Memorandum

U.S. Department
Of Transportation

Federal Motor Carrier
Safety Administration

SP-07-004-CE

Subject: **ACTION:** MCSAP Cost Eligibility of Commercial Vehicle Information Systems and Networks

Date: DEC 1 8 2006

From: Dan Hartman
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for Enforcement and Program Delivery

Reply to
Attn.of: MC-ESS

To: Field Administrators
Division Program Managers
State Program Managers

PURPOSE

This memorandum establishes cost eligibility standards for reimbursement of Commercial Vehicle Information Systems and Networks (CVISN) activities using Motor Carrier Safety Assistance Program (MCSAP) funds. This policy supercedes the guidance provided in SP-02-001-CE, dated July 21, 2000, which set forth the MCSAP Cost Eligibility of CVISN and cost eligibility of the CVISN activities using MCSAP grant funds by the State lead MCSAP agency and traditional participating sub-grantees.

BACKGROUND

Intelligent Transportation Systems (ITS) consist of systems that use information, communication, sensor, and control technologies to achieve improved levels of information sharing. They include activities related to safety assurance, commercial vehicle credentials and tax administration, roadside operations, freight and fleet management and vehicle operation. The term "commercial vehicle information systems and networks" refers to the ITS elements supporting Commercial Vehicle Operations (CVO). The CVISN includes information systems owned and operated by governmental agencies, carriers, and other stakeholders. It excludes the sensor and control elements of ITS/CVO. The CVISN program collects and maintains data in three primary areas; these areas are based on national standards and systems interoperability:

- Safety information exchange;
- Credentials administration; and,
- Electronic screening.

The MCSAP is a combination of performance-based commercial vehicle transportation safety grant programs focusing on reducing the number and severity of crashes and hazardous material incidents involving commercial motor vehicles (CMV). The MCSAP grant funds shall be used exclusively for the development and implementation of programs which support both the national program elements and address specific State CMV safety issues. The national program elements are: driver/vehicle inspections, traffic enforcement, compliance reviews, public education and awareness, and data collection.

GUIDANCE

This policy memorandum is intended to foster coordination and implementation of CVISN activities that directly support national and State MCSAP programs and priorities. It is not intended to expand use of MCSAP grant funds by other agencies through new memoranda of understanding or Sub-Grantee arrangements. Only those components of the CVISN programs which support and facilitate CMV safety enforcement and CMV safety data priorities are eligible for MCSAP grant funding within the guidelines described below:

1. The State must ensure that the commitment of MCSAP grant funds to support CVISN programs does not adversely impact or diminish the State's ability to deliver the National MCSAP grant program elements.

2. The CVISN components must directly support CMV "Safety Priorities" to be eligible for MCSAP grant funding, which include the following:

    a. *CMV Safety Inspection and Enforcement* – This would include those items such as safety inspection equipment, hardware, software, training, and network communications which directly support the CMV safety inspection and enforcement initiatives of MCSAP.

    b. *Collection and Transfer of CMV Safety Inspection and Crash Data* – This would include those items such as the Commercial Vehicle Information Exchange Window system or its equivalent and CMV safety/crash data communication hardware and software, which directly support the exchange of both safety inspection, crash data and Commercial Drivers License information between the inspector, the State MCSAP agency and the Federal Motor Carrier Safety Administration.

    c. *Participation in Workshops, Meetings, and Site Visits* – There are numerous CVISN related meetings, workshops, and site visits which require participation by the primary partners, in both the public (Federal/State government) and private sectors during the development and deployment of CVISN projects.

3. The CVISN initiative(s) which **may be eligible** for MCSAP grant funding.includes electronic screening of CMVs at fixed and mobile sites. An evaluation of new technologies and a determination of their success must be established before the activity becomes eligible for Basic MCSAP grant funding. MCSAP High Priority grant funding may be used for electronic screening on a limited basis prior to establishment of a funding policy for Basic funding eligibility.

4. The following are **not eligible for MCSAP** grant funding:

    a. *Annual Registration Fees for PrePass and NORPASS* – Agencies shall not use MCSAP funds to maintain optional administrative privileges involving the operation or administration of CVISN or to have access and receive safety-related information. The CVISN activities and information are free of charge and accessible to all enforcement and MCSAP agencies. Federal leadership in the development, sponsorship, and deployment of CVISN mandates that all lead agencies and sub-grantees be given right of access to information contained in and maintained by CVISN and its related programs (ITS/CVO). The ability to receive and process information from CVISN is not conditioned upon the payment of membership fees or assessments.

    b. *Electronic Credentials Administration* – This CVISN program area provides for the electronic administration of motor carrier credentials, which include: carrier registration, insurance, vehicle registration/titling, fuel taxes, special licenses/permits (oversize/overweight, hazardous materials), heavy vehicle use tax, and other State specific requirements. Other administrative areas also include credential data sharing among the States through the International Registration Plan and International Fuel Tax Agreement clearinghouse.

    c. *Architecture Development and System Design* – Expenditures to develop CVISN business plans, architectures, and system designs.

5. The following **are eligible for CVISN** funding:

    a. Annual Registration Fees for PrePass and NORPASS;
    b. Electronic Credentials Administration; and
    c. Architecture Development and System Design.

6. The following conditions apply to any CVISN initiative supported with MCSAP grant funds:

    a. While MCSAP grant funds may be used to defray the cost of certain eligible CVISN activities, Federal sources, including MCSAP grant funds, may NOT be used to satisfy or fulfill any portion of the match requirements of CVISN. The CVISN funds may be used to defray the costs of certain eligible MCSAP activities, CVISN funds may not be used to satisfy or fulfill any portion of the match requirements of MCSAP.

b. States are responsible for ensuring continued functional compatibility of the CVISN systems, as Federal/State MCSAP program requirements evolve.

c. ITS/CVO initiatives must adhere to the National ITS Architecture applicable standards and related interoperability tests.

d. All CVISN projects must be reviewed and evaluated at the conclusion of each project grant year to ensure compliance with this policy.

If you have any questions regarding this policy or need additional information or clarification, please contact Michael Lamm in the State Programs Division at (202) 366-6830, or by e-mail at mike.lamm@dot.gov.