

# New Venture Hotshot Guide

Below is some information we've put together that you may find helpful. Feel free to ask us any questions.

[www.redgormaninsurance.com](http://www.redgormaninsurance.com)

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## HOW TO GET MY MC AUTHORITY ACTIVE

Now that you have your USDOT # and have applied for your MC authority, you need to follow a few steps in order for your MC operating authority to be activated.

**One important thing to note...** the FMCSA requires a 21-day vetting and protest period before your MC is eligible to become active. With this being said, we don't typically recommend starting an insurance policy until on/after 3 weeks from the date you applied for your authority. This way you aren't wasting money on insurance for several weeks when your MC isn't even eligible for activation.

### GET INSURANCE

Getting trucking insurance is often a big hurdle to get over for new trucking companies. It's important to work with an agent that not only specializes in this industry but that's also partnered with multiple insurance companies to get the best quote. You want to make sure that your agent has the insurance company file the BMC-91/MCS90 with the FMCSA under your authority.

### File BOC-3 Paperwork

**BOC-3** paperwork must be filed through a process agent. The FMCSA maintains a [list of process agents](#) who are able to accurately complete this filing. The BOC-3 paperwork assigns the process agent the authority to accept legal documents on behalf of your trucking company in each state you are authorized to do business. An easy one that we recommend is <https://www.boc3processagents.com/>

### File UCR

The **UCR** (Universal Carrier Registration) is a permit verifying that you have active insurance coverage in the states you operate in. Your MC number and USDOT number are required before applying for your UCR. Operating without the UCR permit is severely penalized so be sure not to skip this step.

### Pay HVUT

HVUT is the Heavy Vehicle Use Tax. The tax is assessed on all heavy vehicles that operate on public highways. To file you'll need to fill out and submit [form 2290](#) to the IRS. You cannot register for IRP (International Registration Plan) until you have submitted your form 2290. The amount you pay is dependent on where and how far you've transported cargo.

### Register for IRP

The IRP (International Registration Plan) is an agreement by the 48 contiguous states and Canada, granting carriers a license to conduct interstate transport (also known as apportioned plates). If you need help completing this step, consult the [IRP website](#). Keep in mind, IRP registration is required for setting up your IFTA account.

### Set Up IFTA Account

IFTA (International Fuel Tax Agreement) is a similar agreement between the 48 states and Canada for the purpose of collecting fuel taxes. To remain compliant with [IFTA](#) you'll need to file quarterly returns in your home state. Some states require additional permits in addition to IFTA. To make sure you have all your bases covered when it comes to permits, familiarize yourself with the regulations of each state you plan to operate in.

### Enroll in a Drug and Alcohol Testing Program

After you've obtained your MC authority, USDOT number, and all the relevant permits, you must complete this final step before you can take your first load. The FMCSA requires every driver with a CDL to enroll in a drug and alcohol testing program. The rules established by the FMCSA and USDOT cover testing, substances tested for, and test frequency. The FMCSA maintains [detailed instructions](#) covering the rules and how to remain compliant with their drug and alcohol testing requirements.

## ELD'S

Below is a chart of a few ELDs we recommend checking out along with some of their features to consider. Most of our clients seem to be very happy with KeepTruckin/Motive but there are several to review

	Garmin Elog	Motive (formerly Keep Truckin)	Samsara	BigRoad
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<b>Website</b>	<a href="#">Link</a>	<a href="#">Link</a>	<a href="#">Link</a>	<a href="#">Link</a>
<b>Price From</b>	\$249.99	\$150 upfront + \$25/month	\$99 upfront + \$35/month	\$25/month
<b>Benefits</b>	One time purchase with no subscription fees	Vehicle diagnostics, fast GPS, user friendly	Idle Time Detections, GPS tracking	No upfront cost
<b>Nice Perks</b>	Monitor eLogs from the free Garmin app	Automate your IFTA reports	Driver behavior monitoring	BigRoad Freight Load Board included

## FREIGHT LOAD BOARDS

Load boards (also commonly referred to as freight boards) are online marketplaces that you can think of as matchmakers for owner/operators and shippers/freight brokers. They allow these parties to find each other and form an agreement so freight can be moved from A to B. If you're an owner-operator or have a small fleet of trucks without dedicated lanes, load boards are essential for your trucking company to move freight.

### Are they worth using?

Unless you have contracts set up with direct shippers that are able to keep your truck(s) busy on the road, load boards are going to be your best option when trying to find freight to haul. There are thousands of brokers and shippers out there looking to move freight around the clock. The end goal for most trucking companies is to build a good relationship with a few shippers that you initially found through a load board and continue working with them directly in the future. This can help increase your margins as the broker's cut isn't taken out if you're working directly with the shipper.

### Are they free?

While some are, your overall experience might be better working with the ones that have a subscription service as they typically have more features than the free ones. Most have plans starting around \$40/month.

### **Can I trust the brokers?**

One thing to keep in mind is that the brokers you're working with through the load boards are essentially strangers to you. They don't know you and you don't know them. You can use websites like <https://brokercreditchecks.com/> to try and search the history of brokers out there. Some of the subscription-based load boards do provide special features within their platform that can help you have better understanding of a broker's history. For example, when you're viewing a load on the Truckstop load board, you'll see a "Date-to-pay" chart along with "Credit Stop" for the broker on the load. The "Date-to-pay" can give you some confidence in how quickly you'll be paid by the broker once the load is delivered. The "Credit Stop" is based on many factors such as the broker's pay history, verified carrier references and number of years working with Truckstop

### **What are some free load boards I could check out?**

- [CH ROBINSON](#)
- [SCHNEIDER](#)
- [NEXTLOAD](#)
- [123 LOADBOARD](#)

### **What are some subscription-based load boards I could check out?**

- [DAT](#)
- [TRUCK STOP](#)
- [CENTRAL DISPATCH](#)

### **Will brokers work with me if I'm a new carrier?**

While there are many hurdles to jump just to get your trucking company started, one of the biggest can be finding brokers that are willing to work with you. Below is a list of brokers that are willing to work with new carriers. While it's not an all-inclusive list and brokers are frequently changing their requirements, it's a good place to start if you're a new carrier.

- Convoy
- Uber Freight
- Jbhunt 360
- Amazon Relay
- Total Quality Logistics (TQL)
- KCH Transportation
- England Logistics
- TSL Transportation
- CH Robinson

# INTERSTATE REQUIREMENTS

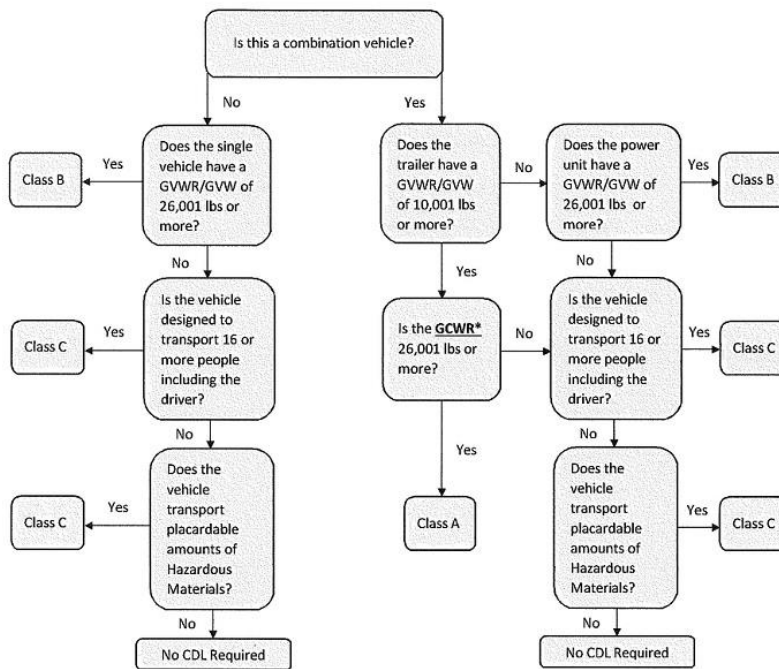
	Under 10K	10,001 - 26,000 GVW	Over 26,000 GVW
Insurance Filing w/FMCSA	X	X	X
Insurance Card	X	X	X
BOC-3	X	X	X
UCR	X	X	X
Medical Card		X	X
CDL			X
Drug Consortium			X
Drug Clearinghouse			X
IRP Plates			X
IRS 2290			X (over 54,999 GVW)
IFTA			X
Mileage Tax - KY			X (over 59,999 GVW)
Mileage Tax - NM			X
Mileage Tax - NY		X (over 18,000 GVW)	X
Mileage Tax - OR & Bond			X

\*GVW = Truck + Trailer + Load Capacity

# CDL VS NON-CDL?

GVWR and GVW are commonly thought of as the same thing but they are certainly not and this is a common reason for many new venture hotshots running over the CDL limit. A truck's GVWR is the maximum weight rating established by the chassis manufacturer. GVW is the total weight of the truck and payload at a point in time. Trailer GVWR is one of the most critical factors when determining if a CDL is required. If your trailer has a GVWR of 10,001 pounds or more and the combined GCWR of the both the truck and trailer is 26,001 pounds or more, you need a CDL. While yes, it's true that the GVW must be no more than 26,001 pounds to run non CDL but if your combined GVW is more, you must have a CDL to operate.

CDL FLOWCHART



**\*Gross combination weight rating (GCWR) is the greater of:**  
 (1) A value specified by the manufacturer of the power unit, if such value is displayed on the Federal Motor Vehicle Safety Standard (FMVSS) certification label required by the National Highway Traffic Safety Administration, or  
 (2) The sum of the gross vehicle weight ratings (GVWRs) or the gross vehicle weights (GVWs) of the power unit and the towed unit(s), or any combination thereof, that produces the highest value.  
 Exception: The GCWR of the power unit will not be used to define a commercial motor vehicle when the power unit is not towing another vehicle.

# WHAT EQUIPMENT SHOULD I HAVE ON HAND?

While you may have already gone through all the steps of getting your appropriate licenses, permits, DOT setup etc... before you book that first load you want to make sure you have the appropriate equipment on hand. Not only to ensure that you're fully prepared to secure and safely haul cargo on your trailer but also making sure your DOT compliant.

## **Here's a great list of recommended equipment to have in the truck:**

- 2" x 27' FLAT HOOK Ratchet Straps
- 4" x 30' FLAT HOOK Winch Straps (12 suggested)
- 21" Bungee Straps (60 suggested)
- Dunnage 8'x4'x4' Landscape Timber (4 suggested)
- Tarps 16x27 14oz Double Row D Ring
- Edge Protectors (30 suggested)
- 36" Winch Bar
- 5/16" (G70) to 3/8" (G43) Ratchet Binders (6 suggested)
- 5/16" (G70) Chains 20' (6 suggested)
- 3/8" (G70) Chains 20' (beneficial for heavier loads)

## **Here's a list of DOT required safety equipment to have in your vehicle at all times:**

- DOT Approved Fire extinguishers
- Spare fuses
- Warning devices for stopped vehicles
- Basic First Aid Kit
- 3 DOT Compliant Safety Road Reflective Triangles

# WHAT DOCUMENTS SHOULD I CARRY IN THE TRUCK?

Are you ready for a roadside inspection? Motor carriers and drivers must ensure that required documents maintained in the vehicle and carried by the driver are current prior to being dispatched

Documents include but may not be limited to:

- State driver's license or commercial driver's license (CDL)
- Medical Examiner's Certificate or waiver and Skill Performance Evaluation Certificate (if applicable)
- Record of duty status (paper logs allowed if exempt from an electronic logging device (ELD))
- Vehicle registrations for the truck or tractor and trailer (if applicable)
- Periodic inspection document for all vehicles being operated
- Shipping papers or bills of lading
- Any receipts obtained throughout the trip
- Information required for hazardous materials being transported (e.g. shipping papers, permits, route plan, etc., if applicable)
- Proof of insurance must be carried in all vehicles
- All motor carriers must carry proof of liability insurance endorsement (e.g., Form MCS-90)
- For Mexico-domiciled motor carriers authorized to operate in the U.S.-Mexico commercial zones and municipalities – Certificate of Registration (MX Certificate)
- If required by the state – Proof of International Fuel Tax Agreement (IFTA), International Registration Plan (IRP) and/or Heavy Vehicle Use Tax