

IRP Full Reciprocity Plan Q & A as of 8/25/2014

Disclaimer: The following information is provided to assist jurisdictions with the implementation of the full reciprocity plan under IRP. The answers and scenarios provided for examples reflect the opinions or views of the FRP Task Force. Any official interpretations of IRP Plan language should be handled as prescribed in Plan Section 1400, Board Action – Raising of Issues. This document will be updated periodically as needed.

Additions as of 4/1/14 and 8/25/14 are noted below.

Implementation Dates & Timing

Will IRP be issuing any sort of press release or communications to jurisdictions and carriers?

IRP will continue to utilize the various communication methods (website, email, meetings, etc.) to provide information to members.

What is the effective date of the FRP?

January 1, 2015.

If a registrant's renewal date is April 1, 2015, at what point will they come under full reciprocity?

Any registrant whose registration year begins on or after January 1, 2015, would be subject to FRP provisions. For the example of an April 1, 2015 renewal, they would be registered under full reciprocity.

How are early renewals to be handled? Example for a January 1, 2015 renewal that is processed prior to January 1, do they come under full reciprocity?

Yes. Any registrant whose registration begins on or after January 1, 2015, would be subject to FRP provisions, regardless of when the renewal application was processed. Registrants should be advised to carry their old IRP credentials until they expire as required in Plan Article VI Section 605.

How is a transaction such as an add vehicle or add jurisdiction transaction to be handled for a fleet that the renewal date is June 1, 2015 to be handled between January 1, 2015 and their renewal date?

Any registrant whose registration year begins on or after January 1, 2015, would be subject to FRP provisions, including any supplemental transactions. Registrants whose registration year begins prior to January 1, 2015 would be subject to provisions of the current Plan until they renew.

If registrants starts a new fleet in a jurisdiction that does not have staggered registration after January 1, 2015, does the new fleet come under full reciprocity?

Yes. Any registrant whose registration year begins on or after January 1, 2015, would be registered under full reciprocity.

What brought about the change to FRP?

The idea of Full Reciprocity has been studied and evaluated for over thirty years. The process supports the fundamental principle of the Plan by promoting and encouraging interstate travel and more efficient and effective administration. The distance reporting practice and calculation of apportionable fees under FRP is deemed to be a fair and just approach based on the factual operation of apportionable vehicles.

Added 4/1/14

Reporting of Distance

Are all existing IRP carriers going to be subject to the average per vehicle distance chart calculations for all members jurisdictions the first year under full reciprocity?

No. Existing carriers renewing their fleets for registrant year beginning on or after January 1, 2015, will report actual distance accumulated during the distance reporting period.

When should fees be based on the jurisdictional average per vehicle distance chart?

When a registrant's fleet is considered new under Section 420 of the Plan, or the fleet did not accumulate any actual distance during the distance reporting period, fees will be calculated using the base jurisdiction's average per vehicle distance chart.

When is actual distance to be used?

Under FRP, actual distance must be used when the registrant's fleet accumulated any actual distance during the distance reporting period.

*Underlined
information
modified 4/1/14*

For a new fleet can a combination of actual and average per vehicle distance be used?

No, a new fleet has no actual distance. Under FRP, the jurisdiction's average per vehicle distance chart must be used to determine fees for all IRP jurisdictions. A combination of actual distance and average per vehicle distance should never be used under FRP.

How is the average per vehicle distance chart established?

The average per vehicle distance chart is to be established in accordance with Section 320 (d) of the Plan.

When are jurisdictions required to update the average per vehicle distance chart?

In accordance with Section 320 (c) of the Plan, the average per vehicle distance chart is to be updated by March 31 of each year. Jurisdictions will be asked to provide proof of the updated chart each year.

Does the 90 days of actual distance operations in the distance reporting period apply under full reciprocity?

No. The 90 day rule was removed by the FRP ballot.

How are situations where a carrier has only actual operations during the distance reporting period in their base jurisdiction? Do they pay 100 % base jurisdiction fees?

Yes. Under FRP the registrant must report the actual distance accumulated during the distance reporting period and pay fee accordingly. The official commentary under the "apportionable vehicle" definition provides guidance regarding a registrant's eligibility for IRP registration (aka 18 month rule).

*Underlined
information
modified 4/1/14*

When using the jurisdiction's average per vehicle distance chart, why is the distance amount not multiplied by the number of vehicles?

No need. Basically, the distance percentage would be the same whether you multiplied the amount by the number of vehicles or not since there would only be APVD distance indicated and no actual.

Added 4/1/14

If it is determined that a member jurisdiction has zero or minimal distance when preparing the average per vehicle distance chart, should an alternative method be used to produce a distance amount (such as using 1 mile, one trip, etc.)?

No, only the total actual distance reported to the base jurisdiction should be used in preparing the APVD. If there is no distance for jurisdictions, then no percentages should be calculated and no fees collected.

Add 8/25/14

IRP Cab Card and Weights

Under full reciprocity what weight should be displayed on the IRP cab card?

Under FRP, the gross vehicle weight should be displayed on the cab card for every IRP jurisdiction. The base declared gross weight plus the comparable weight for each member jurisdiction should be reflected.

What weight should be reflected for jurisdictions where there is no actual distance and no fee collected?

Under FRP, the gross vehicle weight should be displayed on the cab card for every IRP jurisdiction. The base declared gross weight plus the comparable weight for each member jurisdiction should be reflected.

How are weights over 80,000 pounds to be handled?

The FRP doesn't affect how weights over 80,000 pounds are handled. The registrant should continue to declare the gross vehicle weight.

How are mid year weight increases to be handled? Specifically for jurisdictions where there was no actual distance and no fee paid.

The FRP doesn't affect how weight increases are handled. If no actual distance is reported, then no fees are due until the fleet accumulates distance in the jurisdiction. NOTE: This does not affect and administrative fees charged by the base jurisdiction for issuance of credentials, etc.

At renewal, are jurisdictions responsible for requiring vehicles be registered at the same weights from the prior year that would have been reflected on their registration cab cards? For example if a vehicle was registered for a weight over 80,000 pounds the prior year, at renewal is the base jurisdiction required to ensure the vehicle is registered at the higher weight at renewal.

The FRP, nor the current Plan addresses this issue. If jurisdictions are concerned about potential abuse, they may audit the registrant.

Will the IRP FRP Task Force be supplying information for reference on jurisdictional weights by category?

No. However, the IRP website currently reflects the maximum gross weight and associated fees for each jurisdiction. Other weight information can be found in the jurisdictional fee charts provided on the IRP website.

Can new fleet registrants indicate less weight in some jurisdictions?

There is a 10% variance of registered weights rule in the Plan. Refer to Plan Section 325 regarding this and related registration weight matters.

Added 4/1/14

Reporting of Transactions (Clearinghouse)

Will there be changes to the reporting of recap and transmittal information?

No. "A" will continue to be reported for actual distance. Average per vehicle distance will be reported as "E". E2s will no longer be necessary.

How will transactions that have zero distance and therefore zero fees be handled in the Clearinghouse?

The same data that is currently required to be transmitted to the Clearinghouse will not change under FRP.

Will there be changes to the IRP Clearinghouse specifications as the relate to full reciprocity?

At this time there are no anticipated changes to the IRP Clearinghouse specifications resulting from FRP. Clearinghouse specifications are continually monitored and updates made as needed.

Jurisdictional Compliance

If it is not possible for a jurisdiction to make changes and comply with the January 1, 2015 effective date for full reciprocity, what will be the impact or consequences for the jurisdiction?

Any IRP provisions for which the jurisdiction is found to be out of compliance will be noted by the Peer Review Committee during scheduled jurisdiction peer reviews and referred to the Dispute Resolution Committee as provided under Article XIII Section 1355 of the Plan.

Training for FRP Implementation

Will there be webinars and/or other training provided for jurisdictions and/or motor carriers concerning implementation of FRP?

Yes. This Frequently Asked Questions (FAQs) document will be posted to the IRP website. Implementation sessions will be held at all 2014 IRP meetings. Webinars will be offered as needed.

Audit

After Jan. 1st, 2015 do we continue to calculate audits for non-FRP fleets the way we currently do?

Yes. If the registration year for the fleet begins on or after January 1, 2015, the audit of the registration year shall be conducted under FRP provisions.

When a carrier has used the "Average Per Vehicle Distance" (APVD) Chart in their original fee calculations - Do we use the APVD Chart in the audit calculation?

No. A carrier should only use the APVD chart if they did not accumulate actual distance during the reporting period. If the carrier was audited and actual distance was discovered, the actual distance should be used; not the chart.

Does the FRP impact "Insufficient Record" audits?

No.

What would the process be for incorrect reporting? E.g.: Client provides the wrong actual km's or wrongly uses the chart but reports as actual.

If the registration was issued under FRP, the auditor should correct the actual distance...either omitted or incorrect actual distance. The average per vehicle distance chart should only be used if the carrier did not accumulate actual distance and cannot be used in combination with actual distance.

Additional Operating Requirements

For fleets that operate only in Canada, will it be necessary for them to get a DOT number since all jurisdictions will be on the cab card?

No, just because the US Jurisdictions are listed on the cab card doesn't mean they will operate in the US. If they do not operate in the US, they are not subject to HVUT or DOT.

Added 4/1/14