiently into the transportation routing and scheduling plans used by the companies.

We recognize that the national speed limit has caused some economic impact in the trucking industry where speed and time are important factors in determining levels of income and profitability. We also recognize benefits in terms of lives saved; fuel savings; reduced driver fatigue and maintenance costs. We note that accident data derived from 30,000 reports filed annually with the Bureau of Motor Carrier Safety indicate that truckers have shared in the nearly 20 percent reduction of fatal accidents enjoyed by motor vehicles generally, since the original enactment of the national speed law in 1974.

License Fees and Trip Permits: In this area we have two relatively new programs which I think are going to be of interest to the trucking industry. These two programs are the International Registration Plan (IRP) and the International Registration Information System (IRIS).

The IRP was developed by the States and Canadian Provinces themselves with the encouragement and guidance of the American Association of Motor Vehicle Administrators (AAMVA). It is designed to provide greater registration reciprocity among the participants for truck operators, both large and small. This program is endorsed by the Federal Highway Administration.

Up to the present time, 19 States have formally joined the plan, and another nine States are scheduled to join, making a total of 28 States. One Canadian Province, Alberta, also has joined.

A Task Force created in the Federal Highway Administration at the direction of the Secretary of Transportation to determine the extent of trucker problems and to seek means to alleviate them, found that the IRP was a reasonable solution to several of these problems. Consequently, the Department of Transportation went on record as approving and encouraging the States to join the International Registration Plan.

The purpose of the IRP is to implement the concept of one registration plate for one vehicle. In addition, it grants exemptions from paying certain fees when such grants are reciprocal, and it provides for the continuance of reciprocity for vehicles not eligible for proportional registration under the IRP.

The plan aids the small trucker with one or more vehicles by:

1. Permitting registration proportional to miles traveled of vehicles having a gross weight of 26,000 pounds or less and two axles.
2. Identifying a fleet as one or more apportionable vehicles.
3. Requiring that each jurisdiction shall provide a means of registration for owner-operators not operating as a lessor.
4. Providing that member jurisdictions should implement a system of issuing trip permits for other member jurisdictions so that application can be made at a single point and vehicles can move without waiting for telegraphic or other emergency authorization, at each State border.

Generally, the operation of the system is as follows:

A trucker applies for registration to his home-base State and declares the States he intends to operate through for the year. If he was operating in those States the prior year, he lists the miles traveled in each State and IRP computes the percentage traveled in each jurisdiction. If he did not travel in the proposed States the prior year, he must estimate the travel that he expects to perform. In this case, his computations will have to be adjusted at the end of the registration year according to actual travel.

The home State registration authority will compute the portions of registration fees due to each IRP State through which the trucker has declared he will operate, and will collect these amounts from the trucker. A cab card (registration certificate) will then be issued to the trucker, showing the owner and vehicle description and listing the States into

which the vehicle is apportioned. A license plate is also issued, and besides the registration number, and name of the home State, it will carry the word "Apportioned."

The home State then remits the registration fees due to the other IRP member States.

A State joining the IRP signs a contract to fully carry out all 21 sections to the agreement and, where necessary, to change its own laws or regulations so as to conform with the plan.

Obviously, the IRP is not a cure-all for truck and bus operators' problems, but it does address some of the more difficult problems pertaining to freedom of movement in interstate and intrastate commerce. And it may well serve as the means to make additional changes toward uniformity of treatment among States for the commercial carrier.

One of the things the IRP does not do is ~~specify~~ how the records for the vehicles in the plan will be kept, or what interchange of information among States will take place, except audit information.

The Federal Highway Administration, recognizing the large amount of paperwork that probably will face many of the States joining the IRP, has conceived a computerized information systems to handle it. It is the International Registration Information System (IRIS). A brief description of the proposed system, but perhaps an oversimplification, is to say that it borrows both from the computerized airlines reservation system and from the interbank check clearing system. Simply stated, it holds in a memory bank the registration fee schedules from all IRP States,

the computing factors to apply those fee schedules to any vehicle or group of vehicles that need to be registered, and the mileage factors for adjusting the proportionate fee to be paid to the States wherein the vehicle travels. Programs are being developed that will produce cab cards (registration cards) that are ready for issuance, accounting reports on registrations accomplished, money due to each State, consolidated reports for all IRP States, and audit reports on mileage traveled.

The system is planned to be under the control of the American Association of Motor Vehicle Administrators, and will be entered in one or more commercial computers. Since the system is modular in design, it will not be necessary to disturb in any way the existing computer data bases or record formats of the participating States. Consequently, it will not be a Federal system nor will it be identified with any State's computer operation. Access to IRIS can be made by States with computer systems merely by adapting one of their terminals to dial into the system over regular phone lines. For States that are not computerized, the only investment needed is for the rental of a terminal and a trained operator.

It is envisioned that in time large trucking and bus companies might be permitted to have terminals at their headquarters facilities in order to directly enter applications for registration or for trip permits, and the State registration authority would respond by computer approval. Such terminal facilities could also be located in major truck stops for the benefit of the owner-operator.

In brief then, the purpose of IRIS is to provide policy support of the IRP by demonstrating the practicality of computer assisted commercial vehicle/bus registration and fee proration for interstate/province travel.

-- It is to be contractor-developed under the auspices of AAMVA with technical design assistance from FHWA.

-- State and Canadian Province participation will be entirely voluntary.

-- IRIS will be designed and implemented on a commercial computer facility in order to minimize Federal intervention in State and Province matters.

-- IRIS can be utilized by States and Provinces not now automated and can be easily interfaced with States and Provinces that are computerized, without requirement for new hardware or disposition of present software systems.

-- IRIS is expected to provide cost benefits through the reduction of unit registration costs; accuracy of transfer payment accounting; and data collection for management information uses by the States and Provinces. In the long run, these lower transportation costs will, hopefully, benefit the consumer.

To sum up, let me provide a case study example. Say a Missouri carrier, for example, wants to request registration of 50 trucks to operate in 15 various combinations of States and Provinces. The following

steps would be taken:

1. The Missouri Motor Vehicle Administration registrar would type at a computer terminal the following information: VEHICLE IDENTIFICATION; FUEL TYPE; NUMBER OF AXLES; TARE AND GROSS WEIGHTS; MILEAGE RECORD; AND REQUESTED OPERATING AREAS.

2. Input data would be transmitted over ordinary telephone lines to the computer.

3. The computer would search its memory banks for the rate tables and algorithms applicable to each vehicle request.

4. The computer would print at the MVA office the appropriate cab card proration schedule for each truck.

5. The computer would create a data base for accounting purpose (net transfer payment reports) and a cross-registration roster by State and Province.

Data security and privacy of information will be maintained in the IRIS operation through electronic fences and access codes. The IRIS also has the capability of expansion to accommodate single trip tickets and special use permits.

The Federal Highway Administration has designed and developed a computerized working model of the IRIS concept. We have with us a portable computer terminal and we would be pleased to demonstrate the model to you. To do so we need only to dial a local telephone number for connection with either of two commercial computers, one in California and one in Connecticut. We will be happy to answer any questions pertaining to the model, its hardware, software, firmware, or any of the issues I have mentioned.