

Chameleon Carriers in Trucking: Detection, Enforcement, and Financial and Safety Impacts

Report Number: KTC-27-03

DOI: <https://doi.org/10.13023/ktc.rr.2027.03>





The Kentucky Transportation Center is committed to a policy of providing equal opportunities for all persons in recruitment, appointment, promotion, payment, training, and other employment and education practices without regard for economic, or social status and will not discriminate on the basis of race, color, ethnic origin, national origin, creed, religion, political belief, sex, sexual orientation, marital status or age.



Kentucky
Transportation Center

© 2026 University of Kentucky, Kentucky Transportation Center
Information may not be used, reproduced, or republished without KTC's written consent.

Kentucky Transportation Center · University of Kentucky
176 Raymond Building · Lexington, KY 40506 · 859.257.6898 · www.ktc.uky.edu



University of
Kentucky

Research Report

KTC-27-03

Chameleon Carriers in Trucking: Detection, Enforcement, and Financial and Safety Impacts

Brian Howell, PE, PMP
Program Manager
Intelligent Transportation Systems

Drew Law
Research Engineer
Commercial Vehicle Technology and Policy

and

Andrew Martin, Ph.D.
Program Manager
Commercial Vehicle Technology and Policy

Kentucky Transportation Center
College of Engineering
University of Kentucky
Lexington, Kentucky

In Cooperation With
Kentucky Transportation Cabinet
Commonwealth of Kentucky

The contents of this report reflect the views of the authors, who are responsible for the facts and accuracy of the data presented herein. The contents do not necessarily reflect the official views or policies of the University of Kentucky, the Kentucky Transportation Center, the Kentucky Transportation Cabinet, the United States Department of Transportation, or the Federal Highway Administration. This report does not constitute a standard, specification, or regulation. The inclusion of manufacturer names or trade names is for identification purposes and should not be considered an endorsement.

August 2026

1. Report No. KTC-27-03	2. Government Accession No.		3. Recipient's Catalog No.	
4. Title and Subtitle Chameleon Carriers in Trucking: Detection, Enforcement, and Financial and Safety Impacts			5. Report Date August 2026	
			6. Performing Organization Code	
7. Author(s) Brian Howell, Drew Law, Andrew Martin			8. Performing Organization Report No. KTC-27-03	
9. Performing Organization Name and Address Kentucky Transportation Center 176 Raymond Building University of Kentucky Lexington, Kentucky 40506-0281			10. Work Unit No.	
			11. Contract or Grant No. SPR 25-676	
12. Sponsoring Agency Name and Address Kentucky Transportation Cabinet 200 Mero Street Frankfort, Kentucky 40622			13. Type of Report and Period	
			14. Sponsoring Agency Code	
15. Supplementary Notes Prepared in cooperation with the Kentucky Transportation Cabinet.				
16. Abstract Chameleon carriers are motor carriers that evade regulatory enforcement by dissolving and reregistering under new corporate identities. This study, commissioned by the Kentucky Transportation Cabinet (KYTC), examined how states characterize, detect, and respond to chameleon carrier activity and assessed its financial and safety impacts in Kentucky from 2020 through 2025. The research team conducted a literature review of existing agency practices and relevant stakeholder perspectives, reviewed administrative codes and statutes across 13 pilot states, and administered two structured surveys to state motor carrier credentialing officials examining carrier characterization and enforcement practices. An analysis of KYTC's carrier data flagged by CVIEW provided estimated Road Fund revenue losses attributable to suspected chameleon carriers across four tax and fee programs. Safety analyses compared flagged and non-flagged carriers across roadside inspection violations, citations, and crash involvement using FMCSA data. Research results revealed significant definitional and enforcement gaps across states and documented financial and safety impacts attributable to suspected chameleon carrier activity in Kentucky.				
17. Key Words commercial vehicles, chameleon carriers, reincarnated carriers, law enforcement, automated enforcement, motor carriers, fees, taxes			18. Distribution Statement Unlimited with approval of the Kentucky Transportation Cabinet	
19. Security Classification (of this report) Unclassified	20. Security Classification (of this page) Unclassified	21. No. of Pages 158	22. Price	

Table of Contents

Executive Summary.....	1
Chapter 1 Background	4
1.1 Introduction	4
1.2 Problem Statement	5
1.3 Objectives.....	5
Chapter 2 Literature Review	6
2.1 Definition and Operations of Chameleon Carriers.....	6
Operational Methods and Detection Challenges.....	6
Chameleon Carrier Motivations	7
Detection Systems and Enforcement Limitations	7
FMCSA’s Regulatory Enhancements	8
2.2 Implications of Chameleon Carrier Operations	10
Public Safety and Crash Risk.....	10
Fraud, Theft, and Liability	11
2.3 Stakeholder Perspectives on Chameleon Carrier Challenges	12
Federal Motor Carrier Safety Administration Initiatives.....	12
Commercial Vehicle Safety Alliance Enforcement Perspective	13
Insurance Industry Risk Assessment and Mitigation	15
Chapter 3 Characterization of Chameleon Carriers	17
3.1 State Definitions of Chameleon Carriers.....	17
3.2 Methodology for State Selection and Surveys.....	18
Pilot States	18
Initial Regulatory Review	18
Survey Development and Distribution.....	22
3.3 Survey Results and Findings	22
Survey Responses.....	22
Survey Findings	34
Chapter 4 Federal Roles and Procedures.....	35
4.1 Federal Motor Carrier Safety Administration (FMCSA)	35
4.2 Performance and Registration Information Systems Management (PRISM)	35
PRISM Process.....	35
PRISM Participation Levels for State Partners	36
PRISM Guide for Identifying Reincarnated Carriers.....	38
4.3 PRISM IT Architecture	39
4.4 PRISM Data Files	40
Census File.....	40

Carrier File	40
Vehicle File	40
Target File.....	41
Use of PRISM Target File for Chameleon Carrier Detection and Enforcement	41
4.5 FMCSA Authorities and Responsibilities	41
Registration and Regulation Authorities	41
Authorities Addressing Chameleon Carriers	42
Registration Vetting and Adjudication	42
4.6 Motor Carrier Registration Systems and Processes	43
Motor Carrier Management Information System (MCMIS).....	43
Licensing and Insurance (L&I) System	44
Unified Registration System (URS)	44
Motus System.....	44
4.7 Direct FMCSA Engagement: Approach and Limitations.....	44
Chapter 5 Enforcement Actions Across State Agencies.....	46
5.1 Survey Overview and Methodology.....	46
5.2 Survey Results	47
5.3 Survey Findings	81
5.4 Limitations in Evaluating State Enforcement Actions	82
Chapter 6 Kentucky Financial and Safety Impacts	83
6.1 CVIEW-Flagged Chameleon Carrier Population	83
6.2 Data Sources and Preparation	84
Flagged Chameleon Carrier Data	84
FMCSA Analysis and Information (A&I) Carrier Population Data.....	84
Road Fund Revenue Data	84
Datasets.....	84
6.3 Flagged Carrier Statistics	85
Financial Analysis Pathway.....	89
Safety Analysis Pathway.....	90
6.4 Financial Analysis	90
Introduction and Methodology.....	90
Observed Flagging Rate and Carrier Counts	92
Estimated Revenue Loss by Program	96
Hypothetical Prevalence Scenarios	98
6.5 Safety Analysis – Inspections	99
Introduction and Methodology.....	99
Inspection Volume and Violation Summary.....	100
Violation Rates	105

Out-of-Service Violation Rates	107
6.6 Safety Analysis – Citations	111
Introduction and Methodology.....	111
Citation Volume and Summary	111
Citation Rates	114
Statistical Comparison.....	117
Carrier-Level Citation Exposure	118
6.7 Safety Analysis – Crashes	120
Introduction and Methodology.....	120
Crash Volume Summary.....	120
Crash Involvement Rate	123
Statistical Comparison.....	124
Crash Severity Breakdown	125
Total Crash Volume Comparison.....	127
Chapter 7 Conclusion	129
7.1 Findings	129
Definitional and Legal Foundations	129
Coordination and Information-Sharing Gaps.....	129
Detection and Screening Practices.....	130
Reported Barriers to Enforcement.....	130
Financial Impact in Kentucky.....	131
Safety Impact in Kentucky.....	131
7.2 Recommendations	132
Establish Clear Definitions and Internal Policy Guidance	132
Strengthen Interagency and Federal-State Coordination	132
Adopt Risk-Based Screening and Detection Practices	133
Strengthen Statutory Authority and Enforcement Tools.....	133
Address Financial Impacts to the Kentucky Road Fund	133
Target Safety Enforcement Resources Toward High-Risk Carriers	134
Appendix A Survey Questions on Chameleon Carrier Characterizations	135
Appendix B Survey Questions on Chameleon Carrier Enforcement.....	137
Endnotes	144

List of Figures

Figure 2.1 FMCSA Freight Motor Carriers by Year	8
Figure 2.2 Security Cameras for Commercial Operations.....	12
Figure 2.3 Law Enforcement Patrol.....	14
Figure 3.1 Commercial Motor Vehicle Conducting Interstate Commerce	17
Figure 3.2 Characterization Survey – Q1.....	23
Figure 3.3 Characterization Survey – Q4.....	26
Figure 3.4 Characterization Survey – Q5.....	27
Figure 3.5 Characterization Survey – Q7.....	31
Figure 3.6 Characterization Survey – Q8.....	32
Figure 3.7 Characterization Survey – Q9.....	33
Figure 4.1 FMCSA PRISM 5-Step Process	36
Figure 4.2 Map of PRISM Participation Across U.S. States	37
Figure 4.3 Map of PRISM Participation Across Study Pilot States	38
Figure 5.1 Enforcement Survey – Q1	48
Figure 5.2 Enforcement Survey – Q2	49
Figure 5.3 Enforcement Survey – Q3	50
Figure 5.4 Enforcement Survey – Q4	51
Figure 5.5 Enforcement Survey – Q5	52
Figure 5.6 Enforcement Survey – Q6	53
Figure 5.7 Enforcement Survey – Q7	54
Figure 5.8 Enforcement Survey – Q8	55
Figure 5.9 Enforcement Survey – Q9	56
Figure 5.10 Enforcement Survey – Q10	57
Figure 5.11 Enforcement Survey – Q11	59
Figure 5.12 Enforcement Survey – Q12	61
Figure 5.13 Enforcement Survey – Q13	62
Figure 5.14 Enforcement Survey – Q14	63
Figure 5.15 Enforcement Survey – Q15	64
Figure 5.16 Enforcement Survey – Q16	65
Figure 5.17 Enforcement Survey – Q17	66
Figure 5.18 Enforcement Survey – Q18	67
Figure 5.19 Enforcement Survey – Q19	68
Figure 5.20 Enforcement Survey – Q20	69
Figure 5.21 Enforcement Survey – Q22	71
Figure 5.22 Enforcement Survey – Q23	72
Figure 5.23 Enforcement Survey – Q24	73

Figure 5.24 Enforcement Survey – Q25	74
Figure 5.25 Enforcement Survey – Q26	75
Figure 5.26 Enforcement Survey – Q27	76
Figure 5.27 Enforcement Survey – Q28	77
Figure 6.1 Total Flagged Versus Unique Flagged Carriers.....	86
Figure 6.2 Unique Flagged (All States) Versus Unique KY-Based Flagged Carriers	87
Figure 6.3 KY-Based Flagged Carriers as Percentage of KY Carrier Population	88
Figure 6.4 Financial and Safety Analyses Pathway for Determining Carrier Counts	89
Figure 6.5 Flagged Carrier Counts by Domicile Status (FY 2020–2025)	94
Figure 6.6 Fiscal Year Revenue Losses by Fund Category (FY 2020–2025)	96
Figure 6.7 Revenue Loss Scenarios by Detection Rate (FY 2020–2025)	99
Figure 6.8 Inspection Counts for Flagged Versus Non-Flagged Carriers.....	103
Figure 6.9 Violation Rates for Flagged Versus Non-Flagged Carriers	105
Figure 6.10 Two-Sample t-test on Violations for Flagged Versus Non-Flagged Carriers	106
Figure 6.11 Out-of-Service Violation Rates for Flagged Versus Non-Flagged Carriers	107
Figure 6.12 Vehicle Out-of-Service Event for Flagged Versus Non-Flagged Carriers.....	109
Figure 6.13 Driver Out-of-Service Event for Flagged Versus Non-Flagged Carriers	110
Figure 6.14 Citation Rates for Flagged Versus Non-Flagged Carriers	114
Figure 6.15 Inspection Percentages with at Least One Citation for Flagged Versus Non-Flagged Carriers	116
Figure 6.16 Two-Sample t-test on Citations for Flagged Versus Non-Flagged Carriers.....	117
Figure 6.17 Carrier Percentages with at Least One Citation for Flagged Versus Non-Flagged Carriers ...	118
Figure 6.18 Commercial Motor Vehicle Crash Incident	120
Figure 6.19 Annual Crash Percentage for Flagged Versus Non-Flagged Carriers	123
Figure 6.20 Two-Sample t-test on Crashes for Flagged Versus Non-Flagged Carriers.....	124
Figure 6.21 Crash Type Distribution for Flagged Carriers	125
Figure 6.22 Crash Counts for Flagged Versus Non-Flagged Carriers	127

List of Tables

Table 1.1 Commercial Motor Vehicle Categories	4
Table 3.1 Regulatory Review of Administrative Codes and Statutes	19
Table 3.2 Characterization Survey – Q2-3.....	24
Table 5.1 Survey Themes	46
Table 5.2 Enforcement Survey – Q21	70
Table 5.3 Enforcement Survey – Q29	78
Table 5.4 Enforcement Survey – Q30	80
Table 6.1 Unique USDOT Carrier Datasets.....	85
Table 6.2 KY-Based Flagged Carriers and Total KY Carrier Population	88
Table 6.3 FMCSA Active Motor Carrier Registry – Annual Counts and Growth Rates.....	91
Table 6.4 Flagged Carrier Counts and Total Carrier Populations by Program (FY 2020–2025)	93
Table 6.5 Projected Chameleon Carrier Counts by Fiscal Year and Detection Scenario (FY 2020–2025) ..	98
Table 6.6 Flagged Carriers – Violation Volume Metrics.....	100
Table 6.7 Flagged Carriers – Violation Rate Metrics.....	101
Table 6.8 Non-Flagged Carriers – Violation Volume Metrics.....	101
Table 6.9 Non-Flagged Carriers – Violation Rate Metrics.....	101
Table 6.10 Flagged Carriers – Citation Volume Metrics.....	111
Table 6.11 Flagged Carriers – Citation Rate Metrics.....	112
Table 6.12 Non-Flagged Carriers – Citation Volume Metrics.....	112
Table 6.13 Non-Flagged Carriers – Citation Rate Metrics.....	112
Table 6.14 Flagged Carriers – Crash Summary Statistics	121
Table 6.15 Non-Flagged Carriers – Crash Summary Statistics	121

Executive Summary

Chameleon carriers are motor carriers that attempt to evade federal safety enforcement, financial obligations, and regulatory oversight by shuttering an existing carrier entity and reregistering under a new U.S. Department of Transportation (USDOT) number — typically while retaining the same ownership, equipment, drivers, and operational practices. This tactic allows carriers with poor safety records, unresolved violations, or outstanding taxes, fees, and penalties to temporarily restart operations under a clean regulatory identity. This problem poses documented risks to highway safety and imposes financial burdens on state Road Fund programs. This report presents findings from a research effort commissioned by the Kentucky Transportation Cabinet (KYTC) to characterize chameleon carrier activity, evaluate how states detect and respond to it, and assess its financial and safety impacts in Kentucky.

Literature Review (Chapter 2)

The existing body of research on chameleon carriers documents a consistent pattern of regulatory evasion that has challenged federal and state enforcement agencies for decades. Chameleon carrier operators exploit systemic gaps in motor carrier registration processes including registering under the names of family members, using shared addresses with altered modifications, and transferring vehicles identifiable through Vehicle Identification Numbers (VINs) across multiple corporate identities. The Government Accountability Office (GAO) identified these practices in both 2009 and 2012, finding that suspected chameleon carriers were three times more likely to receive violations or fines from the Federal Motor Carrier Safety Administration (FMCSA) and experienced higher crash severity rates than other carriers. The Commercial Vehicle Safety Alliance (CVSA) and the insurance industry have similarly documented the threat, noting that chameleon carriers frequently operate without adequate insurance coverage and pose heightened risks to other motorists and cargo interests. Real-world consequences have illustrated this severity — a 2008 Sherman, Texas bus crash that killed 17 people was caused by a reincarnated carrier that had resumed operations just two months after receiving a federal out-of-service order.

FMCSA has responded to this challenge through multiple regulatory enhancements, including its 2008 rule that strengthened new entrant safety audits and added new vetting procedures and automated screening tools. Despite these efforts, detection remains constrained by the sheer volume of new motor carrier applications — now exceeding two million active registrations nationally — and the adaptive evasion tactics employed by bad actors, including the use of specialized consultants to help carriers reincorporate while obscuring their prior regulatory histories. FMCSA's Performance and Registration Information Systems Management (PRISM) program, which links state vehicle registration systems to federal carrier safety data, represents the most direct current mechanism for states to identify and immobilize chameleon carriers at the point of vehicle registration renewal.

Characterization Survey — State Definitions and Policies (Chapter 3)

To assess how states characterize and define chameleon carriers, the research team conducted a structured survey of motor carrier credentialing officials in 13 pilot states: Arizona, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Montana, Nevada, North Carolina, and Oregon. All 13 states participated, yielding a 100 percent response rate. A preliminary review of administrative codes and

statutes across all 13 states found no instance in which the terms "chameleon carrier" or "reincarnated carrier" were formally codified — only broad "fraud" provisions appeared, and those were generally not specific to motor carrier identity evasion. Survey findings revealed several key gaps:

- 77% of respondents reported moderate to high familiarity with chameleon carrier activity, yet that familiarity was not supported by formal statutory definitions in any surveyed state.
- 69% of pilot states lacked internal written agency policies defining chameleon carriers, leaving enforcement personnel without consistent administrative guidance.
- Only one state cited a formal regulatory definition — found at the federal level under 49 CFR §385.1003 — rather than in state law.
- 54% of states were aware that other state agencies (e.g., state police, Secretary of State) shared enforcement responsibility for chameleon carriers, suggesting that inter-agency coordination is inconsistent even within individual states.
- 62% of states relied on general state statutes as their primary authority for credential denial or revocation, applied mainly in response to PRISM out-of-service orders or fraudulent applications.

Federal Roles and Procedures (Chapter 4)

FMCSA supports chameleon carrier enforcement through a federal regulatory infrastructure, with particular emphasis on their PRISM program and its associated data architecture. PRISM connects state vehicle registration systems with federal carrier safety data to allow states to deny, suspend, or revoke registrations for carriers under federal out-of-service orders. States participate at three levels — Full, Enhanced, and Expanded — with Enhanced Participation specifically requiring states to screen VINs against PRISM Target File data and implement procedures to identify and deny registrations to reincarnated carriers. All 50 states now meet at least the Full Participation standard under the 2015 FAST Act mandate. FMCSA's primary regulatory authority over chameleon carriers is codified at 49 CFR Part 385, Subpart L, which prohibits carriers from using common ownership, management, or control to evade compliance obligations, and authorizes FMCSA to issue record consolidation orders that merge a reincarnated carrier's compliance history with that of its predecessor.

Enforcement Survey — State Detection and Response Practices (Chapter 5)

A second survey examined how state agencies detect and respond to suspected chameleon carriers through their credentialing and related processes. Twelve pilot states participated. Findings revealed a range of detection practices and capabilities across agencies, with several consistent themes emerging:

- Most agencies combined statutory authority with the International Registration Plan (IRP) reciprocal agreement authority to deny or revoke credentials.
- The most common detection signals were physical or mailing addresses, vehicle owners, company owners or officers, and shared VINs.
- State agencies lacked a single database to provide a comprehensive view of applicant risk; most drew on a combination of FMCSA systems, state registration agency systems, the IRP Data Repository, and state business registries to screen applications.

- Risk-based classification methods for screening motor carrier applications varied, with only 42% using a formal risk-based screening approach for identifying potential chameleon carriers.
- Leading barriers to detection included evolving evasion tactics, impaired data quality or completeness, limited statutory authority, high application volumes, and resource constraints.

Kentucky Financial and Safety Impacts (Chapter 6)

Chameleon carriers present risks to both state agency finances and public transportation safety. The research team conducted an analysis of financial and safety consequences involving suspected chameleon carrier activity (referred to as flagged carriers) in Kentucky, drawing on flagged carrier data, KYTC revenue and registration records, and FMCSA inspection, citation, and crash databases. The financial analysis used KYTC records across fiscal years while the safety analysis used FMCSA records across calendar years, both spanning 2020 through 2025.

Financial Analysis. The financial analysis estimated Road Fund revenue losses attributable to suspected chameleon carrier activity in Kentucky. The analysis used the Kentucky Weight Distance Tax (KYU) active carrier population as the common denominator across all four Road Fund programs — KYU, IRP, International Fuel Tax Agreement (IFTA), and Unified Carrier Registration (UCR). The KYU license is required for all carriers operating on Kentucky roadways with a combined license weight greater than 59,999 pounds. Carriers holding an active KYU license are simultaneously subject to IRP, IFTA, and UCR obligations, making KYU an ideal proxy for carriers subject to KYTC's financial obligations. Total estimated Road Fund revenue loss due to suspected chameleon carriers across all four programs amounted to approximately \$3.38 million over the six-year study period. This figure represents a conservative floor estimate, as it reflects only carriers that KYTC has detected and flagged as suspected chameleon carriers. Hypothetical detection scenarios illustrate the potential magnitude of undetected losses: if KYTC's current process captures only 50% of true chameleon carrier activity, cumulative projected losses over this six-year period would nearly double to \$6.75 million; at a 25% capture rate, losses could reach \$13.50 million.

Safety Analysis — Inspections. Flagged carriers recorded substantially higher violation rates per inspection than non-flagged carriers in every year of the study period (1.56–3.18 vs. 1.10–1.53 violations per inspection). A two-sample t-test confirmed this difference was statistically significant ($t = -3.03$, $p = 0.0025$), with flagged carriers averaging 7.96 violations per carrier compared to 3.50 for non-flagged carriers. Flagged carriers also exhibited higher out-of-service rates across both vehicle and driver OOS categories throughout the study period.

Safety Analysis — Citations. Flagged carriers recorded higher citation rates per inspection than non-flagged carriers across all six years, peaking at 0.47 vs. 0.27 citations per inspection in 2022. A substantial majority of flagged carriers (60%–83% annually) received at least one citation, compared to 31%–50% of non-flagged carriers. While the citation-specific t-test result was directionally consistent with these findings, it did not reach conventional statistical significance ($p = 0.071$), indicating weaker but supporting evidence for this safety indicator.

Safety Analysis — Crashes. Flagged carriers were involved in crashes at substantially higher rates than non-flagged carriers throughout the study period — 17.9%–27.9% vs. 3.59%–4.11% annually — a gap of 14 to 24 percentage points. Statistical testing confirmed that flagged carriers averaged significantly more crashes per carrier than non-flagged carriers (5.06 vs. 1.92; $t = -5.59$, $p < 0.001$), the most statistically decisive safety finding in the study. Taken together, the financial and safety analyses demonstrate suspected chameleon carrier activity imposes measurable and significant costs to Kentucky's Road Fund and roadway safety outcomes.

Chapter 1 Background

1.1 Introduction

FMCSA serves as the federal authoritative agency charged with regulating motor carriers to advance highway safety. Motor carriers are private, or for-hire, entities that operate commercial motor vehicles (CMVs) used in the transportation of freight and/or passengers. A motor carrier entity can be a single person or a company and may include a motor carrier's officers, representatives, agents, and/or general employees.¹ Commercial motor vehicles operated by motor carriers encompass several regulated vehicle types (Table 1.1).

Table 1.1 Commercial Motor Vehicle Categories

Category	Weight / Capacity Threshold	Examples
Heavy Trucks and Freight Vehicles	GVWR or GCWR of 10,001 lb. or more	Semi-trucks, 18-wheelers, flatbeds, box trucks, delivery vehicles
Passenger-Carrying Vehicles	9–15 passengers (including driver) for compensation; or 16+ passengers regardless of compensation	Buses, motorcoaches, shuttles, vanpools
Hazardous Materials Vehicles	Any size/weight if transporting hazmat quantities requiring placarding under 49 CFR Part 172	Tanker trucks, chemical haulers, explosive transport vehicles

Motor carriers are regulated and monitored against their responsible commercial motor vehicles as well as their assigned drivers. FMCSA routinely regulates motor carriers through the promulgation of safety standards, sharing of safety scores, issuing DOT number applications, and issuing safety ratings. These ratings come in the form of satisfactory, conditional, and unsatisfactory. A satisfactory rating means the motor carrier meets all federal safety standards, while a conditional rating means the motor carrier has some inadequate safety controls that may result in a safety violation. The lowest rating, unsatisfactory, means the motor carrier lacks the minimum standard of safety controls, resulting in one or more federal safety violations.

Motor carriers with unsatisfactory ratings are considered high-risk and pose increased danger to the traveling public. Depending on the type and frequency of unsatisfactory ratings, FMCSA may place the motor carrier's commercial vehicle and/or its driver out of service. This out-of-service designation means the motor carrier responsible for safety will not be able to use that commercial vehicle and/or that driver until it corrects the identified issue and reapplies through FMCSA. Some motor carriers have chosen to circumvent out-of-service orders by acting as chameleon or reincarnated carriers. In this illegal process, the carrier will simply apply for a new DOT application under a new company identity to obtain a new DOT number and thereby avoid past enforcement actions. FMCSA, state departments of transportation, and law enforcement officials have traditionally struggled with identifying chameleon carriers on the road because these agencies have limited resources to verify the status of new motor carrier applicants, which often number in the tens of thousands each year.

1.2 Problem Statement

The Federal Motor Carrier Safety Administration (FMCSA) has developed specific terms (e.g., chameleon carrier, reincarnated carrier, or suspected alias) to describe different forms of fraud that enable carriers to evade accountability. However, the characterizations of these fraudulent carriers across the U.S. may not be consistent due to different definitions, statutes, and regulations across the states. Furthermore, variation in detection methods and law enforcement coverage also remain inconsistent across states. As a result, any chameleon carrier operating on Kentucky roadways can have significant consequences for Kentucky highway safety and its Road Fund.

Kentucky Transportation Cabinet (KYTC) administrators within the Division of Motor Carriers sought to investigate how various states characterize and solve chameleon carrier challenges. Specifically, this project focused on the following research topics: (1) determine how U.S. states define chameleon carriers, (2) analyze state processes for working with FMCSA to establish a chameleon carrier connection between two or more entities, (3) examine state criteria for initiating enforcement action against a chameleon or chameleon-like carrier, (4) compare the number of chameleon carrier enforcement actions taken in Kentucky to those of other states, and (5) evaluate the financial and highway safety impacts of chameleon carrier activities in Kentucky. The research also identified state statutes and regulations currently in place to support enforcement specific to chameleon carriers.

1.3 Objectives

The objectives for this project are as follows:

1. Investigate various state definitions of chameleon carriers or chameleon-like carriers
2. Analyze state processes for working with FMCSA to establish a chameleon carrier connection
3. Investigate state criteria for enforcement action against chameleon carriers
4. Evaluate the financial and highway safety impacts of chameleon carriers

Chapter 2 Literature Review

2.1 Definition and Operations of Chameleon Carriers

A “chameleon carrier” is a motor carrier that attempts to evade federal safety enforcement and regulatory oversight by registering as a new entrant under a different U.S. Department of Transportation (USDOT) number while maintaining substantially the same ownership, equipment, and operational practices as a previously registered carrier. The phenomenon has been alternatively described in federal regulatory documents as “reincarnating” carriers, reflecting the practice’s deceptive nature and its capacity to circumvent the safety monitoring systems established by the Federal Motor Carrier Safety Administration (FMCSA).² This procedural tactic can enable carriers with poor safety records, unresolved violations, or outstanding enforcement actions to restart operations under a new corporate identity, thereby erasing their documented compliance history and temporarily escaping regulatory consequences.

Operational Methods and Detection Challenges

Chameleon carrier operators exploit systemic gaps in the federal registration and oversight processes. In its 2009 investigation, the Government Accountability Office identified twenty motor coach companies operating between fiscal years 2007 and 2008 that reincarnated from carriers previously ordered out of service, representing approximately nine percent of the 220 motor coach carriers subjected to out-of-service orders during this period.³ The GAO noted that this figure likely understated the true prevalence of the problem due to the exact-match methodology limitations of detection systems, incomplete vehicle and driver data in federal databases, and carriers’ capacity to deliberately provide deceptive information during the registration process. Chameleon carriers typically employ patterns of identity manipulation that include registering new companies in the names of immediate family members or other relatives, maintaining identical or nearly identical business addresses with only trivial modifications such as changing “RD” to “ROAD,” using the same telephone or cell phone numbers across multiple entities, and operating the same commercial motor vehicles identifiable through Vehicle Identification Numbers that match those of previously sanctioned carrier.⁴

Additional operational tactics documented in enforcement cases reveal sophisticated attempts to obscure corporate relationships while maintaining operational continuity. These methods include translating business names into different languages, establishing new corporate entities at proximal addresses affiliated with the original carrier such as churches or schools located adjacent to the former business location, and displaying marketing materials from the sanctioned carrier at the premises of the purportedly new operation.⁵ The insurance industry has identified chameleon carriers as companies that hide within groups of related carriers—each possessing separate DOT and Motor Carrier (MC) numbers—but operated by the same owner or network of connected owners. This deceptive practice allows drivers and equipment to transfer seamlessly between corporate identities when one entity faces a federal out of service order, regulatory penalties, or other punitive actions.⁶ From an insurance underwriting perspective, underwriters flag carriers as chameleons when there exists identical and shared Vehicle Identification Numbers between multiple carriers accompanied by shared addresses, phone numbers, or email addresses, creating a detectable pattern across multiple vetting platforms.⁷

Chameleon Carrier Motivations

The motivations driving chameleon carrier behavior encompass both financial and operational considerations. Carriers engage in reincarnation primarily to evade monetary penalties, and to avoid implementing required corrective actions addressing serious safety violations including failures in drug and alcohol testing programs, driver qualification deficiencies, and inadequate vehicle maintenance systems.⁸ The Sherman, Texas bus crash of August 8, 2008, illustrated the severe public safety consequences of this practice when a motor coach operated by a reincarnated carrier killed seventeen people and injured fifteen others. Investigators determined that the carrier was operating as a reincarnation of a company ordered out of service two months prior to the crash by matching the previous company's physical and mailing addresses to the new company and finding that it previously lacked proper operating authority including proof of insurance. These factors combined to indicate that this illegal carrier was both a safety risk and in violation of federal law. Furthermore, onsite investigations revealed that the bus was using a recapped tire in the front right steering axle, a violation of federal regulations, and this issue was the contributing factor to the crash.⁹

Detection Systems and Enforcement Limitations

Federal and state officials encounter significant challenges in detecting chameleon carriers due to the sheer volume of motor carrier applicants. As of April 2026, FMCSA maintained an active registry consisting of 2,078,584 motor carriers with freight carriers representing the overwhelming majority at 98 percent. Freight carriers experienced a significant increase immediately following the onset of the COVID pandemic in 2020. From 2019 through 2022, FMCSA saw its freight motor carrier registrations go from 1,635,403 to 1,985,977 - a 21.4 percent increase across this 4-year period. Freight motor carrier registrations have increased consistently, albeit at a slower rate, since this time leading to a current registration count of 2,042,038 as of March 2026.¹⁰ The high volume of motor carrier registrations, particularly freight carriers, coupled with their steep increase in recent years has made the detection challenge even greater. In an era of limited budget and staffing resources across various levels of government, the ability to monitor and detect individual cases of fraud across this scale remains a fundamental challenge for both federal and state agencies. Figure 2.1 illustrates the number of freight motor carriers registered with FMCSA from December 2019 through March 2026.

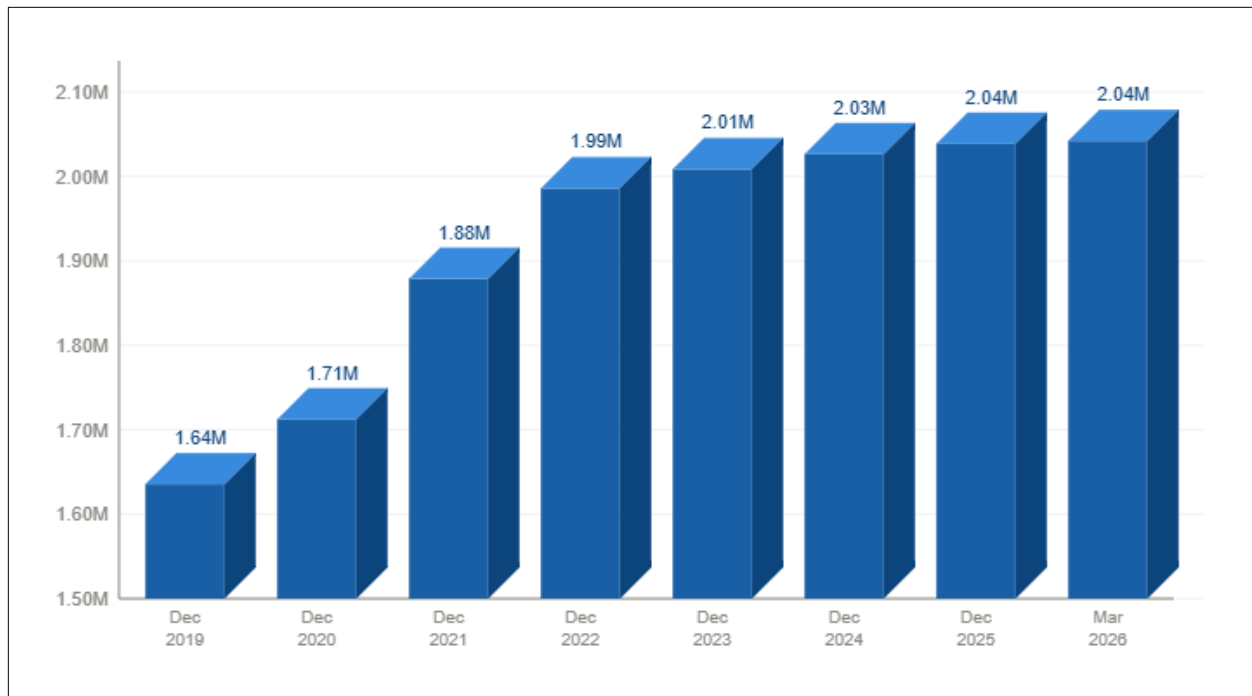


Figure 2.1 FMCSA Freight Motor Carriers by Year¹¹

FMCSA's Regulatory Enhancements

In coordination with Congress, FMCSA has established multiple oversight programs and regulatory frameworks in recent decades to resolve the emerging chameleon carrier problem. The Motor Carrier Safety Improvement Act of 1999 mandated the creation of a comprehensive safety oversight program for new motor carrier entrants, codified in 49 U.S.C. 31144(g), which directed the Secretary of Transportation to establish regulations requiring new carriers to undergo safety reviews within eighteen months of commencing operations.¹² The interim final rule implementing this mandate (effective January 1, 2003) established the foundational New Entrant Safety Assurance Process covering all domestic and Canada-domiciled new entrants. Under this framework, carriers seeking new entrant registration were required to complete Form MCS-150 (Motor Carrier Identification Report) and Form MCS-150A (Safety Certification for Application for USDOT Number), through which applicants self-certified their knowledge of applicable federal motor carrier safety regulations and the implementation of basic safety management controls.¹³

FMCSA's 2008 final rule substantially strengthened the new entrant program in response to deficiencies identified in detecting and preventing chameleon carrier operations. The December 16, 2008 rule implemented critical enhancements including the elimination of Form MCS-150A after determining that self-certification was an ineffective instrument for establishing carrier knowledge and had been subject to widespread false certification.¹⁴ In addition, other implemented measures to strengthen oversight include (a) the establishment of sixteen automatic-failure regulatory violations for safety audits representing essential elements of basic safety management controls and (b) the creation of seven triggering incidents during roadside inspections that mandate expedited compliance reviews.¹⁵

The U.S. Congress has offered both legislation and regulatory guidance to improve FMCSA's oversight and procedural mechanisms for chameleon carriers. In June 2009, the U.S. House of Representatives, Committee on Transportation and Infrastructure approved legislation authorizing FMCSA to deny or revoke operating authority based on undisclosed relationships between new and existing carriers and imposing civil penalties specifically targeting reincarnated carriers that attempt to evade safety regulations.¹⁶ In 2012, Congress sought to further strengthen actions against chameleon carriers and directed FMCSA to develop a risk-based vetting methodology for that purpose. FMCSA subsequently developed the pilot application ARCHI (Application Review and Chameleon Investigation) in collaboration with the Pipeline and Hazardous Materials Safety Administration for an enhanced screening methodology on motor carrier applications.¹⁷ The ARCHI system screened applications using an attribute match formula that compared carrier name, address, company officer or agent name, phone number, and other data elements found in FMCSA databases such as SAFER and MCMIS, among others. At the same time, this system sought potential motives for evasion based on the new applicant's ties to an existing motor carrier. The motive factors could include a prior out-of-service order, unsatisfactory safety rating, severe crash history, and bankruptcy. Using GAO's proposed methodology, FMCSA combined the scores from an "attribute match" with a "motive" score to identify those carriers most at risk for being suspected chameleon carriers. FMCSA further evaluated this pilot for future use in its operations.¹⁸

In its FY2014 Report to Congress, FMCSA concluded that while ARCHI successfully demonstrated proof of concept, it was not a cost-effective platform for the systematic optimization research needed to build a scalable screening methodology. Sensitivity analyses revealed that the small volume of passenger and household goods carrier applications was insufficient to further refine the matching algorithm. The agency also faced a fundamental tradeoff: lowering match thresholds to capture more chameleon carriers could reduce false negatives but significantly increased false positives (or those carriers initially identified as suspected chameleon carriers but later found not be chameleon carriers). This algorithm change would generate a volume of manual review cases that available FMCSA review staff, known as Vetting Specialists, could not support. Consequently, FMCSA discontinued ARCHI funding and redirected its efforts toward automated mass processing of application data, continued research into refining a methodological approach into accurate chameleon carrier detection, and a long-term goal to integrate those results into an improved screening algorithm within the Unified Registration System.¹⁹

Since that time, FMCSA has pursued additional efforts to improve its chameleon carrier detection capabilities through its development of a Utility for Risk-Based Screening and Assessment (URSA) tool, but it is unknown how well this tool and other efforts have succeeded in enabling FMCSA to improve detection of suspected chameleon carriers. FMCSA used a Small Business Innovation Research (SBIR) phase I project platform to develop the URSA which used algorithms and software to calculate risk profiles for motor carrier applicants and identify those at high risk of being suspected chameleon carriers. The URSA prototype development concluded in September 2015 and was integrated into FMCSA's Unified Registration System (URS) carrier application process in March 2016.²⁰

FMCSA is to be commended for taking these efforts to strengthen its oversight and detection of chameleon carriers across its regulatory purview. However, despite these efforts, it is unclear how successful

these initiatives and corresponding development of tools have been. Since its FY2014 report to Congress, the authors of this study could not find any other agency reports submitted to Congress on this topic since that time. All the while, the issue of chameleon carriers illegally operating within the U.S. continues to remain a problem.

2.2 Implications of Chameleon Carrier Operations

Public Safety and Crash Risk

Chameleon carriers present elevated safety risks to the traveling public through systematic patterns of regulatory noncompliance and inadequate safety management practices. In its 2012 report, GAO conducted a study on motor carrier operators to identify those USDOT applicants displaying chameleon carrier characteristics. This study sought to determine the incidence of chameleon carriers in operation and what mechanisms FMCSA had in place to identify and pursue enforcement against those carriers. GAO analysts obtained and analyzed FMCSA data on motor carriers from 2005 through 2010 and found that 18 percent of those applications from suspected chameleon carriers were involved in severe crashes over this time period. Furthermore, their study found that their suspected chameleon carriers were three times higher to receive a violation or fine by FMCSA than other carriers.²¹

The safety implications revealed through multiple operational failures are consistently observed among chameleon carriers. Companies engaging in reincarnation practices may operate vehicles with inadequate maintenance, falsify hours-of-service records to extend driver duty periods beyond legal limits, and employ drivers with suspended or invalid commercial driver's licenses.²² These operational deficiencies translate directly into elevated crash risk, as documented in the economic analysis accompanying FMCSA's 2008 final rule, which projected that strengthened new entrant safety audits would prevent 39,929 crashes over a ten-year period and avert 487 fatalities, generating safety benefits with a benefit-to-cost ratio of 7.9 to one based on the enhanced detection and removal of unsafe new entrants including chameleon carriers.²³

The Commercial Vehicle Safety Alliance (CVSA) has investigated the issue of chameleon carriers for many years and served as an advocate against these deceptive practices. CVSA's experience in detecting and monitoring chameleon carrier cases has noted a repeated pattern of safety deficient carriers attempting to reincarnate as chameleon carriers. Chameleon carriers often reconstitute as "new" businesses to evade past regulatory enforcement actions but essentially retain the same assets, operators, and/or owners as their prior business.²⁴ CVSA has emphasized this principle in legal advocacy, noting that chameleon carriers often change their appearance or regulatory identify but not their fundamental nature, which often carries over the deficient safety practices that necessitated their original shutdown.²⁵

Similar to the Sherman, Texas tragedy described earlier, chameleon carrier operators with unsafe vehicle and driver histories present a danger to both themselves and the traveling public, which can lead to tragic outcomes. In February 2011, an Indiana-based motor carrier was driving a tractor-trailer with faulty brakes on an Indiana highway and hit another passenger vehicle, resulting in three fatalities. This operator had reincarnated as a new trucking company with a new name despite having the same owner as the previous

one.²⁶ Unlike the previous Sherman case, however, this reincarnated carrier had insurance at their time of the crash. An insurance broker had advised this Indiana-based carrier on the need to reincorporate as a new business entity to successfully procure insurance due to its past record of safety violations. The insurance broker even submitted new application forms to FMCSA on behalf of the carrier. The family of the passenger car victims filed a lawsuit against the insurer claiming it had assisted the chameleon carrier in subverting their history of safety deficiencies and enabling this crash.²⁷ The Indiana Court of Appeals ruled that the insurance broker had no duty to foresee how their role in enabling carrier reincarnation could lead to motorist injuries. This decision was appealed to the Indiana Supreme Court which declined to hear the appeal in a 3-2 vote. Ultimately, this allowed the Indiana Court of Appeals decision to stand and left the victims' families without legal recourse against the insurance broker.²⁸

Fraud, Theft, and Liability

The financial implications of chameleon carrier operations encompass both direct fraud against regulatory systems and substantial exposure to cargo theft and supply chain disruption. By cycling through corporate identities, chameleon carriers systematically evade financial accountability for regulatory violations, insurance claims, and contractual obligations to shippers and brokers.²⁹ The ability to abandon corporate entities facing substantial penalties, which as documented in GAO's 2009 investigation ranged up to \$143,000 in individual cases, creates a systematic incentive structure that rewards regulatory noncompliance and penalizes carriers that invest in proper safety management and regulatory compliance.³⁰ Insurance industry analysis has further identified underinsurance and questionable insurance provider relationships as consistent patterns among chameleon carriers. The trends can exacerbate the incidence of delayed or denied claims when cargo loss, vehicle damage, or liability events occur.³¹

The use of stolen identities to conduct fraudulent operations on America's highways is not limited to chameleon carriers. Organized cargo theft, also known as strategic theft, represents a critical and growing threat to supply chain security. Chameleon carriers are primarily motivated by regulatory evasion — cycling through corporate identities to escape safety enforcement, financial penalties, and liability — while strategic theft typically refers to sophisticated, transnational criminal operations in which fraudulent carrier identities are exploited to steal high-value freight. Strategic theft often involves the use of cybercrime to steal carrier identities and then uses existing freight-shipper processes to conduct cargo theft. One common scheme, double brokering, occurs as a criminal entity steals a carrier's identity and uses that identity to pass a broker's vetting processes and secure a shipper's cargo load. At the same time, the criminal entity poses as a third-party broker to legitimate freight carriers and contracts them to pick up and haul a designated load. Unknown to the freight hauler, the criminal entity directs the hauler to drop off their load with one of their criminal associates, posing as a legitimate receiving party, for transloading. In both cases, the shipper and the freight-haul carrier are unaware that they are being transacted through this criminal enterprise, and only after the cargo goes missing without payment do they fully understand what happened.³²



Figure 2.2 Security Cameras for Commercial Operations³³

Cargo theft has increased on a staggering scale over the last several years to greatly harm retailers, carriers, and shippers alike. Cargo theft increased by 93 percent from 2022 through 2024.³⁴ Verisk CargoNet, an industry leader in tracking theft, noted 3,798 cases of cargo theft in 2024 resulting in total losses exceeding \$455 million. These losses only count confirmed and reported cases with most industry experts believing total losses actually exceeded \$1 billion or more.³⁵ These cargo losses continue to increase substantially with theft-related losses approaching \$725 million in 2025 alone.³⁶ In both chameleon carriers and strategic theft, criminal carriers exploit procedural and IT systematic gaps in existing processes to present significant safety and financial risks to the U.S. Recognizing this challenge, a consortium of FMCSA, CVSA, and the insurance industry continue to take an increasing number of steps to combat this ever-growing problem.

2.3 Stakeholder Perspectives on Chameleon Carrier Challenges

Federal Motor Carrier Safety Administration Initiatives

FMCSA's regulatory response to the chameleon carrier problem has evolved through multiple phases of strengthened enforcement authority and enhanced detection procedures. The 2008 final rule codified FMCSA's authority to address chameleon carriers directly, establishing that carriers providing false or misleading information during the application process are subject to revocation of registration and civil or criminal penalties. The codified rule also created a mechanism to link the safety histories of old and new USDOT numbers when reincarnation is detected.³⁷ Responding to the August 2008 crash in Sherman, Texas, FMCSA subsequently created the Passenger Carrier Vetting Process (PCVP), a review process involving motor coaches (i.e., passenger buses). This procedure examines each new passenger carrier application for signs of reincarnation through computer matching across nine database categories — names, emails, addresses, phone numbers, enforcement actions, authorities' actions, compliance reviews, accidents and violations, and insurance information — generating verification inquiry letters and show cause orders when suspicious patterns emerge. During the initial implementation period of the PCVP, this enhanced screening resulted in the dismissal or voluntary withdrawal of more than 100 applications out of approximately 900 reviewed, demonstrating the process's effectiveness in preventing fraudulent registrations.³⁸ While effective, the PCVP is focused on the motor coach marketplace, a much smaller subset

of commercial motor vehicle traffic than freight carriers, so it remains to be seen how scalable a similar type system would be to freight carriers.

The agency's current approach to chameleon carrier detection and enforcement continues to evolve in response to carriers' adaptive evasion tactics. FMCSA officials may review incoming motor carrier applications for new USDOT registrations and verify they are not subject to outstanding cease-operations orders involving a previous USDOT number. Furthermore, FMCSA can link any incoming applications with historical USDOT records if a relationship can be determined such as common data field matches. When this occurs, the new USDOT number will be identified as the primary active identifier while linking it to a cataloged USDOT number under which it previously conducted business. This process preserves the complete enforcement history including safety violations for the carrier across both its old and new corporate entity classifications.³⁹ This administrative linking sets the conditions for the carrier's safety record to follow its operational entity despite corporate restructuring, maintaining regulatory continuity even when legal standards for corporate successorship cannot be definitively established.

The agency's enforcement statistics demonstrate both the continued prevalence of screening new entrant applications and the resource intensity dedicated to vetting procedures. In a 2018 Guardian publication, CVSA touted FMCSA for having processed more than 58,000 motor carrier applications in 2017 while having discovered 2,700 of those applications warranting additional investigation due to suspicious patterns for high-risk behavior and enforcement. This preemptive activity resulted in denial of operation for 143 applicants.⁴⁰ These denial actions were commendable but represented less than three percent of flagged applications and a fraction of total applications. The agency's continued resource constraints and increasing sophistication of carriers in concealing reincarnation relationships continue to present challenges to the initial screening process.

The legal framework addressing chameleon carrier liability encompasses punitive actions against those carriers providing fraudulent information to FMCSA. Section 385.306 of the federal motor carrier safety regulations explicitly authorizes revocation of new entrant registration for carriers that provide false or misleading information or conceal relevant information during the application process, with those violations also subject to civil and criminal penalties.⁴¹ FMCSA possesses intrinsic authority over motor carrier registrants and their operating authority. The agency can institute correction, modification, or revocation of existing motor carrier registrations if the carrier has been found to misrepresent themselves through fraud or other deceptive means.⁴²

Commercial Vehicle Safety Alliance Enforcement Perspective

The Commercial Vehicle Safety Alliance (CVSA) has emerged as a leading advocacy organization addressing the chameleon carrier problem through both operational enforcement initiatives and strategic legal intervention. CVSA is a nonprofit organization comprised of law enforcement, government motor vehicle officials, and industry representatives focused on commercial motor vehicle safety. CVSA has a broad membership base across local, state, provincial, territorial, and federal government levels and actively serves the United States, Canada, and Mexico. The Alliance's mission is to improve commercial motor vehicle safety and enforcement through guidance, education, and advocacy for both enforcement and

industry.⁴³ The enforcement challenge from CVSA's perspective encompasses both the detection of chameleon carriers through roadside inspection programs and the systematic documentation of safety violations that support subsequent federal enforcement actions. Led by Executive Director Collin Mooney, CVSA has broad reach across North America through its law enforcement members and has taken increasing steps in recent years to tackle this significant challenge.



Figure 2.3 Law Enforcement Patrol⁴⁴

In recent years, CVSA has noticed a disturbing pattern of trucking industry consultants, such as insurance brokers, increasingly assisting unsafe or non-compliant motor carriers with gaming the system. These third parties have the regulatory expertise to advise motor carriers on how to proceed with submitting new motor carrier applications that hide, or mask, relevant information from their previous carrier identity. This process incentivizes those carriers with a history of adverse safety or financial actions by allowing them to start anew with a clean USDOT number and record. Although FMCSA has developed systems and processes to assist with identifying chameleon carriers, detection remains a challenge precisely because consultants can enable suspected chameleon carriers to submit new USDOT applications that hide relevant information that would otherwise trigger identification during the new entrant vetting process or associated compliance reviews.⁴⁵ The role of specialized consultants in facilitating chameleon carrier operations has attracted increased scrutiny from safety enforcement organizations and legal proceedings. In 2018, CVSA filed a “friend of the court” or *amicus curiae* brief to the Indiana Supreme Court to help inform legal proceedings stemming from the Indiana motor carrier fatalities’ case described earlier.⁴⁶ This brief argued that consultants operating in the highly regulated motor carrier space possess specialized knowledge on carrier safety ratings, their interpretation, and any associated enforcement outcomes. When a select few consultants choose to assist bad actor carriers, the consequences of their assistance becomes entirely predictable when they enable those adverse carriers to continue operations.⁴⁷ In the specific case before the Indiana Supreme Court, the insurance broker counseled the carrier about the process to reincorporate, submitted forms on the carrier’s behalf to FMCSA, and understood a new “re-incarnated” carrier application was essential to acquire an insurance policy due to the carrier’s adverse safety record.⁴⁸ CVSA’s position emphasized that consultants working to undermine the safety system established by FMCSA and state enforcement agencies should bear some level of responsibility, including potential civil liability, whenever their interventions help facilitate crashes.⁴⁹ FMCSA also recognizes the

potential role of consultants as an “authorized representative” and can characterize third-party representatives as contributing to the concealment of historical noncompliance in aiding suspected chameleon carriers.⁵⁰

Collin Mooney characterized the organization’s decision to file the brief as part of a broader strategic approach to judicial outreach and courtroom advocacy. He emphasized that it was intended to educate the court about the way consultants and insurance companies can assist high-risk carriers with obtaining new carrier credentials under altered business names, typically for intrinsic financial reasons related to retaining insurance clients. Mooney emphasized that CVSA’s objective was not to target any specific carrier but rather to address the systemic issue of third-party facilitation of carrier reincarnation, noting the significance of potential case law establishment through state supreme court proceedings.⁵¹

Insurance Industry Risk Assessment and Mitigation

The transportation insurance industry has incorporated the use of motor carrier IT tools and developed corresponding investigative methodologies to evaluate risk in underwriting insurance policies for motor carriers, but properly interpreting and vetting carriers remains challenging across the industry. Insurance brokers rely on FMCSA and third-party IT systems in helping them assess and formulate risk for insuring carriers. Two key systems, the Central Analysis Bureau (CAB) and the FMCSA’s Safety Measurement System (SMS), have become critical mechanisms by which insurance companies assess motor carrier risk.⁵²

The privately-owned CAB report compiles motor carrier data from both government and proprietary sources into usable information for insurance companies. This report provides data analytics and findings across multiple categories of interest including DOT safety ratings, insurance coverage, inspections and violations, and fleet size, among other categories. Insurance companies use this system as a key tool in assessing risk for motor carrier applicants and their decision to underwrite an insurance policy and/or at what cost.⁵³ FMCSA also provides the publicly available, tiered access SMS as a tool for motor carrier stakeholders, including the insurance industry, to use in performing their assigned functions. This system helps identify carriers with potential safety concerns under FMCSA’s Compliance, Safety, Accountability (CSA) program. SMS uses data collected from enforcement inspections and crash reports for compliance and performance determinations. FMCSA employs several categories as inputs into this determination including “unsafe driving, crash indicator, hours-of-service compliance, vehicle maintenance, controlled substances/alcohol, hazardous materials compliance”, and driver fitness”.⁵⁴

Insurance underwriters commonly use these IT systems in helping them assign risks to carriers and identify suspected fraudulent behavior such as chameleon carriers. Common identifiers are used to evaluate motor carrier insurance applicants including Vehicle Identification Numbers (VINs), phone numbers, email addresses, business addresses, and drivers.⁵⁵ When one or more of these identifiers appears simultaneously across multiple carriers, the underwriter typically investigates to better determine the circumstances behind this occurrence and/or determine if improper or fraudulent behaviors are taking place. Consistent themes that frequently emerge when identifying chameleon carriers can include (1) post office box in lieu of physical address, (2) VINs that appear across multiple DOT number authorities, (3) poor safety record for identified carriers, and (4) phone number history across different carriers.⁵⁶

In some cases, common identifiers are not necessarily considered fraudulent if a shared carrier phone number or address appear on an application due the use of a permitting or dispatch office. In the former, a permitting office may file and submit applications on behalf of multiple carriers while only listing their host office's phone and/or address. In the latter, a central dispatch office that host different carriers within its shared space could also facilitate the theme of shared identifiers.⁵⁷ In both scenarios, the use of shared information for these applications may be considered legitimate if no malfeasance is discovered. Typically, the underwriter will contact and solicit additional details from the applicant if any questionable items appear on their application and/or related background search during this investigative phase.

Motor carrier applications may be considered fraudulent if the underwriter makes the determination that there is shared usage of vehicles, equipment, or drivers among two or more motor carrier entities, particularly if the previous entity was considered high-risk due to an adverse safety history. For example, the underwriter may receive an application from a motor carrier with an owner (e.g., son) that is related to the owner of another motor carrier (e.g., father). The new application is independent and valid if the underwriter determines that there is no shared equipment or drivers between the family members. On the other hand, if the son starts a new motor carrier business at the same time the father's motor carrier business is experiencing adverse actions (e.g., violations, out-of-service orders) or going out of business, then the underwriter may investigate further to determine if this new business is simply a reincarnation of the previous one.⁵⁸

Underwriters may also use other IT systems, such as CorporationWiki, to identify business owners and their possible relationships. CorporationWiki (<https://www.corporationwiki.com/>) is an online portal that allows users to search business entities by name and view detailed profiles including ownership.⁵⁹ While not an authoritative system of record, insurance underwriters can use this site as one tool in initially identifying business ownership, shared relationships, and other details relevant in assessing motor carrier applications.⁶⁰ Other platforms also provide information that can be useful in identifying business owners and their relationships such as business registries in U.S. states, typically found within a Department of State.

In general, the insurance industry understands their role in helping to deter chameleon carrier activity and the innate challenges they present across both the insurance and trucking industries. Individual insurers have noted several persistent challenges that commonly arise when encountering chameleon carriers including (1) additional safety risks to the driving public, (2) increased difficulty in tracking down stolen or damaged cargo, (3) increased financial liability, and (4) interconnected carrier connections that may underestimate the full breadth of risk.⁶¹ With this context, insurers serve the motor carrier community through provided insurance policies but must ensure that all legal protocols and safeguards have been followed to ensure both public safety and minimize risk to the insurance company. Insurance underwriters commonly adopt the use of both private and public-based IT systems along with internal procedural methodologies to identify suspected chameleon carriers, but the consistent use of clearly defined IT tools and methodologies may be lacking due to uneven training and education among members of the insurance industry.⁶²

Chapter 3 Characterization of Chameleon Carriers

3.1 State Definitions of Chameleon Carriers

The characterization of chameleon carriers across the United States presents a complex and challenging regulatory landscape. States have various policies, statutes, and organizational workflows that influence how they characterize, or define, chameleon carriers, also known as reincarnated carriers. These entities represent a significant challenge to highway safety and regulatory enforcement, as they attempt to evade accountability by creating new business identities after receiving unsatisfactory safety ratings or out-of-service orders from the Federal Motor Carrier Safety Administration (FMCSA).¹ This chapter presents the methodology employed to investigate state definitions, their interpretation and use of state and federal regulatory guidance, and key takeaways regarding how states characterize this enforcement challenge.



Figure 3.1 Commercial Motor Vehicle Conducting Interstate Commerce⁶³

The absence of a universally recognized and clear definition for chameleon or reincarnated carriers creates unique challenges for states' law enforcement agencies. Without a shared framework, states must rely on a patchwork of general motor carrier statutes, federal regulatory guidance, and internal state agency policies to identify and respond to these cases, which may be insufficient to properly identify and enforce this specific form of fraud. This shared framework inconsistency can impede coordinated efforts between responsible state agencies lacking a common definition and/or interpretation of these cases, which can further limit their coordinated efforts to track and synchronize enforcement actions against these carriers. Understanding how states currently characterize this issue — and where definitional gaps exist — is therefore a critical first step toward developing more consistent and effective regulatory responses at both the state and federal levels.

3.2 Methodology for State Selection and Surveys

Pilot States

The research team coordinated with the Study Advisory Committee (SAC) to identify thirteen states for examination. State selection prioritized established forums and organizational agency bodies, particularly the Mid America Association of State Transportation Officials (MAASTO), to streamline communication efforts and facilitate future outreach. Initially, the research team identified and conducted outreach to 21 individual state agencies as ideal candidates for study participation. Among this cohort, 13 state agencies agreed to participate as pilot states. The selected states included the following: Arizona, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Montana, Nevada, North Carolina, and Oregon. This diverse geographic representation enabled the research team to capture regional variations in regulatory approaches and enforcement strategies.

Initial Regulatory Review

Prior to developing the survey, the research team conducted an initial regulatory review of potential state administrative codes and/or state statutes on their applicability to this topic. For each state, the review followed a two-track approach, examining both the state's administrative code (regulations) and its compiled statutes independently. Research began by identifying the state agency or agencies most likely to oversee commercial motor vehicle and motor carrier activity — typically the Department of Transportation and/or Department of Revenue — and then navigating to the relevant titles, chapters, or articles within those bodies of law. Initial search queries used broad industry terms such as "commercial motor vehicle," "motor carrier," or "motor vehicle permit" to confirm jurisdiction and locate the appropriate regulatory sections before narrowing the inquiry.

Once the relevant sections were identified, follow-on searches were conducted using the three target terms — "chameleon," "reincarnated," and "fraud" — to determine whether any of those specific concepts appeared in the text. Where a direct term match was found, the surrounding statutory or regulatory language was reviewed to assess whether the provision was substantively related to motor carrier operations or pertained to an unrelated subject (e.g., driver's license fraud, tax administration, or general identity theft). Results were documented by section number and URL, with notations indicating whether each match was deemed applicable, not applicable, or in need of further clarification. A zero annotated in a cell indicates the term was not found within the corresponding administrative code or statute by state, while a value of one indicates the term was found. The summary results for that regulatory review are shown in Table 3.1.

Table 3.1 Regulatory Review of Administrative Codes and Statutes

State	Chameleon		Reincarnated		Fraud		Administrative Code Source	Statute Source
	AC	S	AC	S	AC	S		
Arizona	0	0	0	0	1	1	Arizona Dept. of Transportation Administrative Rules, Title 17, Chapter 5 (https://apps.azsos.gov/public_services/Title_17/17-05.pdf)	Arizona Revised Statutes, Title 28 (https://azleg.gov/arsDetail/?title=28)
Georgia	0	0	0	0	0	1	Georgia Administrative Code, Dept. of Revenue – Chapter 560-10 (https://rules.sos.ga.gov/gac/560-10)	Georgia General Assembly via LexisNexis (https://advance.lexis.com)
Idaho	0	0	0	0	0	1	Idaho Office of the Administrative Rules Coordinator, Title 39 (https://adminrules.idaho.gov/current-rules/)	Idaho Legislature, Title 49 – Motor Vehicles (https://legislature.idaho.gov)
Indiana	0	0	0	0	1	1	Indiana Administrative Code, Indiana General Assembly Administrative Rules Portal (https://iar.iga.in.gov/code)	Indiana Code, Title 9 – Motor Vehicles (https://iga.in.gov)
Iowa	0	0	0	0	0	1	Iowa Administrative Rules, Agency 761 – Transportation Dept. (https://www.legis.iowa.gov/law/administrativerules/chapters?agency=761)	Iowa Code, Title VIII – Transportation (https://legis.iowa.gov/law/statutory)
Kansas	0	0	0	0	0	1	Kansas Administrative Regulations, Kansas Secretary of State – K.A.R. (https://sos.ks.gov/publications/pubs_kar.aspx)	Kansas Statutes, Chapter 8 – Automobiles and Other Vehicles (https://kslegislature.gov)
Kentucky	0	0	0	0	1	0	Kentucky Administrative Regulations, Title 601 – Transportation Cabinet (https://apps.legislature.ky.gov/law/kar/titles/601/)	Kentucky Revised Statutes, Chapter 281 – Motor Carriers

State	Chameleon		Reincarnated		Fraud		Administrative Code Source	Statute Source
	AC	S	AC	S	AC	S		
								https://apps.legisla-ture.ky.gov/law/statutes)
Michigan	0	0	0	0	0	1	Michigan Administrative Code, Office of Administrative Hearings and Rules – Dept. of State Police, Motor Carriers (https://michigan.gov/lara/bureau-list/moahr/admin-rules)	Michigan Compiled Laws, Motor Carrier Acts (https://legisla-ture.mi.gov/Laws/MCLSEARCH)
Missouri	0	0	0	0	0	0	Missouri Code of State Regulations, Title 7 – Dept. of Transportation (https://www.sos.mo.gov/adrules/csr/current/7csr/7csr)	Missouri Revised Statutes, Chapters 387, 390, 622 (https://revisor.mo.gov)
Montana	0	0	0	0	0	0	Administrative Rules of Montana, Montana Secretary of State – Dept. of Transportation, Chapter 18.8 (https://rules.mt.gov/search?query=&v=browse&c=aec52c46-128e-4279-9068-8af5d5432d74%2C9d9c7585-1c9f-4ca5-95e8-2f39911c1e42)	Montana Code Annotated 2023, Titles 60 and 61 (https://archive.legmt.gov)
Nevada	0	0	0	0	1	1	Nevada Administrative Code, Chapter 706 – Motor Carriers (https://www.leg.state.nv.us/nac/nac-706.html)	Nevada Revised Statutes, Chapter 706 – Motor Carriers (https://leg.state.nv.us/law1.html)
North Carolina	0	0	0	0	1	1	NC Administrative Code, Title 19A – Transportation, Chapter 03 – Division of Motor Vehicles (https://reports.oah.state.nc.us/ncac.asp?folder-Name=%5CTitle%2019A%20-	NC General Statutes, Chapter 20 (https://ncleg.gov/Laws/General-StatutesTOC)

State	Chameleon		Reincarnated		Fraud		Administrative Code Source	Statute Source
	AC	S	AC	S	AC	S		
							%20Transportation%5CChapter%2003%20-%20Division%20of%20Motor%20Vehicles)	
Oregon	0	0	0	0	0	1	Oregon Administrative Rules, Oregon Secretary of State Archives – Dept. of Transportation, Chapter 740 (https://secure.sos.state.or.us/oard/viewSingleRule.action?rule-VrsnRsn=189489)	Oregon Revised Statutes, Chapter 825 – Motor Carriers (https://oregonlegislature.gov)
TOTAL	0	0	0	0	5	10		

A review of administrative codes and statutes across the thirteen states found no instances in which the terms "chameleon" or "reincarnated" appeared in any of the reviewed sources. This uniform absence is noteworthy, as it suggests that the phenomenon of chameleon carriers — whereby a motor carrier subject to a safety compliance action or out-of-service order attempts to resume operations under a new identity — lacks explicit statutory or regulatory recognition at the state statute or administrative code level across this sample of states. Without a shared definitional framework anchored in law, states may approach the identification, characterization, and enforcement of chameleon carrier activity inconsistently, potentially creating gaps in oversight and complicating cross-state coordination efforts. The absence of these terms also means that enforcement personnel, registrars, and legal counsel have no common regulatory language to invoke when addressing this specific problem, which may hinder both detection and prosecution.

Of the thirteen states reviewed, eleven recorded at least one match on the term "fraud" across either an administrative code, a statute, or both — making it the only one of the three search terms to appear in the reviewed sources. While the presence of fraud-related provisions demonstrates that states have existing legal tools that could theoretically be applied to chameleon carrier conduct, the fraud provisions identified were generally broad in scope and not specific to motor carrier identity evasion. Many of the matches pertained to driver's license applications, tax administration, or general registration misrepresentation — contexts that, while related, do not precisely capture the pattern of behavior associated with chameleon carriers. As a result, reliance on existing fraud statutes alone may be insufficient to fully address the chameleon carrier problem, as those provisions were not designed with this specific practice in mind and may leave enforcement authorities without the targeted legal authority needed to act decisively when a carrier attempts to re-enter operations under a new identify.

Survey Development and Distribution

After this initial review of state and federal regulations, the research team proceeded to develop a comprehensive survey instrument to gather information directly from state agency officials. The survey consisted of eleven questions designed to: (1) identify respondents and their organizational roles, (2) assess familiarity with chameleon carrier issues, (3) determine whether states have formally defined chameleon or reincarnated carriers, (4) identify statutes and administrative codes relevant to this topic, (5) identify internal agency policies beyond statutory frameworks, (6) map jurisdictional responsibilities across state agencies, and (7) capture additional information not addressed in preceding questions.

The research team coordinated with the SAC Chair to identify appropriate agency contacts within each state. This effort culminated in a determinative contact list for motor carrier officials that would participate in two distinct, successive surveys. The first survey effort focused on characterizing chameleon carriers and was distributed electronically to motor carrier enforcement officials in all thirteen states. A list of the original survey questions is shown in Appendix A.

3.3 Survey Results and Findings

Survey Responses

The survey successfully received completed responses from all 13 pilot states for a 100 percent survey response rate. The results of the survey questions are presented below and include: (1) the question number and full question text; (2) a graphic representation of responses (e.g., chart, table, or text response); (3) notation of the response count where applicable; and (4) an interpretative paragraph below each graphic summarizing key findings and contextualizing the results within the purview of chameleon carrier characterization. Please note that survey questions containing Personally Identifiable Information (PII) such as names of agency officials are excluded from the results shown here to protect the anonymity of the survey participants.

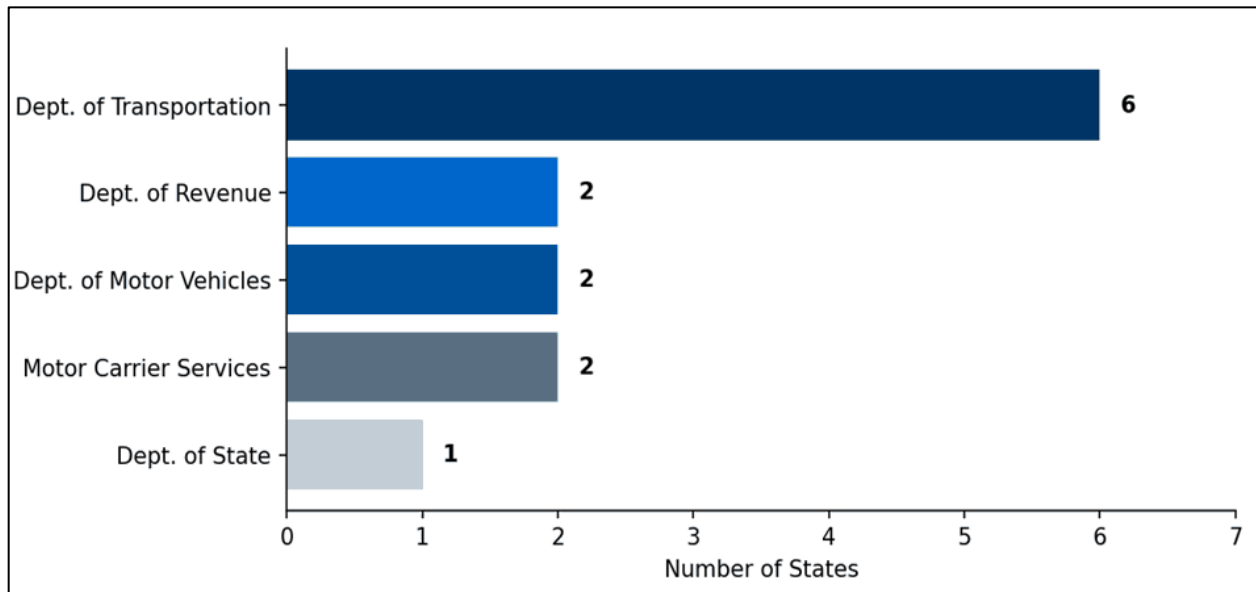


Figure 3.2 Characterization Survey – Q1

The state agencies responsible for overseeing motor carrier licensing and registration processes vary by agency type across jurisdictions. The most common type of agency for motor carrier licensing is the Department of Transportation with six meeting this definition. In other cases, organizations such as the Department of Revenue, Department of Motor Vehicles, and Motor Carrier Services were common among survey respondents with two each. One agency responsible for motor carriers was unique in identifying itself as a Department of State.

Q2-3 | Provide your organizational title and list the name of your department, division, branch, and/or section, as applicable.

Table 3.2 Characterization Survey – Q2-3

Organizational Title	Department/Division/Branch/Section
Administrator, Motor Carrier Services Division	Department of Transportation
Assistant Director II	License and Registration Branch (IRP and One Stop Shop)
Commercial Vehicle Services Program Manager	Department of Motor Vehicles
Custom Service Section Supervisor	Specialized Registration Services
Departmental Specialist	Business and Internal Services Division; International Registration Plan
Director of Operations	Motor Carrier Services
ITD Program Manager	Commerce and Compliance Division (CCD)
Management Analyst/Program Consultant and Compliance	Division of Vehicles / Commercial Vehicles group
Motor Carrier Customer Experience and Policy Lead	Motor Vehicle Division
Motor Carrier Services Program Manager	Division of Motor Carrier Services, Safety and Compliance
Motor Vehicle Director of Business Operations	Motor Vehicle Division
* Did Not Provide	International Registration Plan, Department of Transportation
Tax Program Supervisor I	Motor Carrier Division / Tax, Licensing, and Compliance / Donovan Branch

Survey respondents comprised key members within the surveyed agencies in motor carrier administration and/or oversight. Respondent titles and designations ranged from senior leaders to office staff directly responsible for engaging with and/or reviewing motor carrier registrations. In all cases, the respondents were designated by their agencies as primary contacts within their motor carrier programs that could represent their agency in responding to this survey.

Q4 | *How familiar are you with the issue of fraudulent motor carriers commonly referred to as chameleon carriers or reincarnated carriers?*

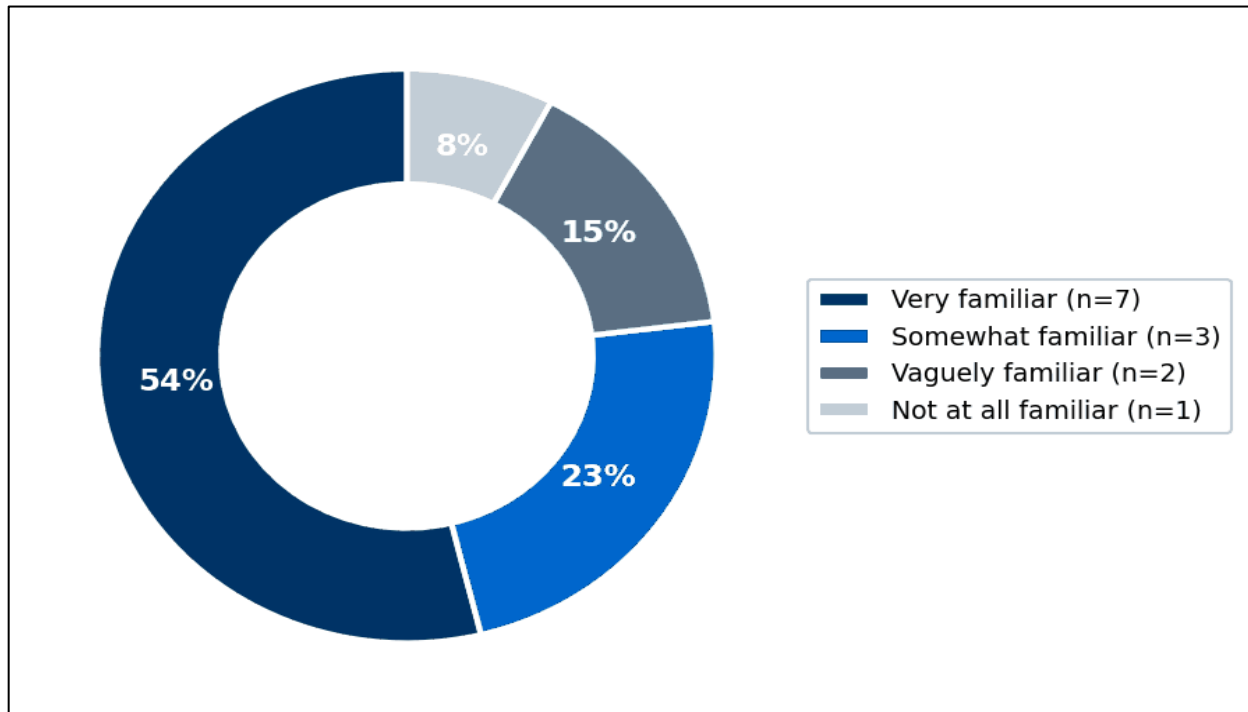


Figure 3.3 Characterization Survey – Q4

Survey respondents demonstrated a high level of familiarity with the chameleon carrier issue, with the majority (54%, n=7) indicating they were very familiar with the subclass of fraudulent motor carriers known as chameleon or reincarnated carriers. An additional 23% (n=3) reported being somewhat familiar with the issue, meaning that collectively more than three-quarters of respondents had at least a moderate working knowledge of this enforcement challenge. The remaining respondents were either vaguely familiar (15%, n=2) or not at all familiar (8%, n=1) with the topic. These results suggest that while chameleon carrier activity is a well-recognized concern among most motor carrier officials surveyed, a portion of agency representatives may benefit from additional awareness and training on this specific category of fraudulent carrier behavior.

Q5 | *Do you know if your state has formally defined the term chameleon carrier, reincarnated carrier, or some other similar characterization of fraudulent motor carriers?*

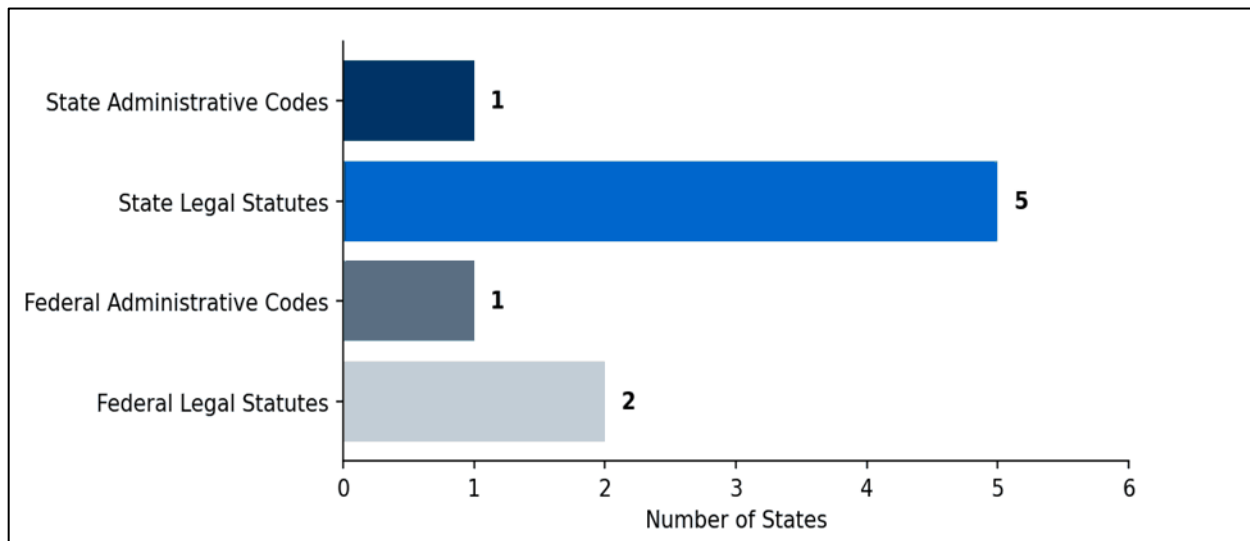


Figure 3.4 Characterization Survey – Q5

When asked whether their state had formally defined the term chameleon carrier, reincarnated carrier, or a similar characterization of fraudulent motor carriers, respondents most pointed to state legal statutes as the source of such definitions (n=5), followed by federal legal statutes (n=2), state administrative codes (n=1), and federal administrative codes (n=1). A review of the specific citations provided by respondents reveals that formal definitions of this carrier typology are largely absent at the state level. The cited state references generally address related topics — such as general motor carrier fraud, registration violations, or operating authority requirements — but stop short of formally codifying the terms chameleon or reincarnated carrier. Several respondents acknowledged this gap directly: one noted that their cited statute "does not specifically mention the terms chameleon carrier or reincarnated carrier," while another stated plainly that their state has "no formal definition" for such carriers. The one meaningful exception in the dataset exists at the federal level, where State 12 cited 49 CFR §385.1003, which explicitly defines "reincarnated or affiliated motor carriers" as those with "common ownership, common management, common control, or common familial relationship", and where companion regulations at §385.1005 and §385.1007 establish corresponding prohibitions and enforcement procedures.⁶⁴ No surveyed state has enacted a comparable statutory definition of its own. Taken together, these findings indicate that a clear and consistent definition of chameleon or reincarnated carriers is largely absent across the surveyed states, reinforcing the broader premise of this research that significant definitional gaps exist within the current regulatory landscape.

Q6 | Please list and provide descriptions to any state administrative codes, state legal statutes, federal administrative codes, and/or federal legal statutes you cite for your use against suspected chameleon carriers and their rationale, if needed. [Note: Due to nature of the original survey question, detailed responses provided, and identifiable information contained within those answers, the report's authors have summarized the provided responses for this question into those shown below without substantively changing their responses' underlying intentions or meaning.]

State Administrative Codes

State 7

Only one surveyed state provided an affirmative response under the state administrative codes category in Q5. That state identified three administrative authorities — drawn from its state administrative regulations, the IFTA Agreement, and the IRP Plan — as the basis for evaluating carrier applications and exercising discretionary authority against suspected chameleon carriers. The reliance on multi-jurisdictional compact agreements alongside state regulations reflects a layered administrative approach unique among the surveyed states.

State Legal Statutes

Five states provided affirmative responses under the state legal statutes category in Q5. Their responses are summarized below by state. Furthermore, three additional states did not originally list an affirmative response to the state legal statute category in Q5 but followed up by providing descriptive answers that addressed their state legal statutes. Those additional responses are shown immediately succeeding the original five responses.

State 6

This state cited a statute authorizing the director to revoke, suspend, or refuse to issue registration credentials upon receipt of a federal PRISM notification that a carrier's operating ability has been terminated or denied. While the statute does not define chameleon carriers by name, it creates a mechanism linking state registration enforcement directly to federal operating authority determinations.

State 10

This state mentioned two state motor vehicle registration statutes alongside a reference to 49 CFR Part 385, suggesting a layered approach drawing on both state registration authority and federal safety fitness regulations. The state cited the ability to suspend reciprocity benefits for motor carriers should they violate any existing laws or agreements applicable to this state. The 49 CFR citation is more accurately categorized as a federal administrative code and is addressed further under that sub-heading below.

State 11

This state referred to three state statutes governing motor carrier registration agreements, out-of-service order definitions, and departmental rulemaking obligations. These provisions collectively authorize registration revocation when a carrier is subject to an out-of-service order and tie that authority to federal regulatory thresholds under 49 CFR Parts 385 and 386.

State 12

This state leveraged four statutes addressing fraudulent registration applications, commercial driver license fraud disqualification, mandatory license revocation for false statement convictions, and criminal identity theft penalties. While none formally define the term chameleon or reincarnated carrier, they collectively target the fraudulent registration, identity, and documentation actions that are most closely associated with this carrier behavior.

State 13

This state cited statutes related to the definition of shell entities used or incorporated for illegal purposes or to defraud governmental agencies. While not specifically mentioning the terms “chameleon” or “reincarnated” carriers, these related statutes allow for the identification of fraudulent activities under the basis of shell entities, or those entities that misrepresent themselves for the purpose of deception. This concept forms the basis for their identification and follow-on actions.

State 1 (Additional Response)

This state identified a statute establishing graduated criminal and civil penalties for motor carriers and/or their drivers charged with out-of-service order violations. While not specifically addressing “chameleon” or “reincarnated” carriers, these statutory tools and associated penalties could be brought to bear on this class of fraud.

State 8 (Additional Response)

This state provided a statute that addresses chameleon-like behavior without explicitly defining the term. The state statute describes a motor carrier applicant that is ineligible for registration but has used other persons (such as family members) to submit a proxy application on their behalf. The state can refuse to issue registrations to any entities meeting this description.

State 9 (Additional Response)

This state identified a felony-level records falsification statute as potentially applicable if establishing a new carrier entity as a continuation of a prior company is interpreted as falsifying documents. The respondent acknowledged the statute was not written with chameleon carriers in mind and recommended enacting a statute specifically targeting chameleon carriers could strengthen enforcement capabilities.

In summary, combining the five states with affirmative Q5 responses and the three additional states with follow-up statutory citations, eight of the thirteen pilot states (62%) ultimately cited a state legal statute.

Federal Administrative Codes

One state provided an affirmative Q5 response under federal administrative codes, and one additional state cited a federal regulatory provision more accurately classified under this category despite having attributed it elsewhere in Q5.

State 12

This state provided the most substantively significant federal citations in the dataset, citing 49 CFR §385.1003, which supplies the formal federal regulatory definition of “reincarnated or affiliated motor carriers” identified across all surveyed states. Companion provisions at 49 CFR §385.1005 and §385.1007 establish the corresponding prohibition and enforcement authority, while 49 CFR §386.73 provides the procedural framework for out-of-service orders and record consolidation proceedings against reincarnated carriers.

State 10 (Reclassified from Federal Legal Statutes)

This state attributed a citation to 49 CFR Part 385 under the federal legal statutes category in Q5; however, the Code of Federal Regulations represents agency-promulgated regulatory rules rather than congressionally enacted law, making this a federal administrative code. The Part 385 regulations govern safety fitness determinations and include the subpart addressing reincarnated and affiliated carrier definitions cited more fully by State 12 above.

Federal Legal Statutes

Two states provided affirmative Q5 responses under the federal legal statutes category; however, upon review of their Q6 citations, neither provided a citation constituting a congressionally enacted federal legal statute. Consequently, the initial survey responses to Q5 citing federal legal statutes were deemed to be zero based on their follow-on Q6 responses.

State 10

This state’s only federal citation — 49 CFR Part 385 — is a federal administrative code rather than a federal legal statute. No other congressional statute was provided by this state’s response. Consequently, this response was shifted to the section on Federal Administrative Codes, as addressed above.

State 11

This state provided no distinct federal legal statute in Q6 despite an affirmative Q5 response in this category. All three Q6 citations were state statutes.

Q7 | *Excluding administrative codes and/or legal statutes, does your state agency have internal written policies defining chameleon carriers?*

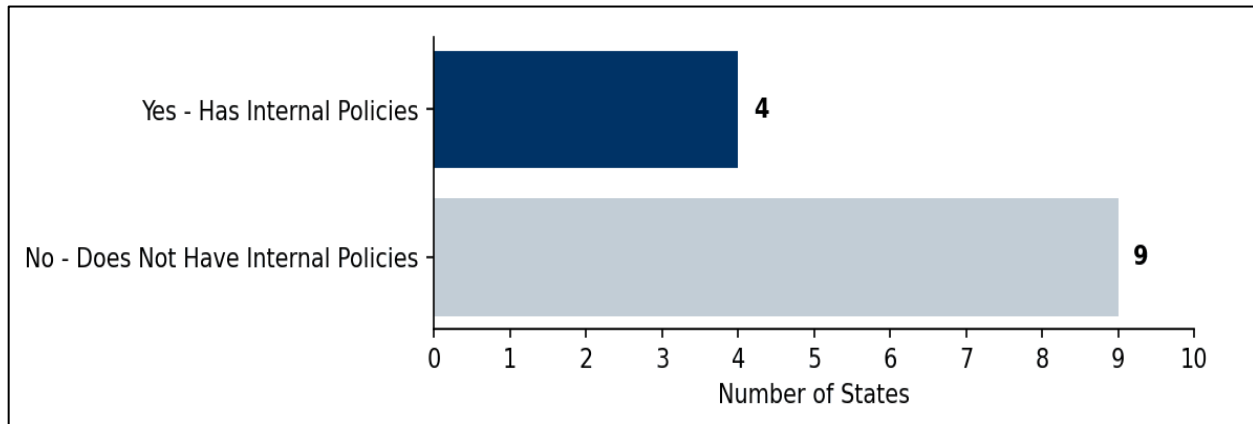


Figure 3.5 Characterization Survey – Q7

Beyond statutory frameworks, the survey asked respondents whether their agencies maintained internal written policies that define chameleon carriers. A majority of states (69%, n=9) reported having no such internal policies, while nearly one-third (31%, n=4) indicated that their agency does maintain written internal guidance on this topic. The relatively low prevalence of formal internal policies further underscores the broader definitional gap identified across survey responses. The four states with internal policies represent instances where agencies have taken independent steps to address the chameleon carrier issue in the absence of clear statutory direction, which may offer useful models for other states seeking to formalize their own approaches to identifying and counteracting these fraudulent carriers.

Q8 | *Are you aware of any other state government agencies that would also have jurisdictional responsibilities for identifying and/or counteracting chameleon carriers?*

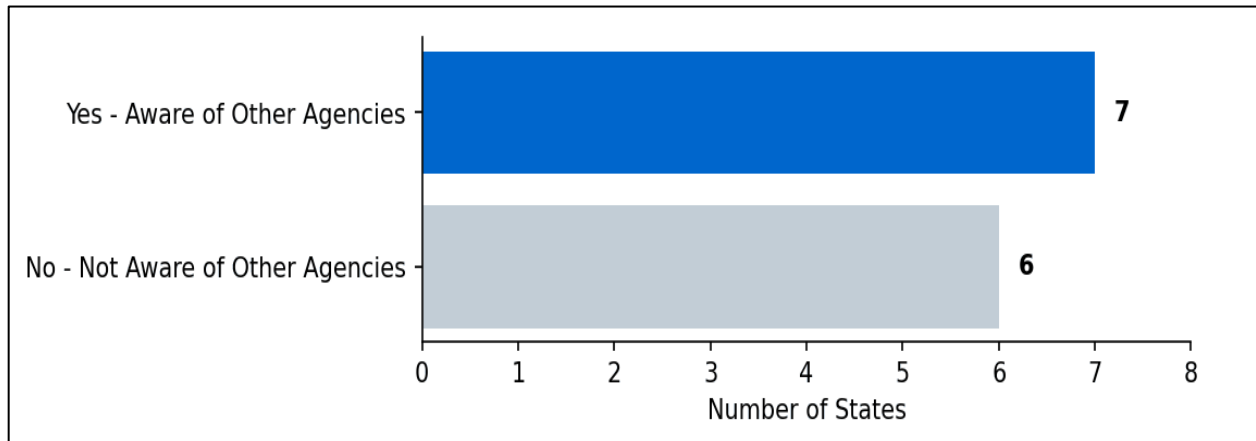


Figure 3.6 Characterization Survey – Q8

The survey asked respondents whether they were aware of other state government agencies within their jurisdiction that also hold responsibilities for identifying and/or counteracting chameleon carriers. A slight majority of states (54%, n=7) indicated awareness of other agencies with such jurisdictional responsibilities, while the remaining six states (46%) were not aware of any additional agencies playing a role in this area. The relatively even split in responses suggests that inter-agency coordination around chameleon carrier enforcement is recognized in some states but not uniformly understood or established across all surveyed jurisdictions. This finding points to a potential gap in awareness of the broader enforcement ecosystem and highlights an opportunity to improve cross-agency communication and collaboration in states where such partnerships may already exist but are not well recognized.

Q9 | *If responding “Yes to Q8, please list those other agency types that have a role in identifying and/or counteracting chameleon carriers?”*

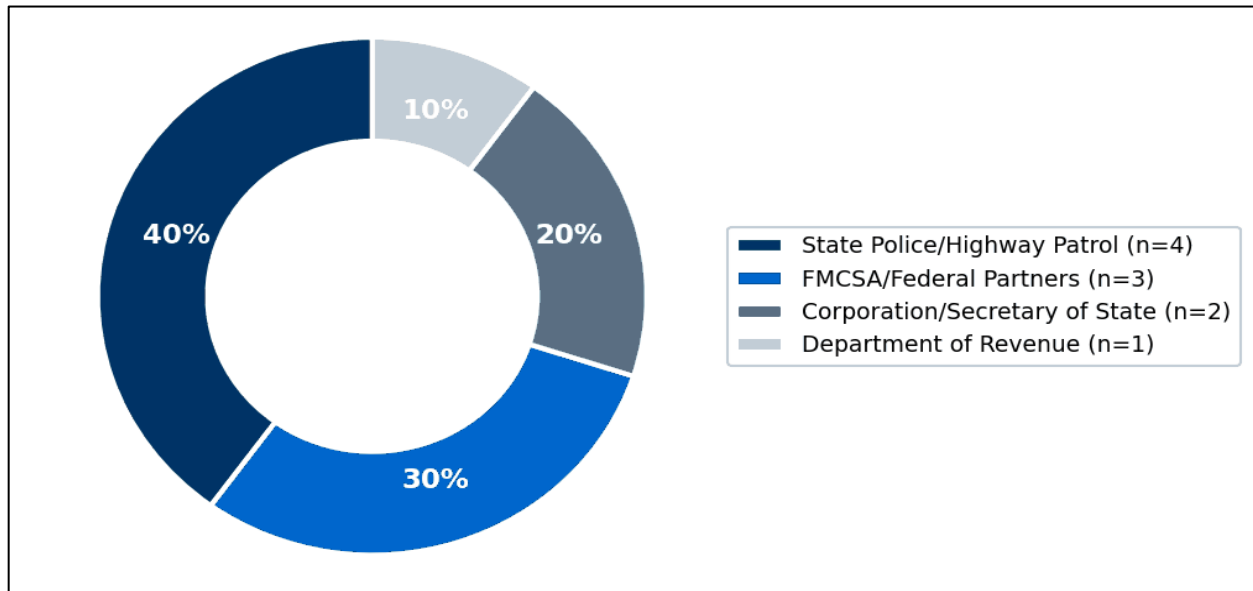


Figure 3.7 Characterization Survey – Q9

Among the thirteen pilot states, seven respondents indicated they were aware of other agencies that were involved in addressing this issue. Those seven states most frequently cited law enforcement agencies including the state police and highway patrol as mentioned by four respondents (40%). FMCSA and federal partner agencies were the next most identified category, referenced by three states (30%), reflecting the important role of federal oversight in chameleon carrier enforcement. Corporation commissions or secretary of state offices were identified by two states (20%), acknowledging the role these entities play in business registration and identity verification processes that can be exploited by fraudulent carriers. One state (10%) also identified a department of revenue as having a relevant jurisdictional role. The diversity of agency types identified across respondents suggests that effective chameleon carrier enforcement inherently spans multiple government functions—including law enforcement, federal regulatory oversight, business registration, and revenue administration—and underscores the need for coordinated, multi-agency strategies to address this issue.

Q10 | *Is there any other information on chameleon carrier definitions, descriptions, and/or characterizations that may not have been addressed in the preceding questions that you would like to provide?*

Five states provided additional operational insights. Key themes included: data-driven detection methods like FMCSA's URSA system, need for clearer statutory definitions, reliance on inter-agency communication and teamwork, and dependence on federal FMCSA determination for enforcement action.

Survey Findings

This initial survey effort helped identify how state agencies are currently characterizing chameleon carriers and the corresponding state and federal regulatory apparatus that contributes to those characterizations. Based upon the 13 pilot agencies, this study yielded several key findings including the following:

1. 77% of survey respondents reported moderate to high familiarity with chameleon carrier activity.
2. None of the 13 pilot states formally codified "chameleon carrier" or "reincarnated carrier" in state administrative codes or statutes — only broad "fraud" provisions appeared.
3. The only formal regulatory definition for 'reincarnated...motor carrier' was found was at the federal level under 49 CFR §385 and 49 CFR §386 (cited by only one pilot state).
4. A majority of pilot states (69%) lack internal written agency policies defining chameleon carriers, leaving enforcement personnel without consistent administrative guidance.
5. Only a slight majority of states (54%) were aware of other agencies sharing enforcement responsibility (e.g., state police, Secretary of State, etc.) thus hindering inter-agency coordination.
6. Most agencies (62%) cited state statutes as their primary source for denying or revoking registrations based primarily on PRISM OOS orders or fraudulent/proxy applications scenarios.

Chapter 4 Federal Roles and Procedures

4.1 Federal Motor Carrier Safety Administration (FMCSA)

FMCSA is the federal agency within the U.S. Department of Transportation (USDOT) charged with regulating commercial motor vehicles (CMVs) and overseeing their safety. FMCSA's mission is to "reduce crashes, injuries, and fatalities involving large trucks and buses."⁶⁵ As a part of this mission, FMCSA has made efforts to identify and regulate chameleon carriers who pose a significant threat to safety on the roadways.

In these efforts against chameleon carriers, FMCSA is primarily responsible for enforcement at the carrier level, and for collecting, analyzing, and disseminating data to states who can take enforcement action at the vehicle level. This partnership between FMCSA and states occurs primarily through two programs. The first is the Motor Carrier Assistance Program (MCSAP) which is a partnership with commercial vehicle enforcement agencies across the U.S. who are provided funds to conduct roadside inspections on CMVs, focusing on vehicle and driver safety.⁶⁶ The second program is PRISM which combines federal carrier safety data with state vehicle registration data to enhance enforcement at the state level.

As a part of its carrier level enforcement, FMCSA oversees two primary categories of interstate carriers: private carriers and for-hire carriers. Private carriers operate CMVs in support of a primary business, while for-hire carriers offer their services across the public marketplace. Both private and for-hire carriers must register and obtain a USDOT number from FMCSA as a prerequisite for conducting interstate commerce.⁶⁷ The USDOT number is a unique identifier associated with a carrier to document the carrier's safety record and used during compliance review, audits, and crash investigations. For private carriers, obtaining a USDOT number completes the registration process. However, most for-hire operators are required to also obtain interstate operating authority that prescribes both the type of company operations and its authorized cargo.⁶⁸ Currently, FMCSA's enforcement efforts against chameleon carriers appear primarily focused on for-hire carriers requiring operating authority.

4.2 Performance and Registration Information Systems Management (PRISM)

FMCSA's PRISM is a partnership between FMCSA, state CMV registration offices, and law enforcement designed to identify and immobilize commercial motor carriers that can no longer operate due to an FMCSA issued Federal Out-of-Service (OOS) Order. Through this infrastructure, PRISM alerts state agencies when a carrier with a Federal OOS order attempts to register or renew a vehicle registration so that the state can deny, suspend, or revoke the vehicle registration.⁶⁹ In this way, PRISM serves as a bridge between federal and state enforcement, tying a carrier's safety fitness directly to its ability to register and operate CMVs and creating an opportunity for better chameleon carrier enforcement.

PRISM Process

FMCSA breaks down the PRISM process into five steps. First, FMCSA levies OOS orders on carriers with significant safety deficiencies. Second, States access FMCSA safety and OOS data through PRISM web systems and integrate this information into the State's IT systems. Third, State CMV registration offices utilize PRISM data to verify that a motor carrier is not under an existing OOS order when reviewing their

registration or renewal application. Fourth, if the applying carrier is attempting continued operations in direct violation of an OOS order, State registration offices will deny, suspend, or revoke registration thereby immobilizing the carrier. Finally, States report attempted OOS violations and enforcement actions back to FMCSA.⁷⁰



Figure 4.1 FMCSA PRISM 5-Step Process⁷¹

PRISM Participation Levels for State Partners

PRISM is structured into three progressive levels for state partners: Full, Enhanced, and Expanded Participation. The 2015 Fixing America's Surface Transportation (FAST) Act requires states receiving MCSAP funding to fully participate in PRISM.⁷² As a result, all 50 states at least Fully Participate in PRISM.

Full PRISM membership focuses on preventing CMVs with serious safety deficiencies from operating on highways by integrating Federal safety data with a State's IRP or CMV registration. Full Participation applies to CMVs with a Gross Vehicle Weight (GVW) equal to or exceeding 26,001 pounds and includes six requirements designed to prevent these carriers and vehicles from operating if they are associated with a carrier with a Federal OOS order.⁷³

1. "Legislative or administrative authority to deny/suspend for carriers under Federal OOS orders
2. Collect/validate USDOT and TIN number of MCRS
3. Check OOS status before registration (Deny)
4. Check OOS status before registration (Suspend)
5. Upload vehicle registration information to SAFER
6. Report quality number of denials and suspensions"⁷⁴

Enhanced PRISM membership builds upon Full Participation by adding a process designed to prevent chameleon carriers who are attempting to evade their OOS order from obtaining vehicle registration. Enhanced Participation includes the six Full Participation requirements plus six additional requirements.⁷⁵

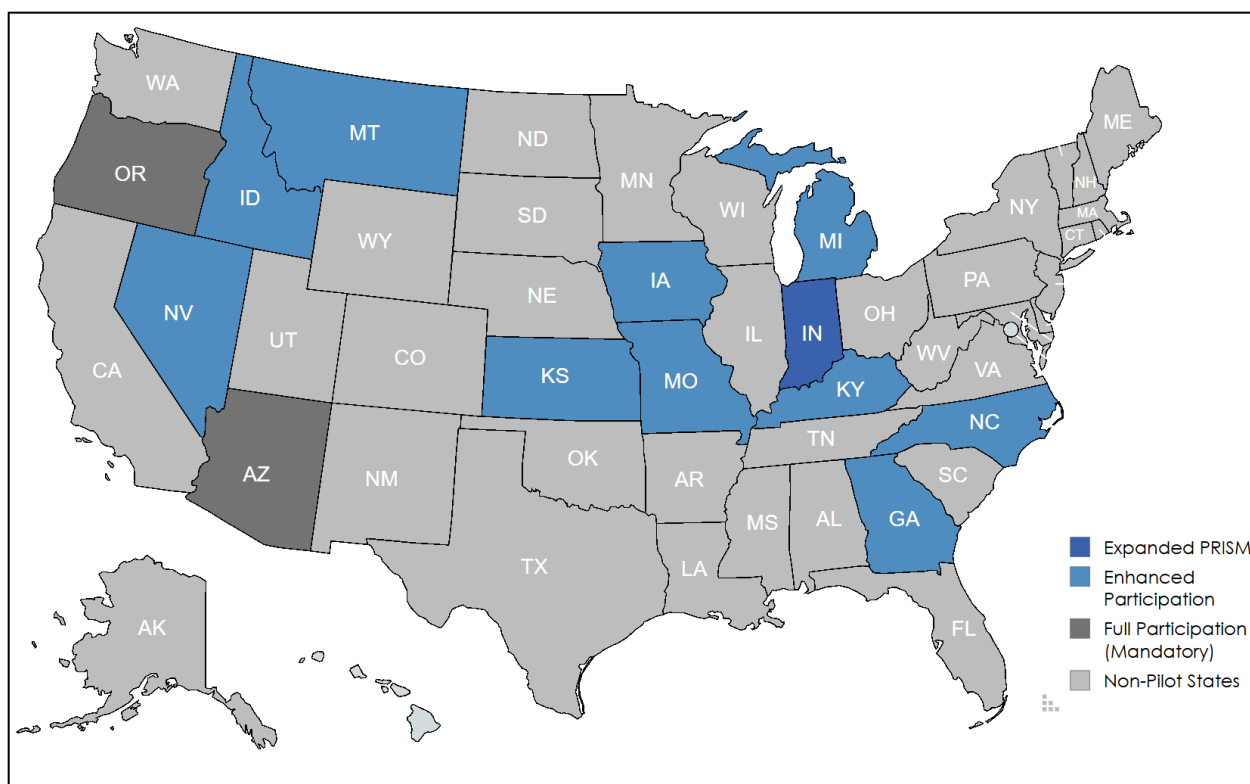


Figure 4.3 Map of PRISM Participation Across Study Pilot States

PRISM Guide for Identifying Reincarnated Carriers

To assist States enrolled at the Enhanced Participation level, PRISM provides a structured guide on identifying and preventing motor carriers from obtaining registration when they attempt to reincarnate to evade Federal enforcement actions. This guide outlines the authorities States must have, the screening steps to be followed, and the action to take when a potential reincarnated carrier is identified.

The guide first instructs States to check if the registrant's VIN has been detected under an existing carrier with a Federal OOS order. This requires cross-checking every VIN in the IRP Data Repository alongside the PRISM Target File. Tools from the FMCSA portal such as the Motor Carrier Management Information System (MCMIS) and/or New Applicant Screening (NAS) can also be used to assist during this process. If the VIN is in the Target File and the registrant VIN is using a different DOT number than the OOS carrier, then the guide advises that this may be a reincarnated carrier.

To investigate further, the guide instructs to check if registrant census information matches information for carriers with Federal OOS orders. Looking for the same or similar information such as:

- Company legal name and/or DBA name*
- Company officer name or a relative/spouse*
- Drivers and/or Vehicles
- Contact information: email or phone/fax/cell numbers

- Office or mailing address

If the census data matches for one asterisk match or any two matches, then the guide indicates this carrier may be reincarnated. Otherwise, the census information doesn't match, and the registrant provides sufficient evidence that the two carriers are not affiliated.

When a State identifies a possible reincarnated carrier, conventional FMCSA guidance instructs the State to deny the registration and contact the local FMCSA Division Office for further verification. When a carrier can be cleared that appears in the Target File, then the state should proceed with registration and ask PRISM Tech Support to remove the VIN number from the Target File.⁸⁰

4.3 PRISM IT Architecture

PRISM connects state systems, federal databases, and centralized PRISM processing infrastructure to inform and enable both federal and state agency officials during their commercial motor vehicle regulatory duties. Understanding PRISM's IT architecture is relevant because it defines the data states have access to and the constraints on real-time enforcement. In this context, PRISM states provide information about vehicles associated with out-of-service carriers. System users, typically state registration officials or law enforcement officers, submit inquiries to the PRISM Central Site and receive carrier and vehicle safety status information in response. The Safety and Fitness Electronic Records (SAFER) System receives nightly updates from MCMIS, FMCSA's authoritative source for carrier safety and census data. SAFER merges this information into the SAFER-PRISM database, which serves as the central repository for PRISM data. The PRISM Central Site uses this database to store data, generate daily files for states, and support PRISM Web Services (PWS) for real-time queries. The PRISM data flow also involves the Nlets law enforcement network and internet-based connections for inquiries, file transfers, and system updates. PRISM also supports states using a Commercial Vehicle Information Exchange Window (CVIEW) through an ITD program by providing XML versions of files that can be integrated into these systems.⁸¹ CVIEW is a state-level data system through which states collect and manage motor carrier, vehicle, and driver information from their credentialing and tax systems, and share that information with FMCSA's national IT architecture to support interstate safety oversight and enforcement.⁸²

PRISM data comes from two primary sources. Motor carrier information contained in the PRISM files is pulled from the MCMIS database, which is maintained by FMCSA. Vehicle information in PRISM is sourced from state commercial vehicle registration files. PRISM states are responsible for extracting relevant vehicle registration records from their own IRP systems and uploading them to the SAFE-PRISM database, which then incorporates this data into the centrally maintained PRISM files.

Data exchange between states and the PRISM Central Site occurs primarily through the PRISM Secure File Transfer Protocol (SFTP) Site, a secure server hosting current copies of PRISM files for downloading and serving as the upload location for nightly PRISM Vehicle Files. States implementing ITD can also use the SAFER FTP Site, which allows them to retrieve both CVIEW-related files and PRISM files without

maintaining separate accounts. Through these transfer mechanisms, states receive Census, Carrier, Vehicle, and Target Files from PRISM and submit vehicle data needed to maintain the SAFER-PRISM database.

SAFER is responsible for integrating daily and weekly MCMIS updates into the SAFER-PRISM database and maintaining vehicle records based on IRP updates from ITD and PRISM states. When a state participates in both PRISM and ITD, all vehicle and IRP data submissions must be routed through ITD. States that maintain local versions of PRISM files must apply daily updates to the files provided by the PRISM Central Site. States using CVIEW are likewise required to apply daily updates, and all CVIEW-based states must report IRP transactions to SAFER every day.

4.4 PRISM Data Files

The PRISM program generates several different types of data files that are consumed and used by its customers, most notably state partners. Each file type PRISM provides contains information related to a specific purpose in state and federal oversight. The file structure serves this intent by linking carrier, vehicle, and safety information to allow for enforcement actions.

Census File

The PRISM Census File contains information on all carriers in MCMIS. Each record represents a USDOT-issued entity and includes identification and safety-related data. States must first process a complete “baseline” Census File and then apply daily transactional updates to remain synchronized with SAFER.

The Census File includes fields such as legal and DBA names, physical and mailing addresses, TIN information, carrier status, MCMIS update dates, entity type, operation indicators, and MCSIP Step data. The USDOT number uniquely identifies each record. Daily updates are posted by 6:00 a.m. Eastern Time each business day. States retrieve and apply these updates to maintain alignment with the PRISM-SAFER database.

Carrier File

The PRISM Carrier File contains records only for PRISM Targeted Carriers. Compared to the Census File, it contains fewer data fields but still includes core identifying information such as legal name, physical address, and MCSIP Step details. Similar to the Census file, the USDOT number identifies each record. The PRISM Central Site generates and posts this file daily for states to retrieve and refresh their local copies.

Vehicle File

Each PRISM State prepares the PRISM Vehicle File (PVF), which provides vehicle registration details for every vehicle assigned to a PRISM Targeted Carrier. Records include VIN, plate number, registration jurisdiction, make, model year, and vehicle status codes. This file allows states to report suspensions or inactive vehicles. A combination of the USDOT number, VIN, and plate number identifies each PVF record. States submit these files nightly, and the PRISM Central Site integrates them into the Target File.

Target File

The PRISM Target File consolidates all targeted carriers and their associated vehicles. Built at the PRISM Central Site, it contains one carrier record per targeted carrier and zero or more vehicle records submitted by states. Each record includes a target indicator signifying whether the carrier or vehicle is currently targeted.

PRISM provides several variants of the target file to states. The OOS Target File is a subset containing only carriers and vehicles under a federal OOS order. LPR Target Vehicle File is designed for license plate reader systems, with MCSIP Step embedded in vehicle records and additional IRP status data. And PRISM also provides XML versions of the vehicle and carrier target files.

Use of PRISM Target File for Chameleon Carrier Detection and Enforcement

Enhanced Requirement 8 requires states to check every VIN against the PRISM Target File before issuing or renewing vehicle registrations. This VIN check determines whether a vehicle is or has been associated with a motor carrier under a federal OOS order. If a VIN appears on the Target File under an OOS carrier, registration staff compare the registrant's USDOT number with the one in the Target File to identify possible affiliations such as shared company officers, addresses, or phone numbers. If a VIN is found in the Target file but the state finds no affiliation with an OOS carrier, states may override the error but must notify the PRISM Technical Support Team so the VIN can be removed from the Target File.⁸³

4.5 FMCSA Authorities and Responsibilities

Registration and Regulation Authorities

FMCSA has the authority to register and regulate motor carriers, brokers, and freight forwarders engaged in interstate commerce. Under 49 U.S.C. § 13901, entities subject to FMCSA jurisdiction may provide transportation or service only if they are registered with the agency. FMCSA grants operating authority as stated within 49 U.S.C. § 13902, which requires applicants to adhere to pertinent statutory and regulatory requirements, including safety fitness standards (49 U.S.C. § 31144), employer and employee duties (49 U.S.C. § 31135), and minimum financial responsibility requirements (49 U.S.C. §§ 13906 and 31138). FMCSA may withhold registration if these requirements are not met, as provided in 49 U.S.C. § 13902(a)(4).

FMCSA's authority to administer carrier registration traces back to the Motor Carrier Act of 1935 and subsequently received its authority from the Interstate Commerce Commission via the Secretary of Transportation by the ICC Termination Act of 1995. The federal law, 49 CFR § 1.73, now delegates that authority to the FMCSA Administrator, which includes registering motor carriers, brokers, and freight forwarders and enforcing compliance with federal transportation laws. FMCSA also has authority under 49 U.S.C. § 13905(d) to amend, suspend, or revoke a registration if a registrant later violates the terms of compliance. In addition, registered entities must designate process agents under 49 U.S.C. §§ 13303 and 13304, with executing regulations found at 49 CFR part 366, to ensure proper service of legal and administrative documents. FMCSA uses the registration information it collects to track regulated entities and support federal safety mandates, including those in 49 U.S.C. § 31136(a)(1).^{84,85}

Authorities Addressing Chameleon Carriers

FMCSA's primary regulation aimed at chameleon carriers is 49 CFR Part 385, Subpart L (Reincarnated Carriers). Subpart L applies to for-hire motor carriers that require operating authority. The rule provides that:

"Two or more motor carriers shall not use common ownership, common management, common control, or common familial relationship to enable any or all such motor carriers to avoid compliance, or mask or otherwise conceal non-compliance, or a history of non-compliance, with statutory or regulatory requirements prescribed under 49 U.S.C. Chapter 311, subchapter III, or with an order issued under such requirements."⁸⁶ (§ 385.1005)

Under 49 CFR § 385.1007, an FMCSA-designated Agency Official is authorized to determine whether a motor carrier has reincarnated or affiliated for the purpose of avoiding regulatory compliance or concealing a history of noncompliance. If such a determination is made, the Agency Official may issue an order suspending or revoking a motor carrier's registration (§ 385.1007(a)).

In assessing reincarnation, the Agency Official evaluates whether there is considerable level of continuity between motor carrier entities such that one carrier is simply a continuation of another. Indicators of reincarnation may include continuity of ownership, management, control, assets, operations, or personnel. In contrast, affiliation may be found where multiple motor carriers operate under the same ownership, management structure, authoritative control, or similar familial relationship, even if they are not exact continuations of one another (§ 385.1007(b)).⁸⁷

Registration Vetting and Adjudication

FMCSA applies a formal screening and vetting process to evaluate applications for operating authority registration. Under FMCSA policy, applicants adhere to pertinent statutory and regulatory requirements to receive and maintain operating authority. FMCSA has explicit authority to grant, withhold, suspend, amend, or revoke operating authority registrations based on this evaluation. The agency reviews applications for indicators of noncompliance, enforcement history, and other factors that may demonstrate an applicant's inability or unwillingness to comply with federal safety requirements. When an application requires additional scrutiny, FMCSA initiates a vetting process. During vetting, FMCSA temporarily suspends the application while it conducts further review to assess compliance risks. This process is designed to prevent unsafe or noncompliant entities from entering or re-entering interstate commerce without adequate oversight.^{88 89}

FMCSA policy explicitly prohibits granting operating authority registration to applicants that create new identities to avoid suspension, revocation, or a history of regulatory violations. FMCSA considers reincarnation practices as an unacceptable safety risk due to their previous history of violating statutory and regulatory requirements. Applications associated with such practices are subject to heightened scrutiny and may be rejected outright. The agency withholds operating authority registration when evidence indicates that an applicant is attempting to circumvent enforcement actions through reincarnation.⁹⁰

When FMCSA determines that reincarnation has already occurred, the agency's regulations provide a specific enforcement mechanism to address the problem under 49 CFR § 386.73, "Operations out of service and record consolidation proceedings (reincarnated carriers)." This provision authorizes FMCSA to issue an out-of-service order, a record consolidation order, or both, once they determine that a carrier operated (or attempted to operate) with a new identity to avoid past adverse actions such as an "FMCSA order, a statutory or regulatory requirement, a civil penalty, an enforcement action, or a negative compliance history".⁹¹ In making this determination, FMCSA applies a "substantial continuity" standard, asking whether the new or affiliated entity is merely a continuation of the prior one, or whether the two operate as affiliates under common ownership or control. The agency weighs a range of factors toward this end, including the previous entity's safety performance history, the timing of the new entity's creation relative to enforcement action against the old one, and the degree of overlap between the two in ownership, management, drivers, equipment, physical addresses, and insurance coverage.⁹²

The record consolidation order is the tool most directly relevant to chameleon carrier enforcement, since it targets the specific advantage a reincarnated carrier seeks: a clean compliance history. Rather than treating the new or affiliated entity as a separate carrier, FMCSA consolidates the records it maintains on the current entity with those of its predecessor, effectively merging the two compliance histories into one.⁹³ If the chameleon carrier suspicion is validated, FMCSA will issue an enforceable Final Agency Order that allows the carrier up to 21 days to request an administrative review of the case which is limited to procedural or factual errors rather than offering evidence of subsequent corrective action. A carrier seeking credit for corrective action must instead file a separate petition for rescission. By denying reincarnated carriers a fresh regulatory identity, the record consolidation order functions as a direct counter to the core mechanism chameleon carriers rely on to evade accountability.⁹⁴

4.6 Motor Carrier Registration Systems and Processes

FMCSA's motor carrier registration process relies on the coordinated operation of several interconnected information systems. Each system performs a distinct function and supports the initial registration, vetting, and ongoing maintenance of carrier records.

Motor Carrier Management Information System (MCMIS)

The Motor Carrier Management Information System (MCMIS) serves as FMCSA's central repository and system of record for motor carrier registration and safety data. MCMIS is the authoritative source for registration information, roadside inspection data, crash records, compliance reviews, safety audits, and closed enforcement cases. FMCSA, state partners, industry stakeholders, and the public use the information captured in MCMIS to identify regulated entities and assess safety performance.⁹⁵

During the registration process, MCMIS is responsible for issuing USDOT Numbers and maintaining the official record associated with each registered motor carrier. Registration data synchronized to MCMIS establishes the carrier's unique federal identifier and provides the baseline record used for downstream safety and enforcement systems.⁹⁶

Licensing and Insurance (L&I) System

The Licensing and Insurance (L&I) system supports FMCSA's administration of operating authority registrations. L&I maintains docket-level information for for-hire carriers, brokers, and freight forwarders, including authority types and associated licensing records. Operating authority records housed in L&I define the scope of operations a regulated entity is authorized to conduct under federal law.⁹⁷

Unified Registration System (URS)

The Unified Registration System (URS) is FMCSA's electronic, online platform for initial registration. URS integrates the application functions of both MCMIS and the L&I system into a single interface for first-time applicants. URS allows new applicants to apply for a USDOT Number and, when applicable, request operating authority through a consolidated submission process.

URS is limited to first-time registrations. When an applicant submits an initial registration through URS, the system synchronizes the collected information with MCMIS to create a USDOT record and with L&I to establish a corresponding operating authority docket when required. URS itself does not serve as the long-term system of record; instead, it functions as the entry point that feeds authoritative systems.⁹⁸

First-time applicants seeking to operate as regulated motor carriers or related entities must register through URS. The URS application collects identity, operational, and compliance-related information required by FMCSA to establish a new regulated entity record. Upon submission, URS distributes the application data to the appropriate backend systems to create official registration records. For entities requiring operating authority, URS simultaneously initiates both the USDOT Number registration and the creation of an operating authority docket. This integrated process replaces the need for multiple, system-specific applications previously required under legacy registration frameworks.⁹⁹

Motus System

In the spring of 2026 (and nearing conclusion of this research study), FMCSA retired URS in favor of a new platform called Motus: USDOT Registration System. According to FMCSA, this system will optimize and streamline the registration process, provide additional safeguards against fraud, and improve the overall user-experience for its carrier customers and other stakeholders. As a core goal, Motus seeks to verify and approve only those carriers that are legally authorized to participate in interstate commerce. Notably for chameleon-carrier screening, FMCSA touts the system's new capability in randomizing the issuance of new USDOT numbers and associated authority docket numbers to help prevent fraud, a direct response to the kind of identity-reuse and re-registration tactics chameleon carriers have historically exploited under the legacy system.¹⁰⁰ The research team did not evaluate the Motus system nor how it interacted with existing carrier-based regulatory processes and IT systems due to its inception near the conclusion of this research study.

4.7 Direct FMCSA Engagement: Approach and Limitations

In addition to the federal authorities and systems described above, the research team sought direct input from FMCSA to confirm its understanding of the agency's IT systems, detection procedures, and the ways

it supports states in addressing the chameleon carrier issue. Over the course of the study, the research team reached out on multiple occasions to FMCSA's PRISM program office, PRISM technical support team, and ITD program office through email, virtual meetings, and phone outreach. A limited number of these inquiries received a response, while in other instances the research team was unsuccessful in soliciting a response to select questions. Recognizing the demands placed on FMCSA staff and the many research and information requests the agency fields, the research team supplemented this direct outreach effort with publicly available sources — including the prevailing literature, U.S. Government Accountability Office (GAO) reports, and the Code of Federal Regulations (CFR) — to inform this report's characterization of FMCSA's role and processes. As a result, this report's account of FMCSA's coordination with states relies primarily on these public sources rather than on direct agency input or confirmation. As a result, the research team's ability to verify certain details from FMCSA's own perspective was correspondingly limited. The research team views this outreach as the beginning of an ongoing dialogue with FMCSA and looks forward to continued engagement with the agency, including through future research collaboration.

Chapter 5 Enforcement Actions Across State Agencies

5.1 Survey Overview and Methodology

Building upon the chameleon carrier characterization work, this chapter examines the decision-making criteria that state DOT officials employ when initiating enforcement actions against suspected chameleon carriers. That prior work established a foundational understanding of how chameleon carriers are defined across a sample of states, including a review of relevant agency policies, regulations, and legislative statutes, and provided the necessary context for a deeper investigation into state-level enforcement practices.

This chapter presents the compiled results of a structured online survey administered through Qualtrics to state agency personnel responsible for motor carrier credentialing and registration. The survey was designed to examine how state agencies currently detect, assess, and respond to suspected chameleon carrier activity — a practice in which a motor carrier evades enforcement actions or safety oversight by dissolving an existing entity and re-registering under a new identity while maintaining continuity of operations. The survey encompassed six programmatic themes as shown in Table 5.1.

Table 5.1 Survey Themes

1. Agency Structure & Administrative Authority	2. Application Screening & Risk Classification
3. Data Systems & Database Utilization	4. Third-Party Submissions & Proxy Applicant Identification
5. Administrative Actions & Interagency Referrals	6. Challenges & Recommended Improvements

A total of 12 state agencies participated in the survey. Participation was voluntary and limited to agency staff with direct knowledge of their jurisdiction’s credentialing practices, ensuring that responses reflected operational realities rather than general policy positions. The participating agencies included officials from Arizona, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Montana, Nevada, and Oregon. To encourage candid and complete responses, the survey was conducted on a non-attributational basis — no response is attributed to a specific agency or individual anywhere in this document. All results are presented in aggregate or anonymized form (e.g., “Agency 1,” “Agency 2”) to protect the identity of respondents while preserving the substantive content of their answers. This approach was intended to reduce the potential for self-censorship and to allow agencies to speak openly about operational gaps, enforcement challenges, and interagency coordination concerns without institutional risk.

The survey instrument consisted of 30 questions spanning both structured response formats (multiple choice and select-all-that-apply) and open-ended free-response items. Questions were organized around six broad thematic areas, each designed to capture a distinct dimension of state agency practice related to chameleon carrier detection and response. Structured questions are presented throughout this document as bar charts, donut charts, and summary tables; open-ended responses are presented in tabular format to preserve the full context of each agency's answer. A brief interpretive narrative accompanies each question to contextualize the results and highlight key patterns across respondents.

5.2 Survey Results

Each survey question is presented on its own page and includes: (1) the question number and full question text; (2) a graphic representation of responses (e.g., chart, table, or verbatim response summary); (3) notation of the response count where applicable (e.g., "n="); and (4) an interpretive paragraph below each graphic summarizing key findings and contextualizing the results within the broader topic of chameleon carrier detection. Write-in and "other" responses are footnoted below the relevant graphic where applicable.

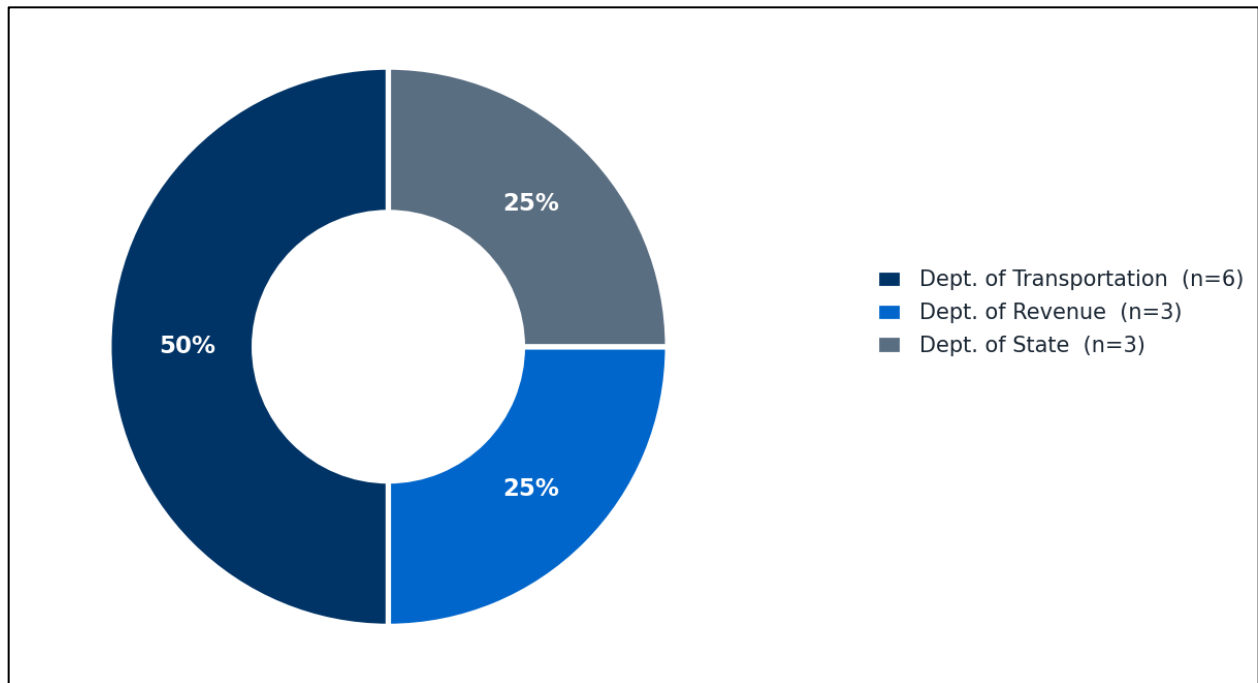


Figure 5.1 Enforcement Survey – Q1

Survey responses revealed that participating agencies are housed in a variety of organizational settings, reflecting the various administrative structures across state government. The distribution suggests that motor carrier credentialing functions are not concentrated within a single agency type, but instead span departments such as transportation, revenue, and public safety. This organizational diversity can influence the scope of available authority, inter-agency coordination capacity, and access to relevant data systems.

Q2 | Which functions does your office perform related to issuing credentials to motor carriers? (Select all that apply)

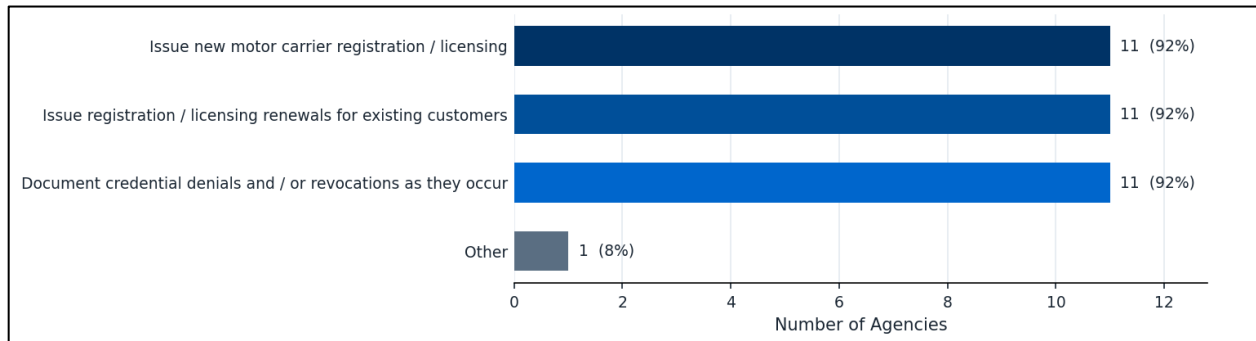


Figure 5.2 Enforcement Survey – Q2

** Other responses include (1) Screening in CVIEW and WIM sites.*

Participating agencies performed a wide range of functions related to motor carrier credentialing, with most offices engaged in multiple activities simultaneously. Common functions include processing applications, reviewing supporting documentation, and issuing credentials such as IRP apportioned registrations and IFTA licenses. This host of duties to both new and existing customers revealed the importance of these state agency offices as important front-line touchpoints for identifying potential compliance concerns before credentials are issued.

Q3 | Which types of credentials does your office issue related to motor carriers? (Select all that apply)

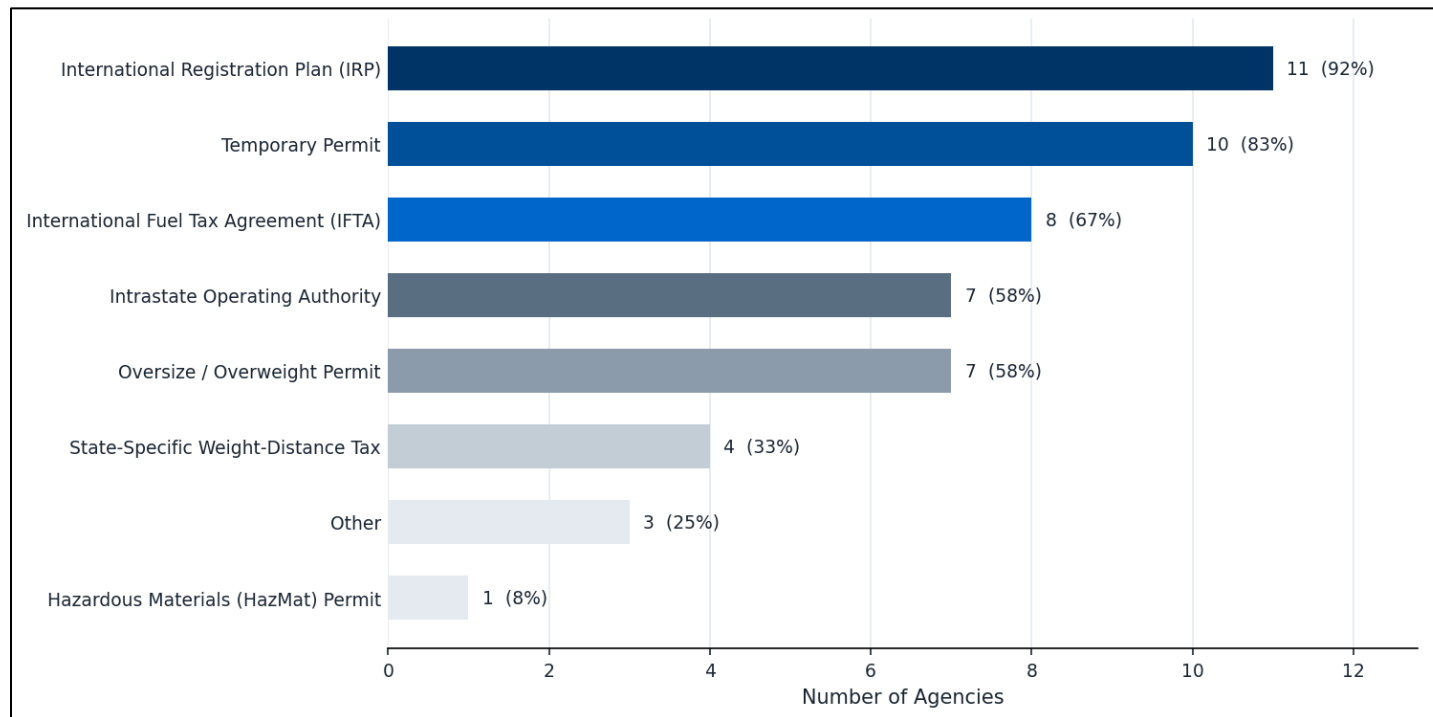


Figure 5.3 Enforcement Survey – Q3

** Other responses include (1) Intrastate registration, (2) GVW tax, and (3) Annual permits*

The credentials issued by participating agencies span a broad range of motor carrier authorization types, with IRP apportioned registrations and temporary permits being the most issued. Several agencies also issue additional credential types, including intrastate registrations, gross vehicle weight (GVW) taxes, and annual operating permits, as noted in write-in responses. This variety of credential types means that agencies interact with motor carriers across multiple regulatory touchpoints, creating potential opportunities to detect suspicious patterns at different stages of the credentialing process. The range of credentials also implies that chameleon carrier activity may manifest differently depending on which credential category is being exploited.

Q4 | Using authority granted in IRP and IFTA reciprocal agreements, does your agency take any of the following administrative actions for motor carriers? (Select all that apply)

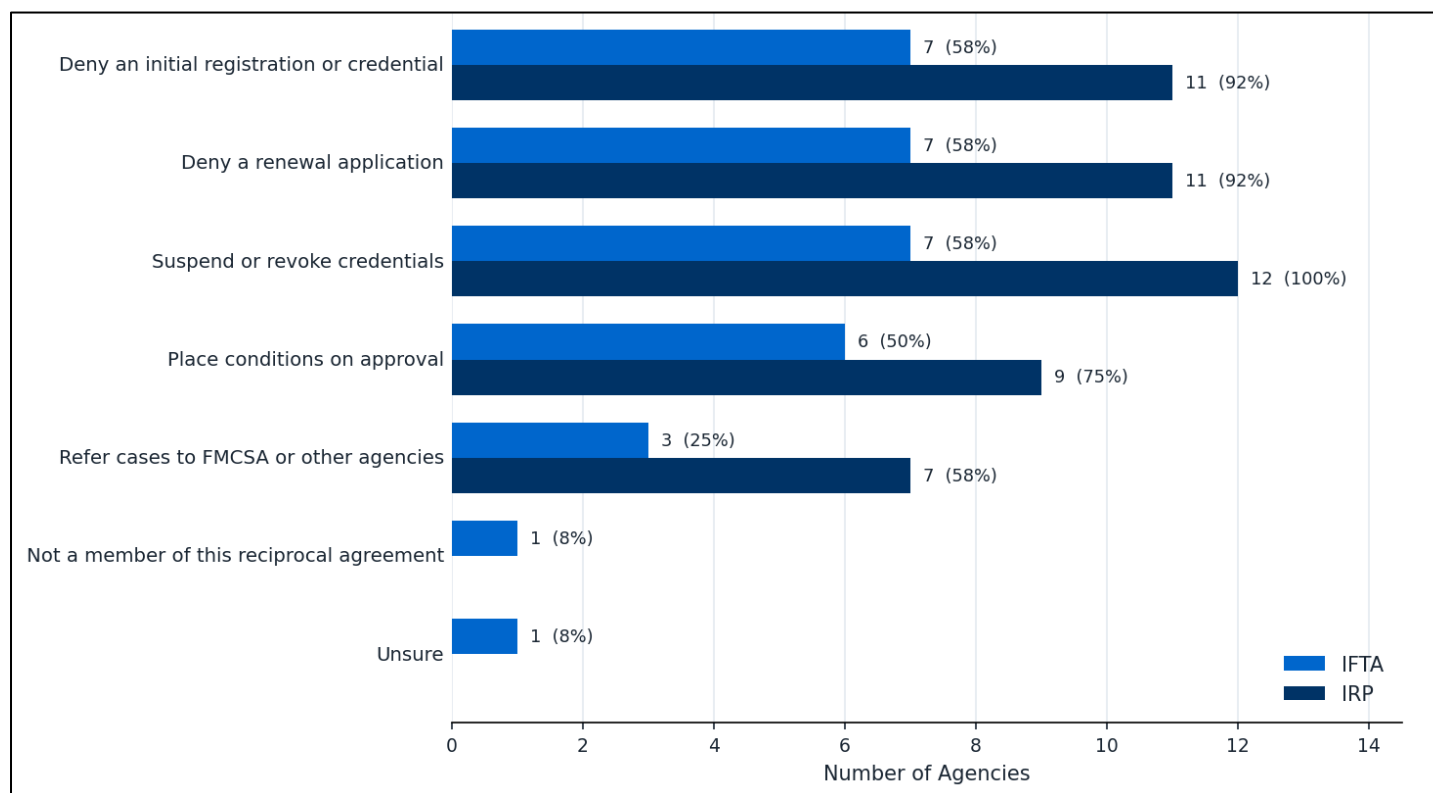


Figure 5.4 Enforcement Survey – Q4

Most participating agencies leveraged the administrative authority granted through IRP and IFTA reciprocal agreements to take action against non-compliant motor carriers. Common actions include suspension, revocation, and denial of credentials, as well as placing conditions on accounts pending further review. The use of reciprocal agreement authority is significant because it provides a consistent legal basis for administrative action that is recognized across member jurisdictions. However, the variation in responses also suggests that not all agencies are fully utilizing the range of actions available to them under these agreements, which may represent an opportunity for broader adoption.

Q5 | Other than IRP/IFTA authority, does your agency have statutory or regulatory authority to take administrative actions for motor carriers?
(Select all that apply)

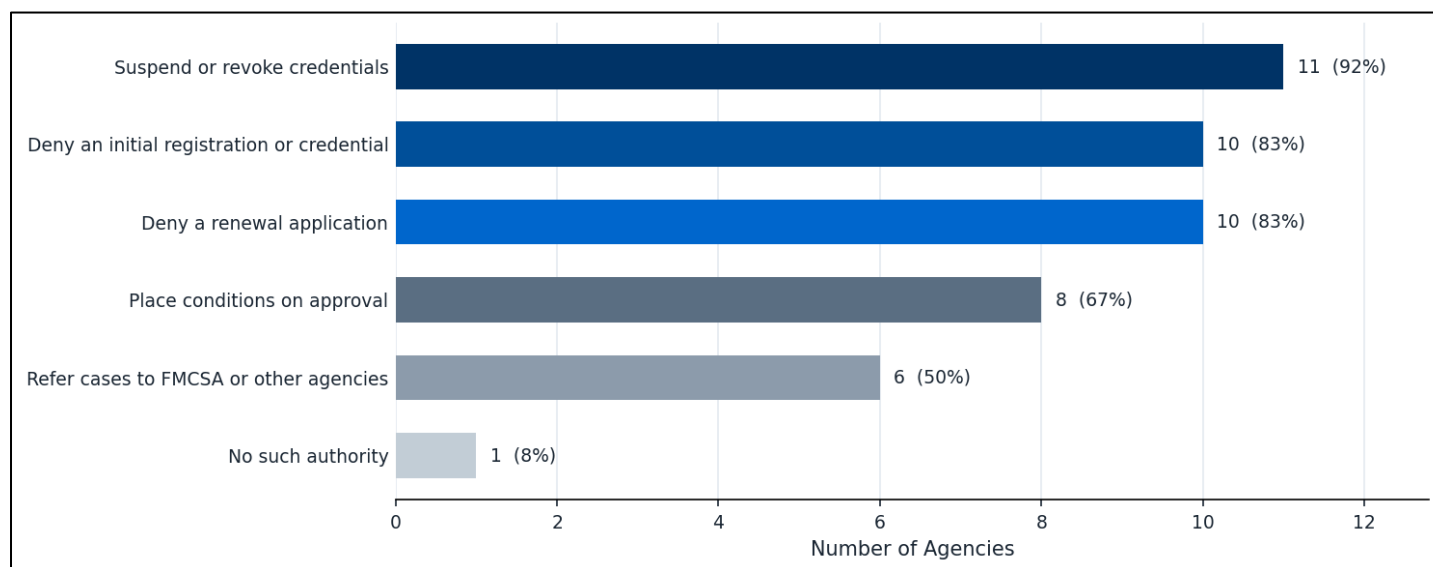


Figure 5.5 Enforcement Survey – Q5

Beyond IRP and IFTA reciprocal agreement authority, many agencies reported having additional statutory or regulatory authority to take administrative actions against motor carriers. This supplemental authority varies considerably by state and may include powers derived from state statutes. The availability of independent state authority is particularly important in cases where IRP/IFTA-based grounds may not apply or may be insufficient on their own. Agencies with broader independent statutory authority are generally better positioned to respond to chameleon carrier activity without relying solely on reciprocal agreement frameworks.

Q6 | Does your agency classify motor carrier applications based on perceived risk of chameleon carrier activity?

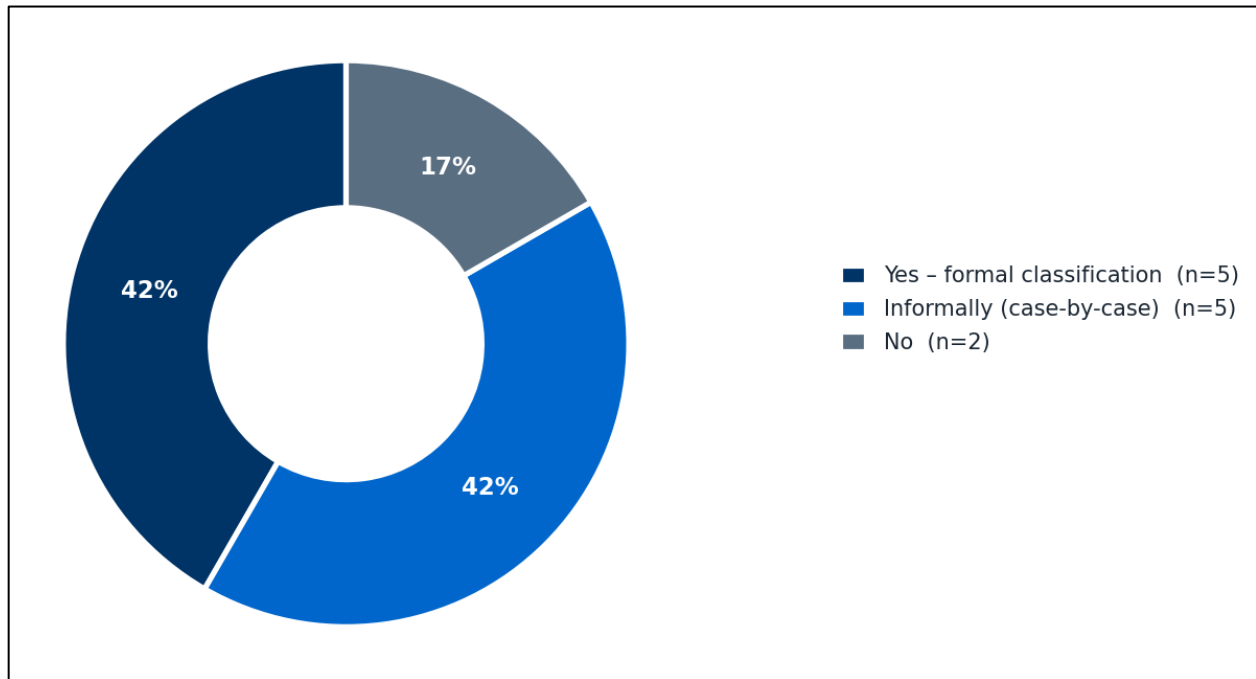


Figure 5.6 Enforcement Survey – Q6

Responses to this question indicated that only a portion of participating agencies have formalized risk classification processes for motor carrier applications specifically tied to chameleon carrier concerns. Agencies that do classify applications by risk level are better positioned to direct limited review resources toward the highest-priority cases. Those agencies that do not yet use a risk classification approach may be reviewing all applications with uniform intensity, potentially missing patterns that would otherwise trigger closer scrutiny. Expanding the use of risk-based classification across more agencies could improve detection rates while maintaining processing efficiency.

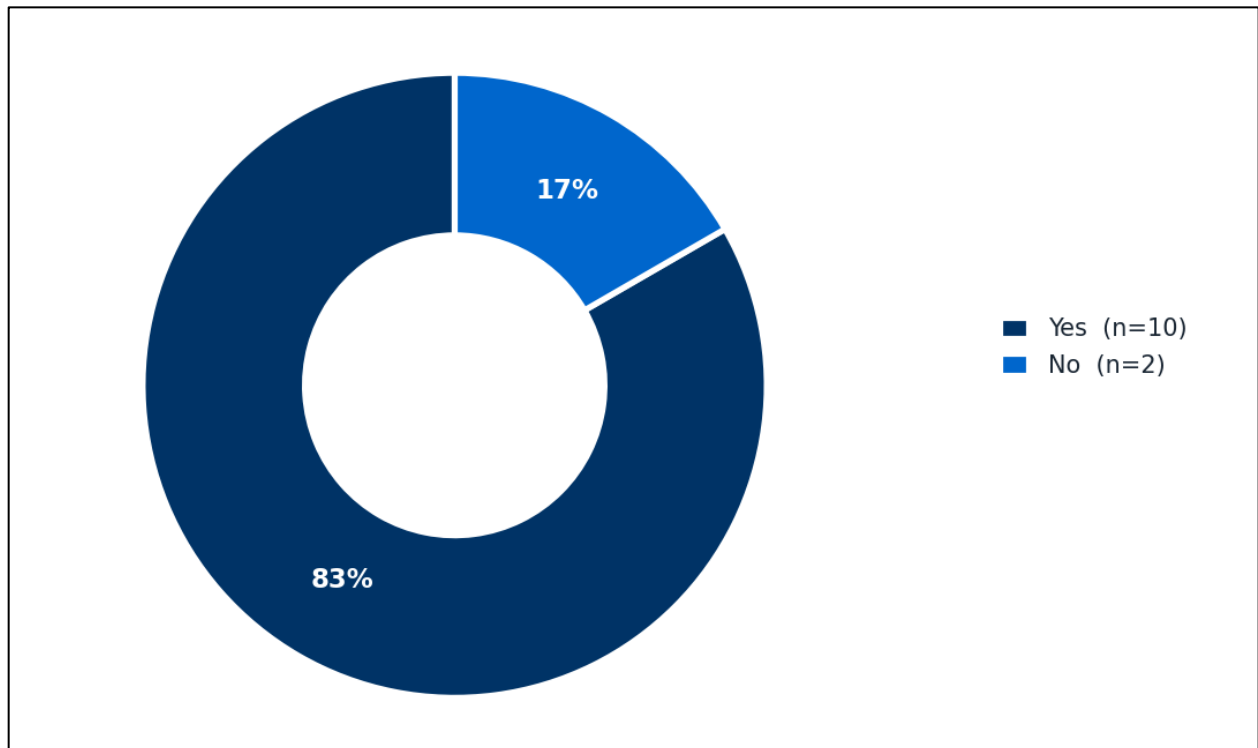


Figure 5.7 Enforcement Survey – Q7

Several agencies reported using defined factors to elevate applications for additional scrutiny, though the practice is not yet universal across all survey participants. The use of defined flagging criteria promotes consistency in how applications are reviewed and helps ensure that reviewers are applying a common standard when identifying potential risk indicators. Agencies without defined criteria may be relying more heavily on individual reviewer judgment, which can introduce variability and increase the likelihood that warning signs are overlooked. Formalizing flagging criteria — even in a lightweight, checklist-based format — is a relatively accessible step that agencies without such systems could consider implementing.

Q8 | Which factors most commonly elevate a carrier application to higher risk? (Select all that apply)?

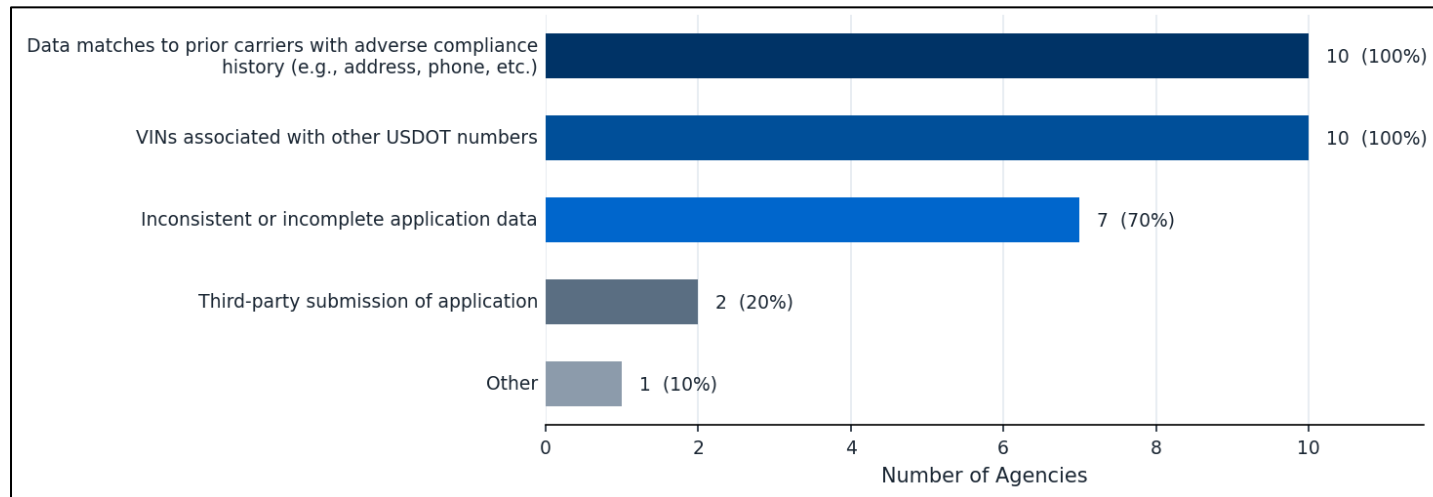


Figure 5.8 Enforcement Survey – Q8

** Other responses include (1) Intrastate out-of-service order issued*

From the 12 survey respondents, 10 provided a response to this question as shown in Figure 5.8. Among agencies that use defined risk factors, the most frequently cited elevation criteria involve connections to previously revoked or denied carriers, including shared addresses, vehicle identification numbers (VINs), and owner or officer names. Other commonly cited factors include applications submitted by third parties on behalf of the carrier, incomplete application information, and inconsistencies between application information and data found in external databases. One agency also noted an intrastate out-of-service order as a triggering factor. Taken together, these factors reflect a focus on relationship indicators and data matches with previously flagged carrier misconduct as primary signals of potential chameleon carrier activity.

Q9 | Which data elements does your agency review when screening motor carrier applications for potential chameleon carrier activity? (Select all that apply)

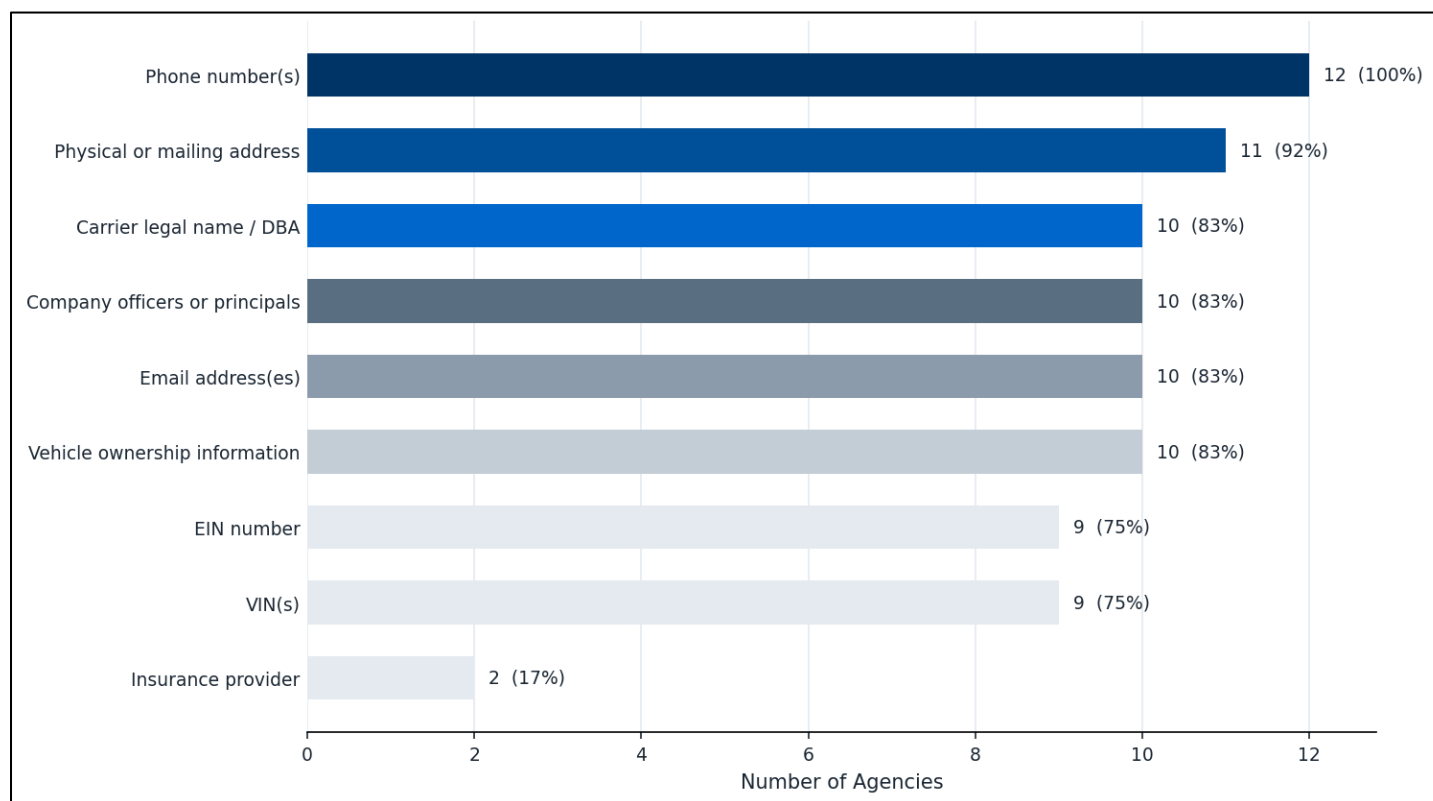


Figure 5.9 Enforcement Survey – Q9

Agencies reviewed a wide array of data elements during the application screening process, with phone numbers, addresses, and owner and officer information among the most examined. Many agencies also cross-referenced VINs, EINs, and email addresses as part of their review. The breadth of data elements reviewed reflects an understanding that chameleon carrier relationships are often revealed not by a single red flag but by patterns of shared identifiers across multiple fields. Agencies that review a broader set of data elements are generally better positioned to identify indirect associations that might not be apparent from any single data point.

Q10 | Please rate the level of importance for each factor when evaluating motor carrier applicants for potential chameleon carrier activity.

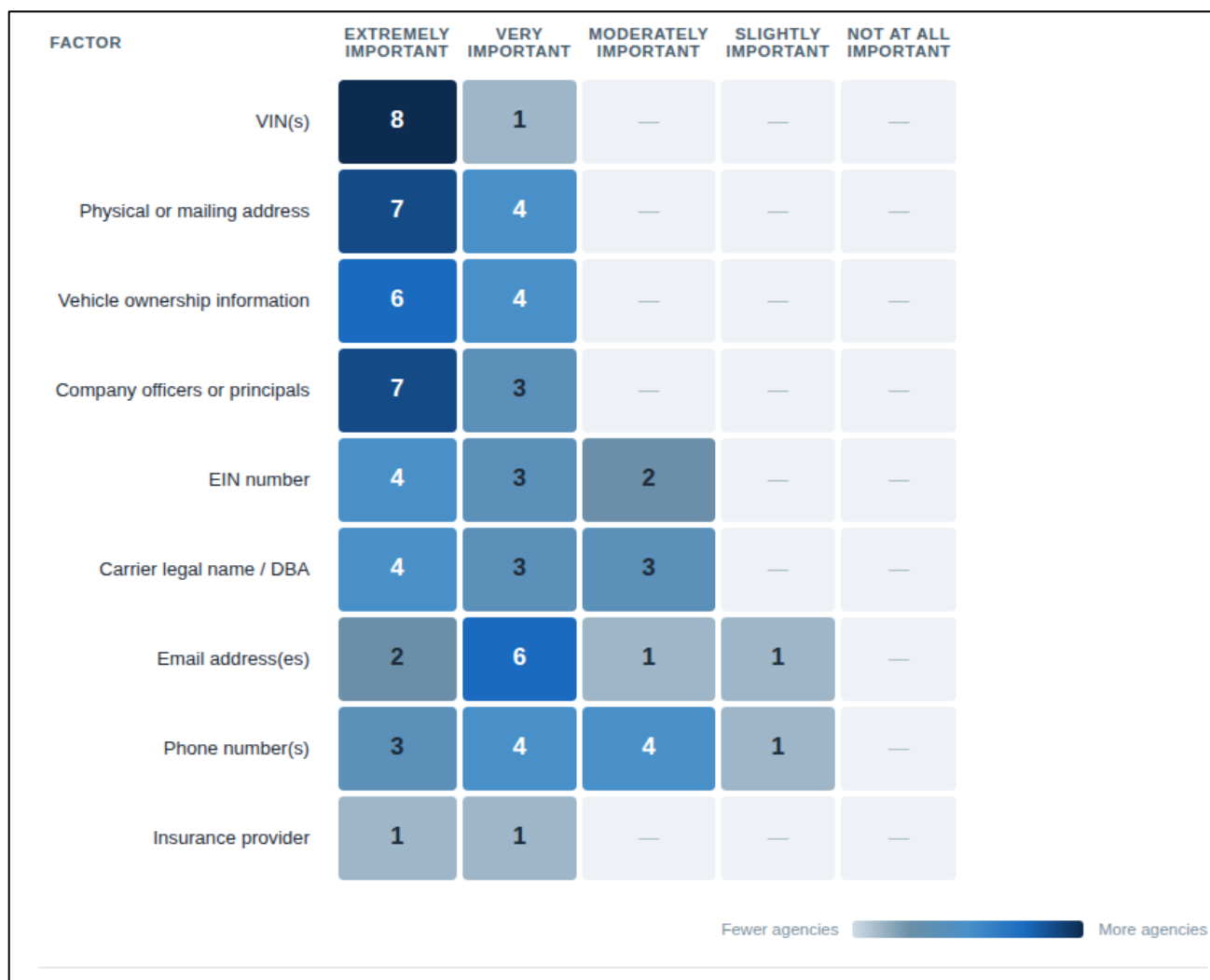


Figure 5.10 Enforcement Survey – Q10

When asked to rate the relative importance of various evaluation factors, agencies consistently ranked indicators of direct ownership or control relationships — such as vehicle owners, shared officers or principals and VINs — as the most critical. The identification of an identical physical or mailing address was also critical. The use of EIN numbers, carrier legal name, email addresses, and phone numbers received moderate-to-high importance ratings across respondents. These ratings reinforce the importance of cross-referencing applicant data against prior enforcement records and related entity information as foundational elements of any chameleon carrier detection protocol.

Q11 | Which systems or databases does your agency use to screen motor carrier applications? (Select all that apply)

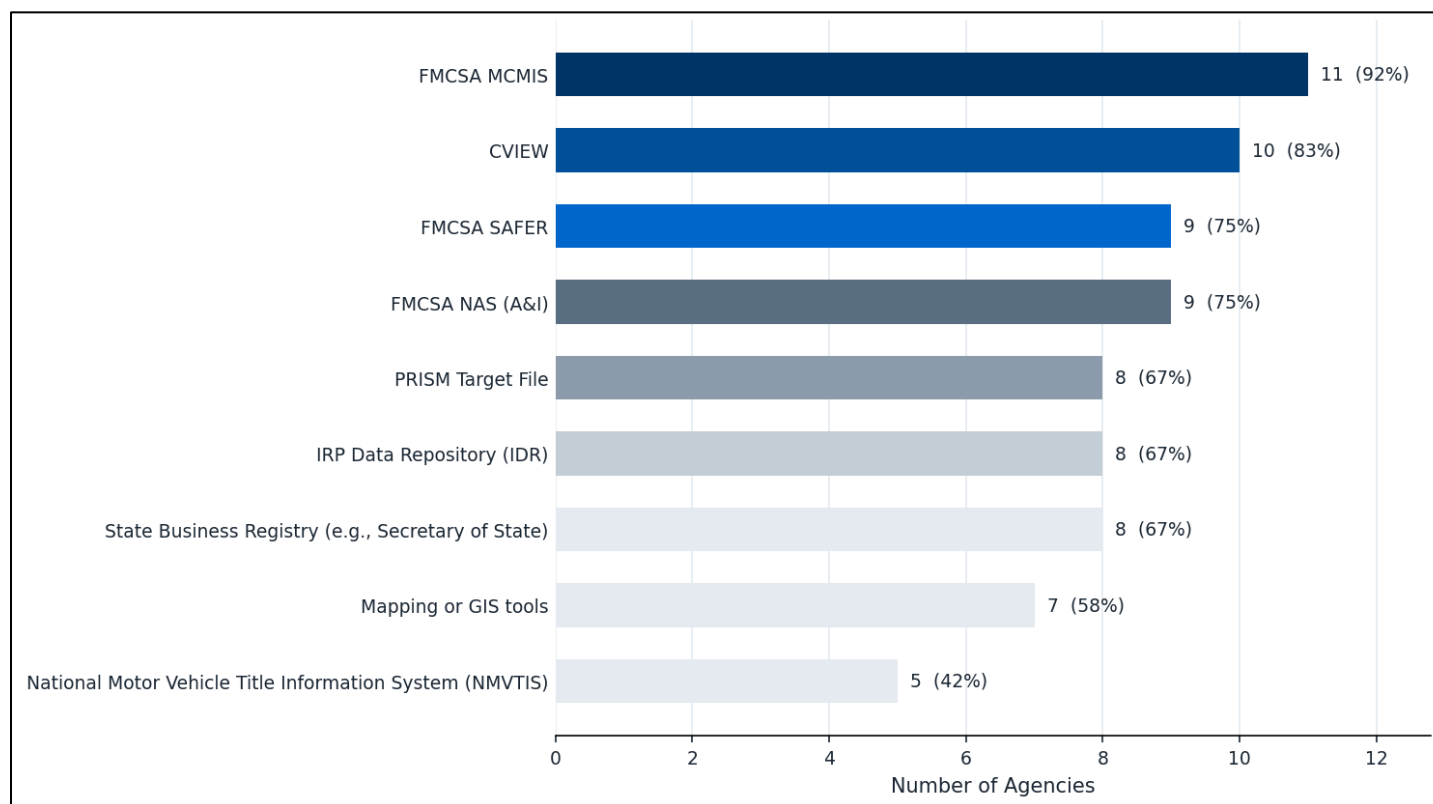


Figure 5.11 Enforcement Survey – Q11

Agencies drew on a combination of federal, state, and third-party IT systems when screening motor carrier applications, with FMCSA's MCMIS, SAFER, and the A&I (Analysis & Information) portal among the most widely used federal resources. State-level systems — including internal CVIEWs and Secretary of State business registries — were also frequently employed. Agencies also relied heavily on third-party organizational databases such as the IRP Data Repository (IDR) and GIS platforms for screening their motor carrier applications. The use of multiple, overlapping systems reflects the reality that no single database contains all the information needed to comprehensively assess an applicant's risk profile. Agencies with

access to a broader portfolio of systems are generally better equipped to identify the cross-system patterns that characterize chameleon carrier activity.

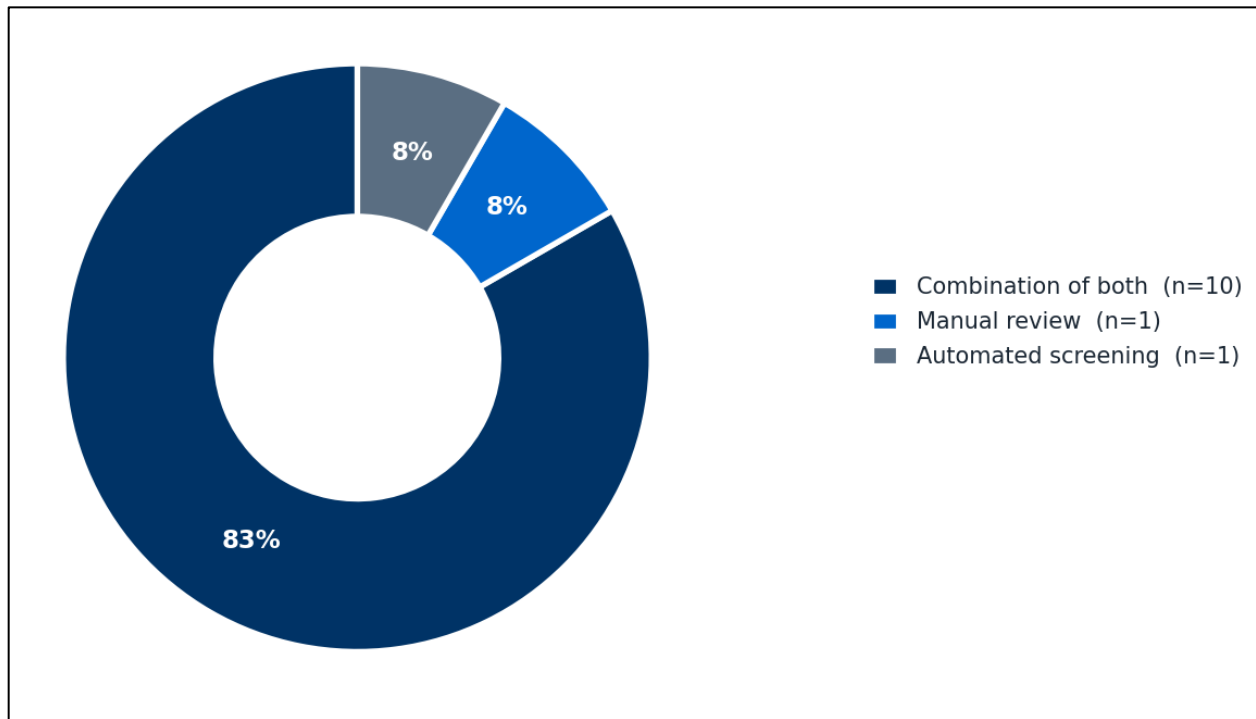


Figure 5.12 Enforcement Survey – Q12

Among agencies that utilize screening systems, the predominant usage pattern is combining both manual reviews with automated screening procedures for reviewing motor carrier applications. A single agency reported exclusive use of manual reviews for their procedures, while another agency relied extensively on automated screening. Manual query processes, while effective when consistently applied, can be resource-intensive and may result in inconsistent screening depending on workload pressures. Greater integration of automated query triggers within the application processing workflow could improve the consistency and efficiency of screening across agencies.

Q13 | Does your agency screen VINs to determine whether any commercial motor vehicles have been associated with another USDOT number?

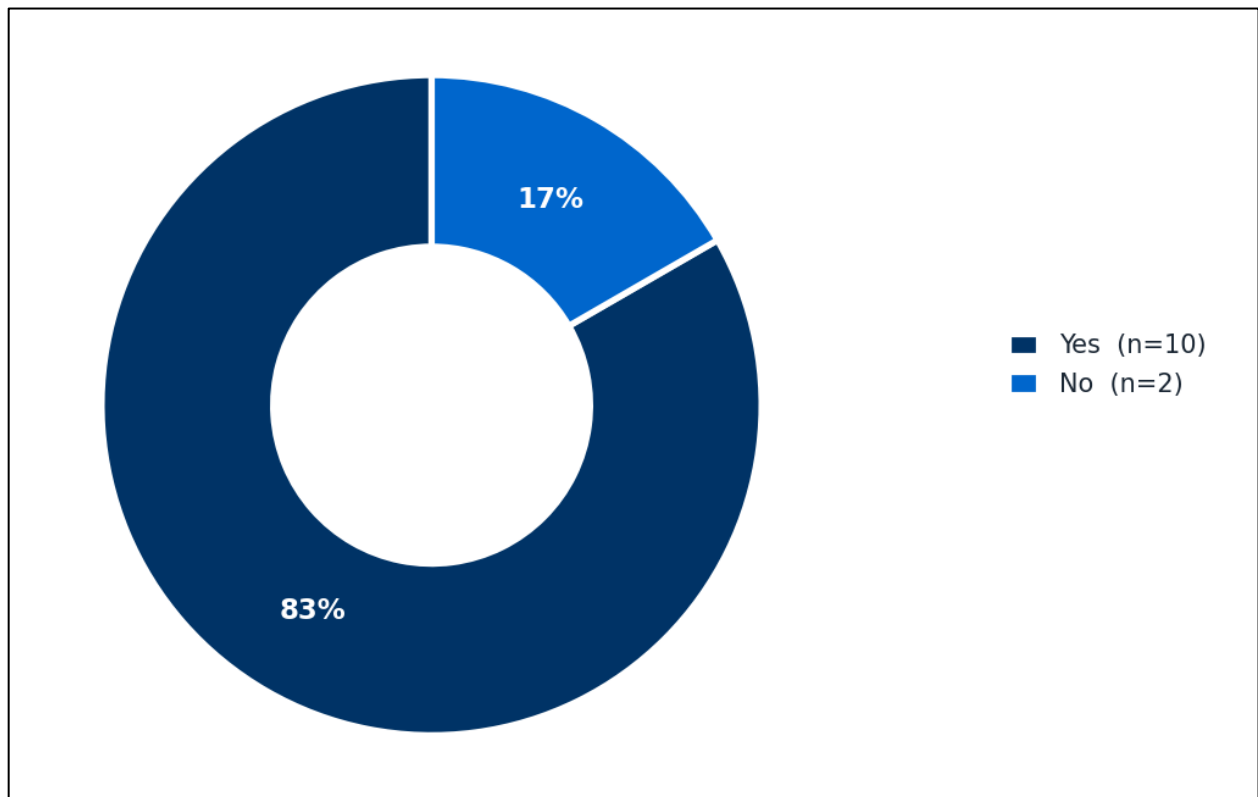


Figure 5.13 Enforcement Survey – Q13

VIN screening to identify associations with prior USDOT numbers is a practice employed by most participating agencies, though not all respondents reported doing so. The ability to trace vehicle histories across multiple carrier registrations is one of the most direct methods for detecting chameleon carrier activity, as vehicles frequently migrate from one entity to another as part of the restructuring scheme. Agencies that do not currently screen VINs for USDOT associations may be missing one of the most reliable signals available at the application stage. Expanding VIN screening to all credentialing offices would represent a meaningful, targeted improvement in detection capability.

Q14 | Which systems or databases does your agency use to screen VINs for motor carrier applications? (Select all that apply)

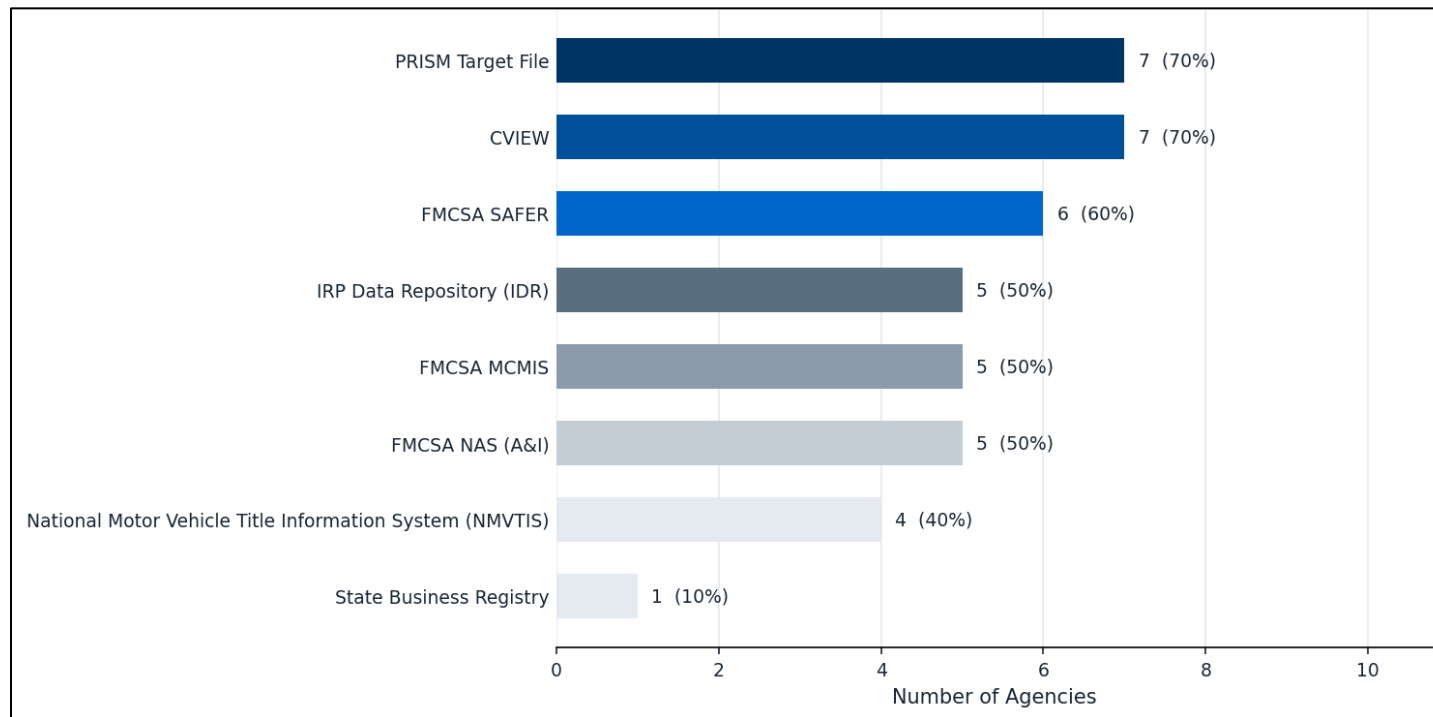


Figure 5.14 Enforcement Survey – Q14

For those agencies that screen applications against VINs (10 affirmative based on Q13), those agencies most commonly rely on FMCSA's PRISM target file and CVIEW, both of which provide vehicle history information linked to USDOT registration records. Some agencies also reference the IRP Data Repository (IDR) and various FMCSA systems (e.g., SAFER, MCMIS, A&I) as useful in identifying vehicle histories. The reliance on a specific set of IT systems for VIN screening — compared to the broader array of systems used for general application review — suggests that VIN screening is a relatively focused activity with a defined toolset. Ensuring that staff are trained and authorized to use these tools consistently is important for maintaining the effectiveness of this screening layer.

Q15 | Does your agency perform any steps to verify the physical address provided on applications?

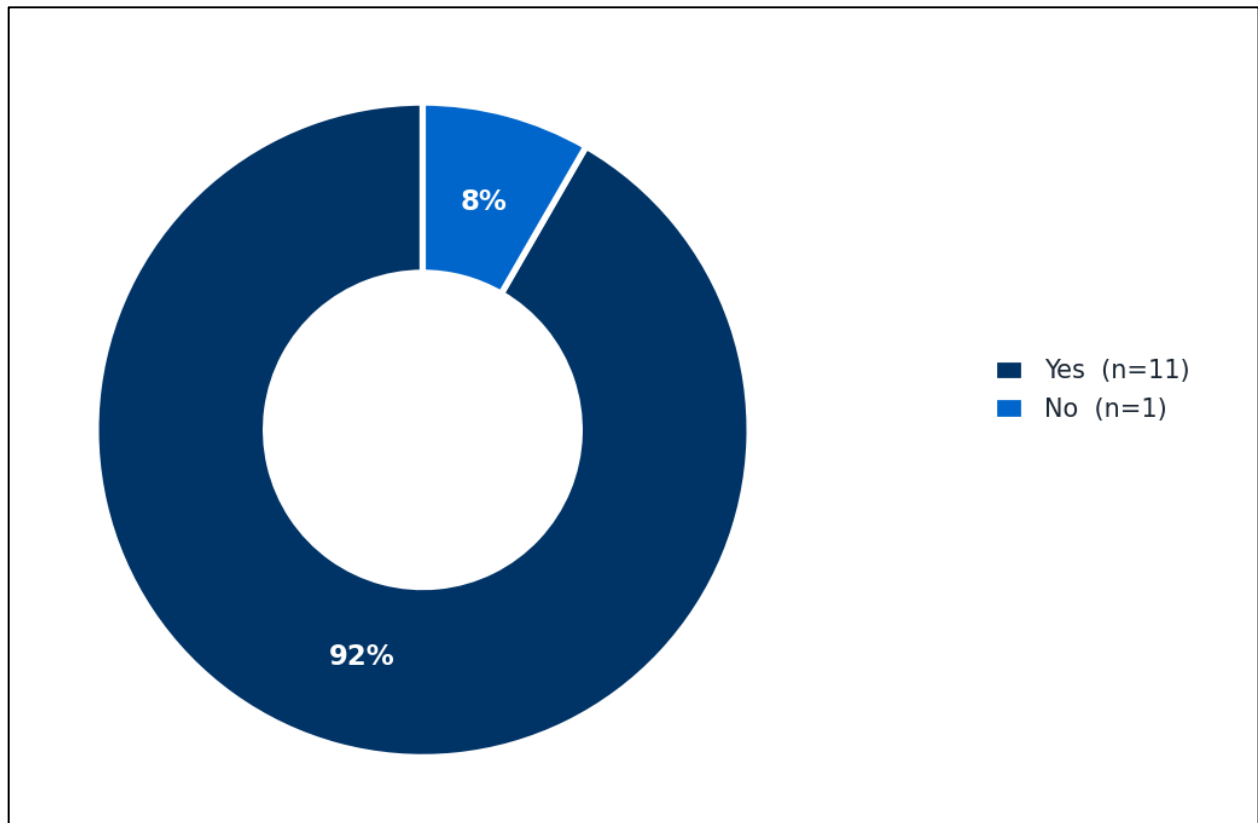


Figure 5.15 Enforcement Survey – Q15

Physical address verification is conducted by a majority of participating agencies, reflecting recognition that fictitious or misrepresented addresses are a common element of chameleon carrier applications. Address verification serves as an important validation layer because a carrier's stated business location may be inconsistent with public records or with the addresses associated with previously revoked entities. Agencies that systematically verify addresses — particularly for flagged applications — are better positioned to identify shell operations or addresses that have been reused across multiple carrier identities.

Q16 | Which tools does your agency use to perform physical address verification on applications? (Select all that apply)

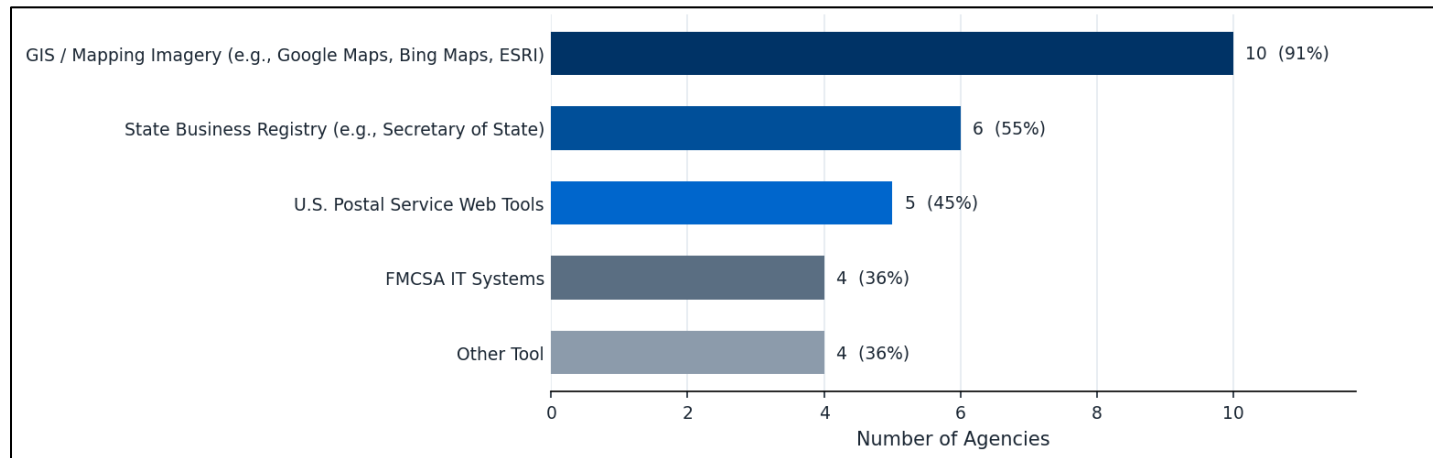


Figure 5.16 Enforcement Survey – Q16

Among the 11 agencies that verify physical addresses (see Q15), the most frequently cited address verification tools include publicly available online mapping services (such as Google Maps and Bing Maps) and Secretary of State business registry databases. Several agencies reported using the U.S. Postal Services address verification tool. The prevalence of publicly available tools for address verification suggests that effective screening does not necessarily require access to specialized or proprietary systems, though consistent application of these tools across all flagged applications is important. Supplementing online verification with periodic field visits for high-risk applications adds an additional layer of assurance that cannot be replicated through electronic means alone.

Q17 | Does your agency require or allow identification of an agent / representative when an application is submitted on behalf of a motor carrier?

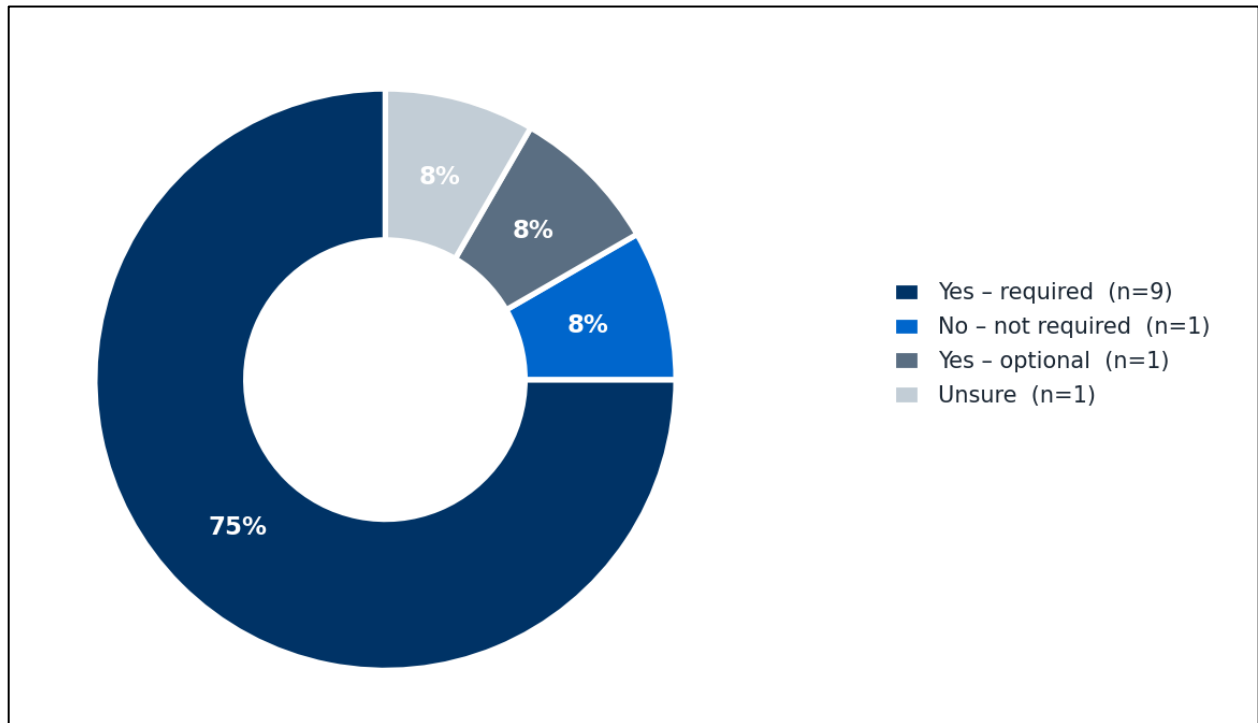


Figure 5.17 Enforcement Survey – Q17

Most participating agencies reported either requiring or allowing the identification of an agent or representative when an application is submitted by a third party on behalf of a motor carrier. The one respondent listing “unsure” on their response later clarified this response by indicating that their agency does not allow for applications to be submitted by third parties. The ability to identify the submitting party is an important element of application transparency, as third-party submissions can sometimes be used to obscure the true principals behind a carrier application. Agencies that formally track agent or representative information are better positioned to identify patterns in which the same third party is repeatedly associated with flagged or denied applications. Standardizing agent identification requirements across agencies could improve both accountability and the quality of data available for cross-agency analysis.

Q18 / Which methods does your agency use to determine whether an application was submitted by a third party? (Select all that apply)

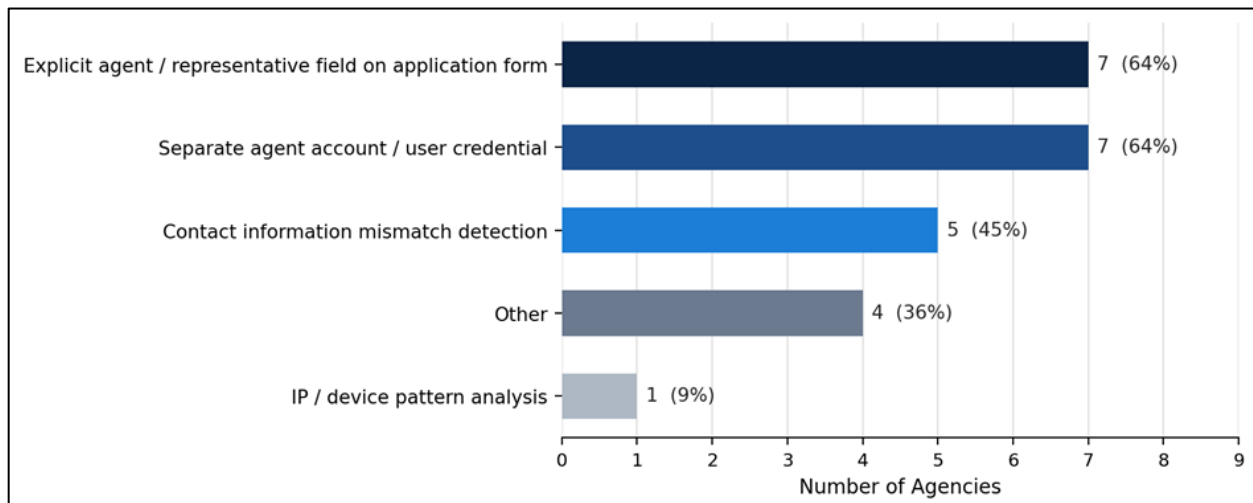


Figure 5.18 Enforcement Survey – Q18

** Other responses include (1) Power of Attorney, (2) Mandate a Service provider CBT to be taken before a third party are allowed to do it for a carrier and must have a Power of Attorney showing the carrier agrees they can do the work on behalf of the carrier, (3) Must provide notarized Power of Attorney with signatures of both parties, and (4) Do not allow applications to be submitted by third parties.*

Stemming from Q17, a total of 11 agencies responded to this question. Agencies use a variety of methods to identify third-party application submissions, and each approach reflects a different detection strategy. An explicit agent or representative field on the application form requires the carrier or submitter to affirmatively disclose the relationship. A separate agent account or user credential approach means the application is submitted through a pre-registered third-party account, making the submission source identifiable from the outset. Contact information mismatch detection relies on reviewers or automated systems identifying discrepancies — such as an email or phone number associated with a known service provider, or a listed application address that does not match the carrier's stated business address. IP and device pattern analysis is a more technically sophisticated method, using IP address data to detect cases where the same third party appears to be submitting applications on behalf of multiple different carriers. Several agencies also reported using and/or requiring additional items such as Powers of Attorney or notarized agreements. One respondent indicated their agency does not allow third party submissions for carrier applications.

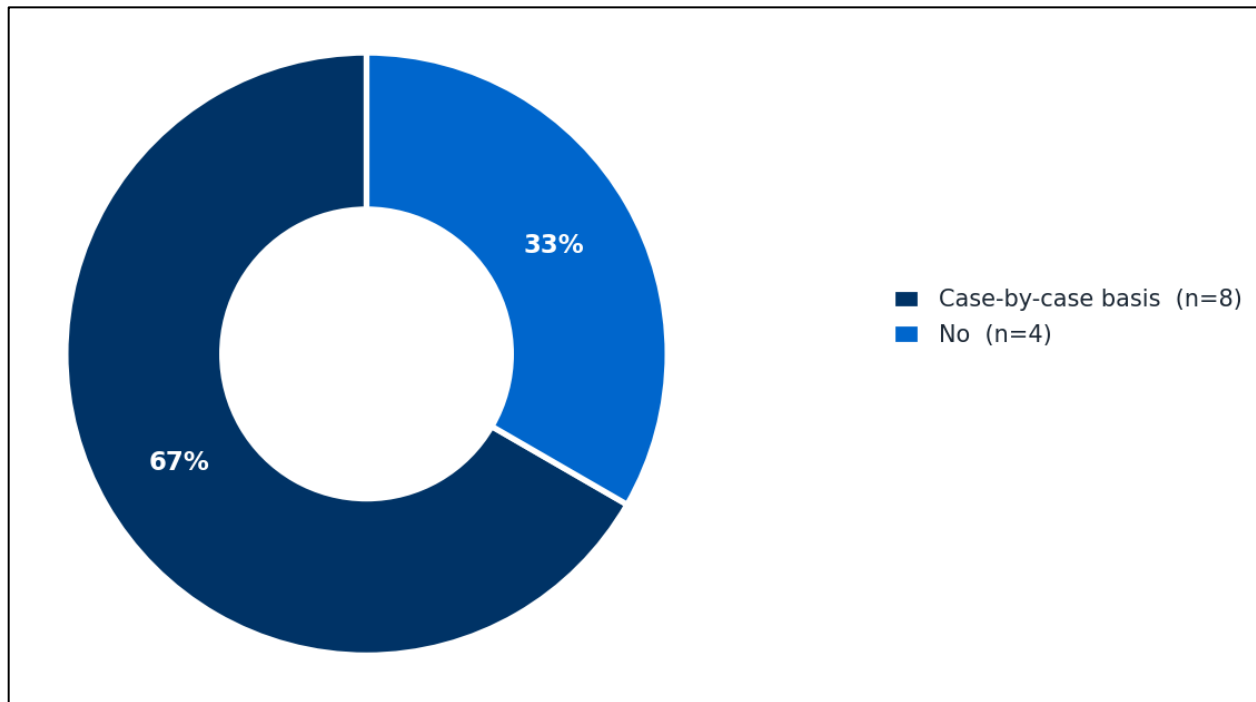


Figure 5.19 Enforcement Survey – Q19

Responses to this question were mixed, with some agencies indicating that identified third-party submissions may be treated as higher risk while others reported applying no elevated scrutiny based on third-party involvement alone. The distinction likely reflects differences in each agency's experience with third-party submission patterns and the extent to which agent-submitted applications have historically been associated with problematic carriers in their jurisdiction. Considering third-party submissions as a potential risk indicator — or at least as one factor contributing to elevated risk — could help agencies more systematically direct review resources toward applications with greater potential for chameleon carrier involvement.

Q20 | Does your agency attempt to identify whether a family member or associate of a previously revoked or denied carrier is acting as a proxy applicant?

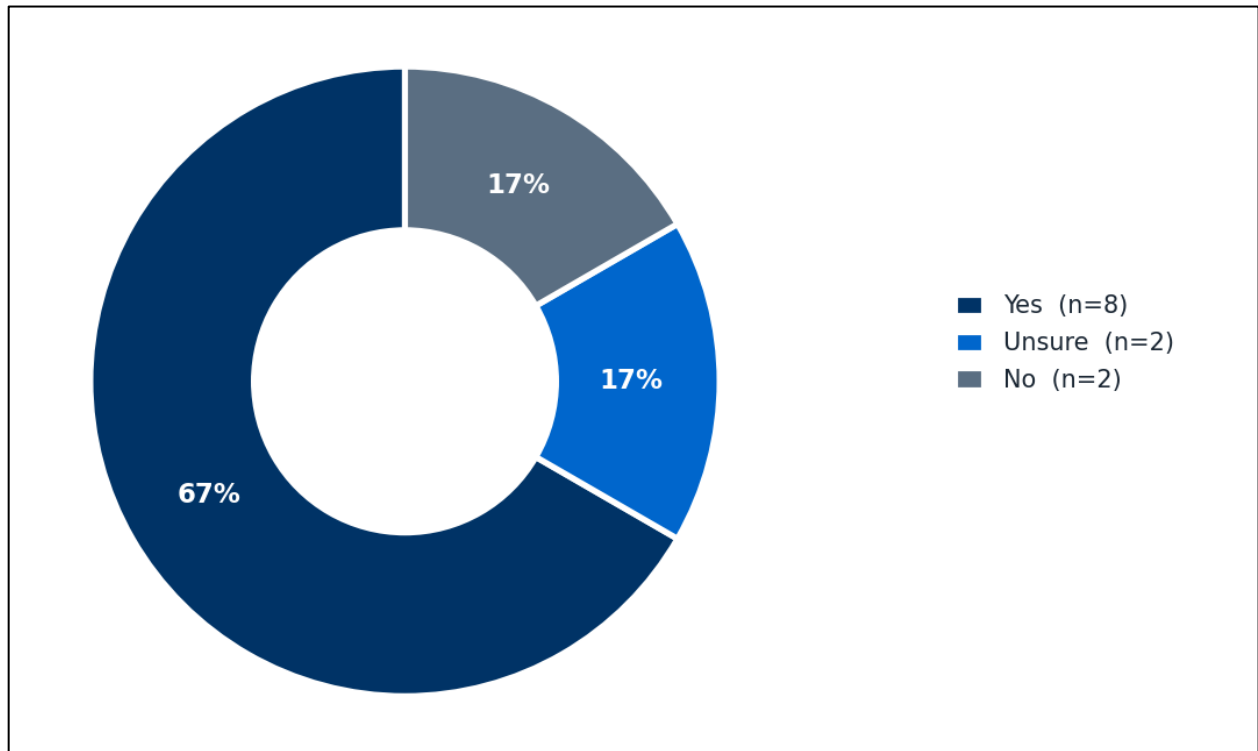


Figure 5.20 Enforcement Survey – Q20

A majority of participating agencies reported making at least some effort to identify proxy applicants — individuals applying on behalf of, or as stand-ins for, a previously revoked or denied carrier. This screening effort typically involves cross-referencing names, addresses, and other identifying information against records associated with prior enforcement actions. The challenge of proxy identification is significant, as relationships such as familial connections or informal business associations may not be reflected in standard application fields or publicly available databases. Agencies that actively pursue proxy identification through the use of law enforcement resources and investigative techniques are better equipped to address one of the most difficult dimensions of chameleon carrier detection.

Table 5.2 Enforcement Survey – Q21

Respondent	Response
Agency 1	Cross checking VINs against previous companies.
Agency 2	Utilize our OSS.
Agency 3	Look at the names and addresses being submitted.
Agency 4	Review kinship via name, various accounts vehicle may be listed under, address, property owner, and vehicle owner.
Agency 5	Examine the documents submitted with the application and systems like MCMIS and NAS to see if there are common elements.
Agency 6	Use our federal systems to identify known affiliations, compare physical locations, phone numbers, Query Central, A&I, MCMIS, and voice-to-voice interviews. Send a law enforcement officer to conduct a site visit.
Agency 7	May perform a host of steps including (1) review application information; (2) cross-reference regulatory databases; (3) identify shared identifiers or patterns; (4) evaluate ownership and control relationships; (5) assess operational continuity across common vehicles, drivers, insurance providers, and/or locations; (6) request supporting documentation such as lease agreements and/or bills of sale; and (7) conduct compliance review or investigation, as needed.

Agency responses describing proxy applicant identification steps revealed a spectrum of sophistication and resource intensity. At a baseline level, most agencies conduct cross-referencing of names, VINs, and addresses against records associated with previously revoked or denied carriers, using a combination of federal databases (such as MCMIS, A&I, NAS, and Query Central) and state-level systems. More advanced approaches involve evaluating ownership and control relationships; assessing operational continuity through shared vehicles, drivers, insurance providers, and physical locations; and requesting supporting documentation such as lease agreements or bills of sale. Several agencies also reported using direct investigative techniques including voice-to-voice interviews and on-site visits conducted by law enforcement officers. The variation in described practices highlights both the complexity of proxy identification and the significant capacity differences across agencies.

Q22 | When an application is flagged for potential chameleon carrier activity, what steps typically follow? (Select all that apply)

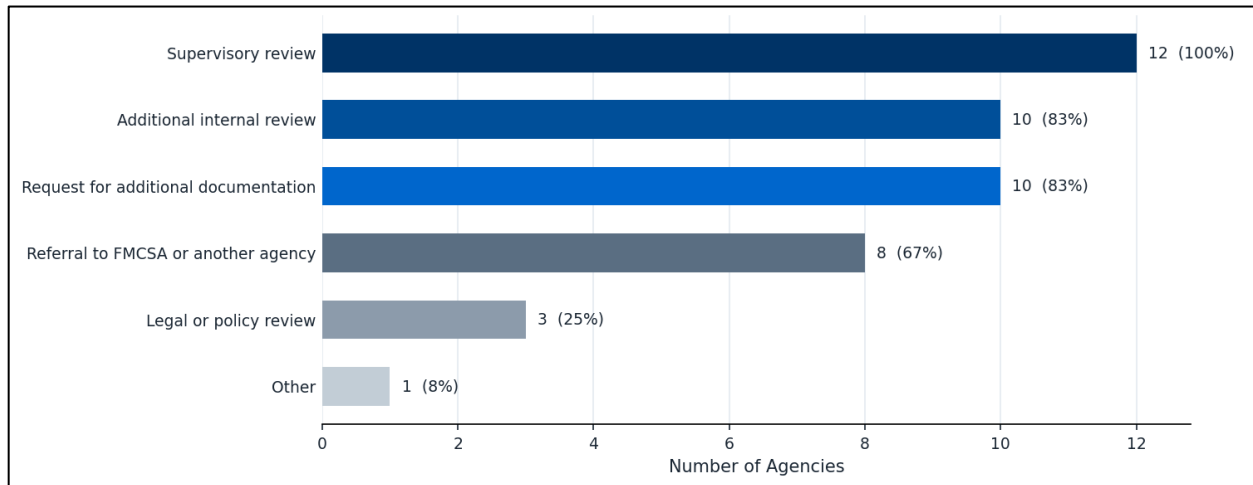


Figure 5.21 Enforcement Survey – Q22

** Other responses include (1) Refer to other state agency for additional review and/or punitive actions.*

Once an application is flagged, agencies generally follow a multi-step review process that begins with additional reviews by a supervisor or other agency officials. Common follow-on steps include requesting additional documentation from the applicant and/or referring the case to FMCSA or other support agency officials. These external agency reviews reflect the multi-jurisdictional nature of motor carrier enforcement.

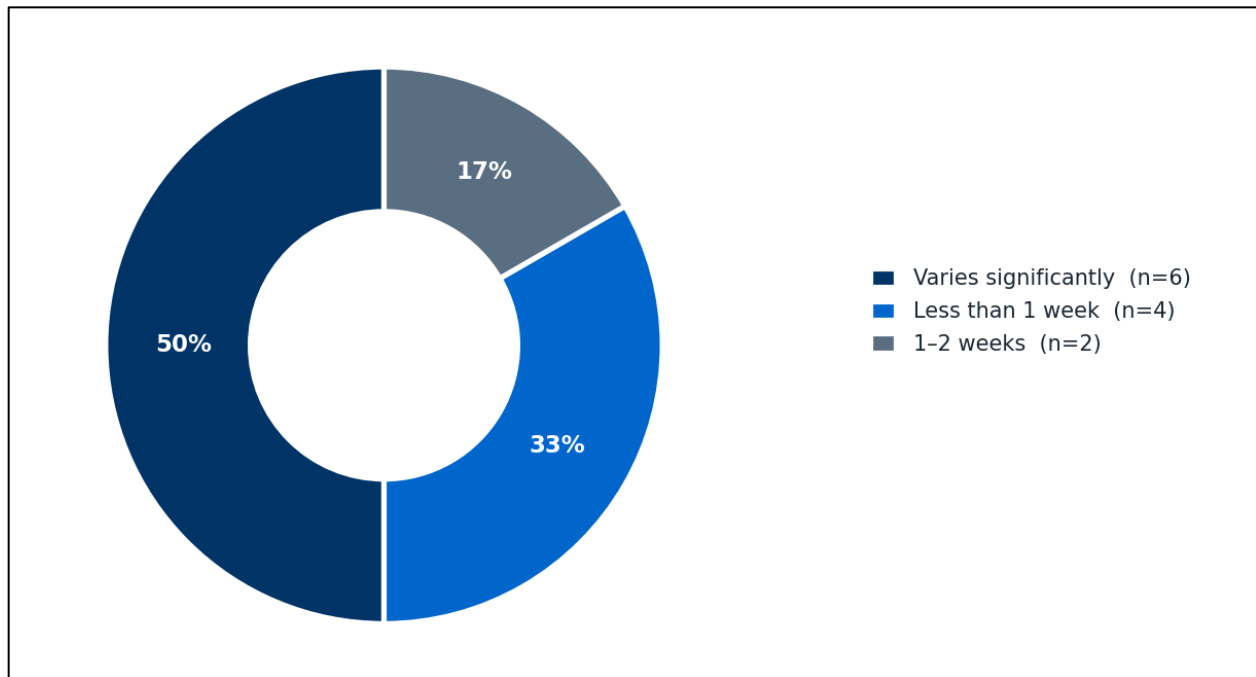


Figure 5.22 Enforcement Survey – Q23

The time required to move from flagging an application to reaching a formal decision varies considerably across participating agencies, reflecting differences in caseload, available staff resources, and the complexity of individual cases. Some agencies reported being able to resolve straightforward flagged cases within a matter of days, while more complex investigations — particularly those requiring additional document requests or reviews — can take weeks or longer. The variability in processing times suggests that agencies with more defined workflows and dedicated review staff may play a role in reaching decisions more efficiently. Establishing internal benchmarks or tiered review timelines based on case complexity could help agencies manage flagged applications more consistently.

Q24 | Under what circumstances does your agency refer cases to FMCSA or law enforcement partners? (Select all that apply)

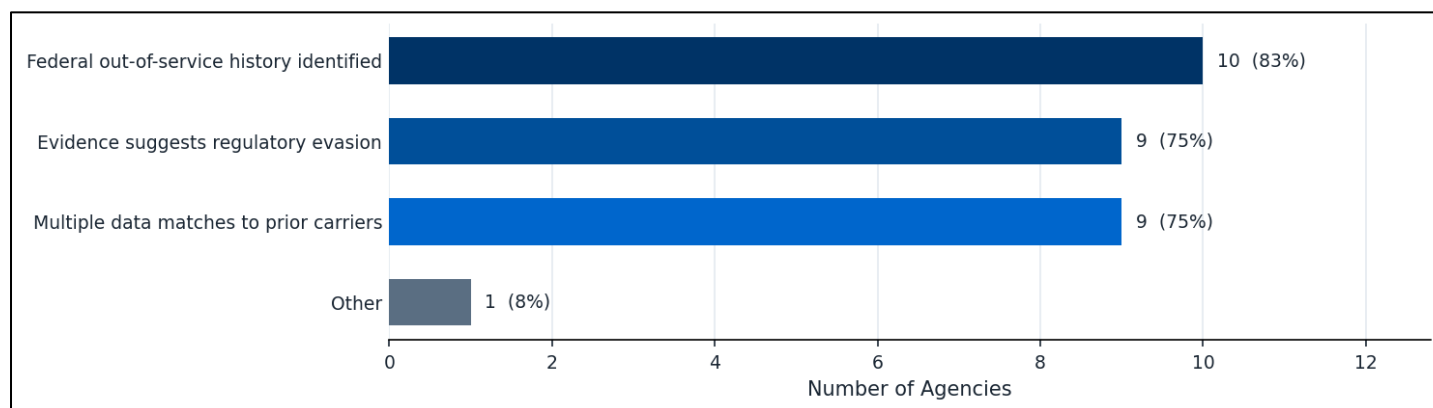


Figure 5.23 Enforcement Survey – Q24

** Other responses include (1) Our roadside inspectors access the FMCSA portal and conduct a VIN check in Query Central on the CMV they are inspecting. These results will show every motor carrier authority associated with that vehicle over the last two years. In addition, inspectors have access to our state’s tax records and may conduct queries on carrier’s tax history. The tax authority should match with the carrier’s USDOT history (i.e., Motor Carrier Responsible for Safety) to demonstrate its validity.*

Referrals to FMCSA or law enforcement partners most commonly occur when an agency has gathered sufficient evidence of intentional fraud. Common referral triggers include confirmed connections to previously revoked entities through out-of-service-orders, evidence of falsified documentation indicating evasion, and patterns of data matches (e.g., vehicle transfers) to past carriers following enforcement actions. One agency provided a detailed note describing how roadside inspectors use FMCSA portal queries and state tax records to cross-validate carrier identities during field inspections, effectively extending chameleon detection into the enforcement environment. The referral process is an important escalation mechanism, though variation in referral thresholds across agencies may affect the consistency with which cases are elevated to federal or law enforcement partners.

Q25 | What information is typically shared during referrals? (Select all that apply)

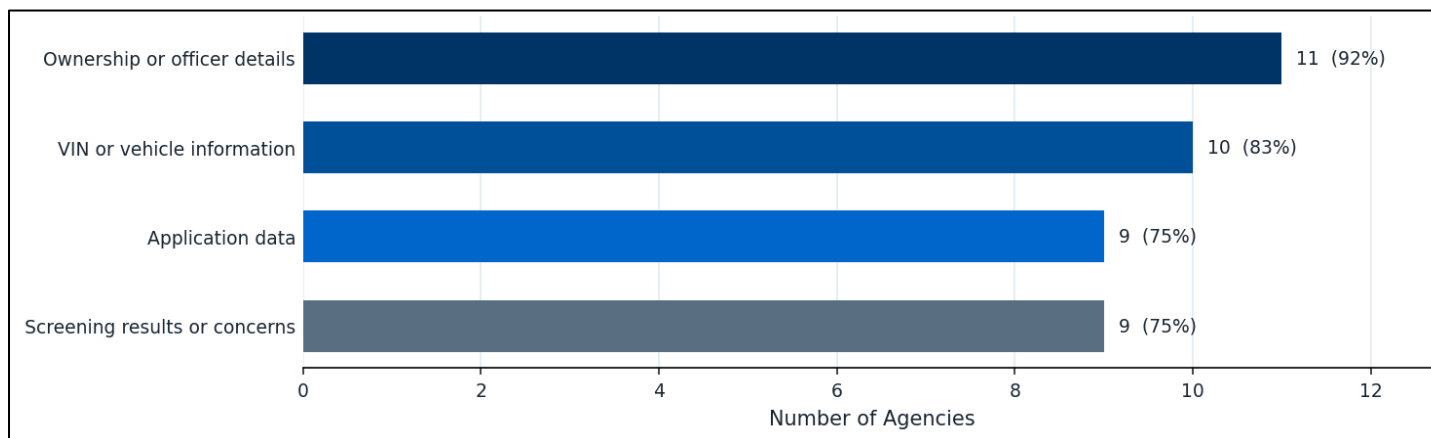


Figure 5.24 Enforcement Survey – Q25

When referring cases to FMCSA or law enforcement, agencies most commonly share application details surrounding ownership and VINs associated with the application. Agency officials will also provide other supplemental concerns or application data fields of interest with their FMCSA and/or law enforcement partners when deemed relevant to the case. The quality and completeness of referral packages is important because it directly affects the ability of receiving agencies or law enforcement to act on the referral in a timely and effective manner.

Q26 | What administrative actions has your agency taken in response to suspected chameleon carrier activity? (Select all that apply)

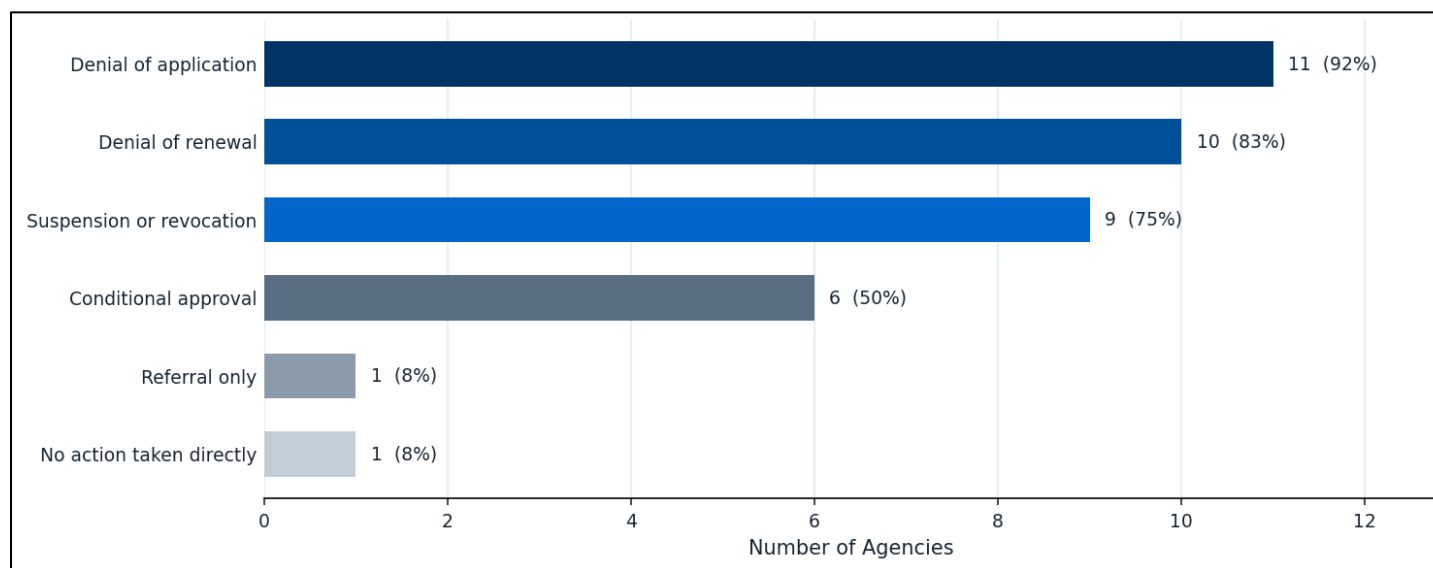


Figure 5.25 Enforcement Survey – Q26

Agencies reported taking a range of administrative actions in response to suspected chameleon carrier activity, with denial of new applications and revocation of existing credentials among the most common responses. Some agencies also reported suspending or revoking existing accounts or assigning conditional approvals on applications when deemed appropriate. One agency indicated it would only refer these cases, presumably to FMCSA officials, for follow on review, while another agency indicated it would not take any direct action on this matter alone. The range of actions can reflect a multiple of factors including the available authority of each agency, the strength of evidence developed in individual cases, and each agency’s interpretation of existing agreements (i.e., IRP, IFTA) on their decision to more rigorously pursue suspected chameleon carrier activity.

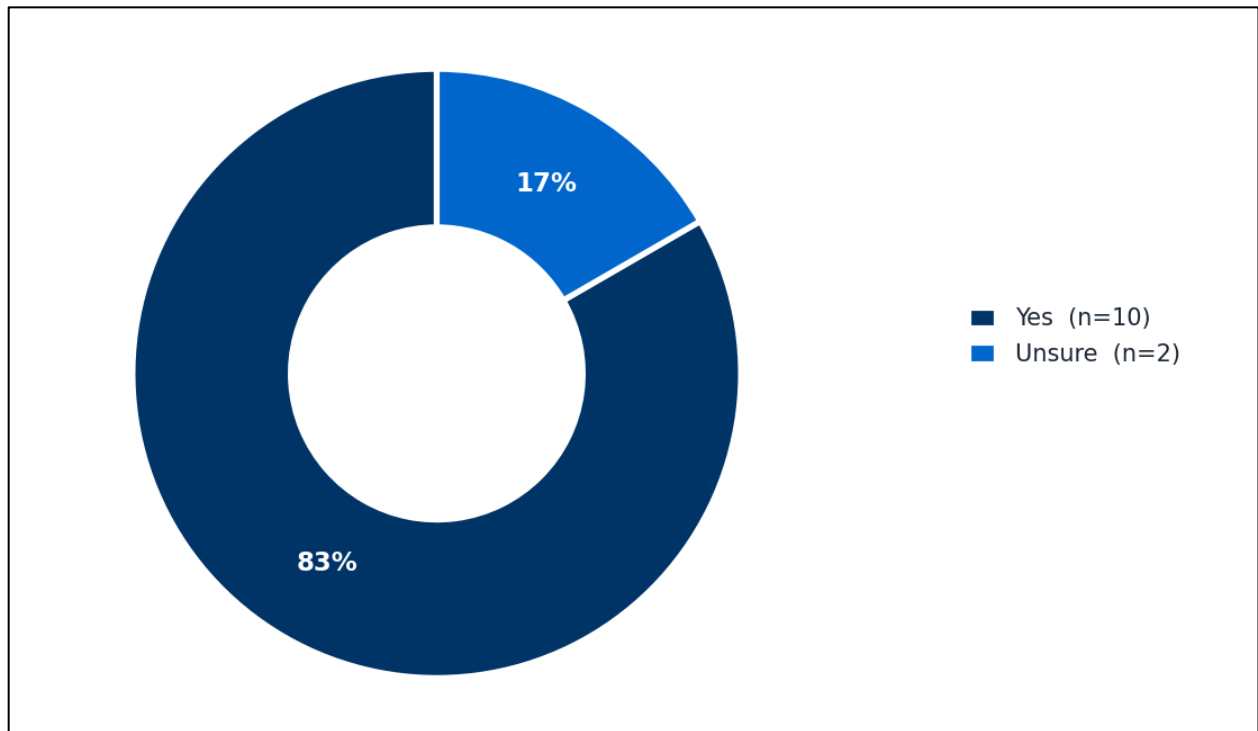


Figure 5.26 Enforcement Survey – Q27

The majority of participating agencies reported following PRISM (Performance and Registration Information Systems Management) or similar guidance frameworks when taking administrative action against motor carriers. PRISM provides a structured, federally recognized framework for linking safety performance to registration and credentialing decisions, which helps ensure that administrative actions are grounded in consistent, defensible criteria. Agencies that follow PRISM guidance benefit from alignment with federal safety priorities and a more standardized approach to enforcement that is recognized across jurisdictions. Agencies that do not currently reference PRISM or a similar framework may wish to consider how such guidance could provide additional structure and defensibility to their administrative action processes.

Q28 | What challenges limit your agency's ability to detect or respond to chameleon carriers? (Select all that apply)

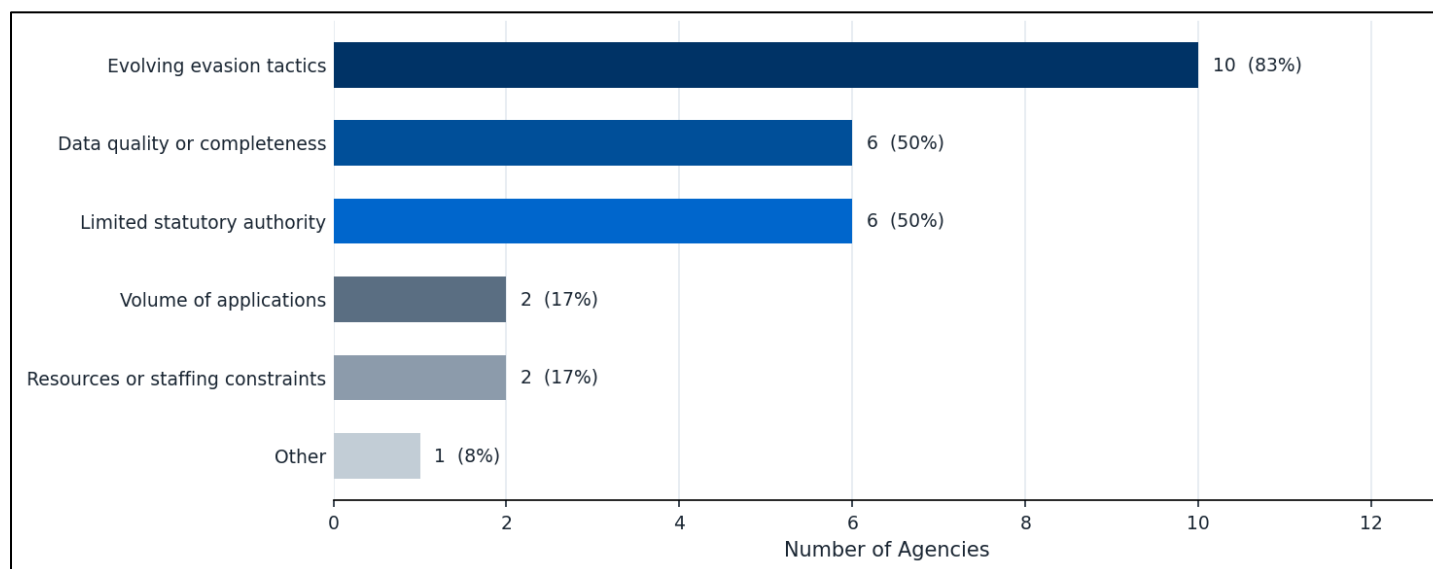


Figure 5.27 Enforcement Survey – Q28

** Other responses include (1) FMCSA and supporting state agencies review our identified chameleon carrier case files and indicate there is no adverse action while the carrier continues to change USDOT numbers and/or move its vehicles from one USDOT number to another. In most cases, the USDOT number the carrier is moving away from will either become out-of-service or inactive which creates additional issues. Typically, the ownership remains the same between the USDOT numbers but with a new point of contact listed for the new account.*

Agencies identified a consistent set of structural and operational challenges that limit their capacity to effectively detect and respond to chameleon carrier activity. The most frequently cited barriers include fraudulent carrier evolving and changing their evasion tactics, challenges in the completeness or accuracy of available data for their reviews, and potential gaps or limitations in statutory authority for enforcement actions. Some agencies also cite shortfalls in resources and staffing coupled with a high number of motor carrier applications as particularly difficult. The level of complexity and multi-jurisdictional nature of this issue continues to present significant challenges in effective identification and enforcement against chameleon carriers.

Q29 / What practices or tools have been most effective for your agency in addressing suspected chameleon carriers?

Table 5.3 Enforcement Survey – Q29

Respondent	Response
Agency 1	We do a lot of verifications with all available websites but am open to other ways to better address a chameleon carrier or even how to spot one more efficiently.
Agency 2	Inquiries from FMCSA.
Agency 3	Following the PRISM and e-screening messages.
Agency 4	Relying on the various databases and resources, including law enforcement for assistance.
Agency 5	PRISM, CVIEW and IDR.
Agency 6	Built-in screening, FMCSA (NAS).
Agency 7	Using federal databases, including MCMIS and A&I to obtain additional applicant information.
Agency 8	Reviewing IFTA demographics, IRP, CVIEW, SOS, FMCSA, PRISM.
Agency 9	Our agency has several measures to address this issue. First, we monitor PRISM carriers and registrations. PRISM integration is the most direct tool for preventing revoked or out-of-service carriers from re-entering operations under new identities. Checking USDOT numbers against PRISM status during registration or renewal prevents vehicles from being registered to carriers attempting to re-enter operations under new identities. Second, we perform cross-system matching to compare identifiers across multiple data sources (e.g., CVIEW, SAFER, IRP, IFTA, weight-mile tax, over-dimension permits, etc.). Staff use these tools to identify possible chameleon carriers when processing applications. Third, we perform a vehicle and asset continuity analysis and check for vehicle or fleet transfers under the carrier. Fourth, we actively coordinate with our enforcement and investigation partners. Fifth, we may request additional documentation from the carrier in order to verify the ownership which commonly include: articles of incorporation or business registration filings, operating agreements or ownership structure documentation, lease agreements, bills of sale for vehicles, proof of insurance, and federal EIN documentation or IRS-issued verification letters.

Across agencies, PRISM integration and proactive monitoring of PRISM carrier status emerged as the most consistently cited effective practice for preventing re-entry by revoked operators under new identities.

Federal database tools — particularly MCMIS, A&I, SAFER, and NAS — and third-party information (e.g., IRP) were referenced as foundational resources for cross-referencing applicant information and identifying potential matches against prior enforcement history. Two agencies touted the importance and value of partnering with law enforcement as an important method for deploying a comprehensive identification and response strategy.

Q30 | Are there legislative, policy, or system changes that would improve your agency's ability to address this issue?

Table 5.4 Enforcement Survey – Q30

Respondent	Response
Agency 1	Unsure what changes would be needed but would like to know what other agencies are doing to suggest updates to systems or policies/legislation.
Agency 2	Working on passing legislative language that would significantly penalize motor carriers that alter or utilize fraudulent documents.
Agency 3	FMCSA should listen to the registration side and take action versus waiting until all units are moved. Registration sees bad operators long before anyone else.
Agency 4	More robust legislation providing specific associations (such as kinship). There is nothing in current legislation that defines a 'Chameleon Carrier,' which creates challenges for enforcement.
Agency 5	None.
Agency 6	Federal oversight and follow-through would help.
Agency 7	First, a central way to identify these carrier types, report them, and determine how to move forward would be helpful. Second, there are still some key questions that need to be answered including (1) Do these flagged carriers need to be audited in their current base jurisdiction?, (2) Are these flagged carriers allowed to open another account?, and (3) What are the rules if those flagged carriers establish a new USDOT number and/or business registry?
Agency 8	Carrier reviews are conducted only at the time of registration or renewal. There exists a gap where a carrier could operate for months before the next credentialing cycle. Having a system that can generate an alert when certain events occur like rapid transfer of vehicles after enforcement actions, safety status changes, and/or inspection or enforcement events would provide additional clarity on continued operations by a sanctioned carrier. These alerts would allow staff to review cases immediately rather than waiting for a registration or renewal application to process.

Agency responses to this question revealed several recurring themes around legislative gaps, the need for stronger federal engagement, and IT system limitations. Some agencies called for more robust legislation in either defining chameleon carriers or increasing penalties associated with chameleon carrier activities. Other agencies also expressed a strong desire for FMCSA to take more decisive and timely action when chameleon activity is reported by states, rather than waiting for vehicles to transfer before acting. On the

systems side, one agency official identified the need for real-time alerting capabilities that would notify staff of significant events — such as rapid vehicle transfers, safety status changes, or enforcement actions — between credentialing cycles, rather than limiting review to registration or renewal windows. Another agency official called for a centralized reporting and tracking mechanism that would allow jurisdictions to share information about flagged carriers and receive coordinated guidance on how to proceed.

5.3 Survey Findings

This second survey effort helped identify how state agencies are both identifying and/or initiating enforcement actions against suspected chameleon carriers. The processes used in identification as well as those authorities used for enforcement differ across the pool of pilot agencies. Drawing upon the survey results, several key findings emerged including the following:

1. Most state agencies relied on a combination of state statutory or regulatory authority and the IRP reciprocal agreement to either deny/revoke credentials or a renewal application, as needed.
2. Only 42 percent of state agencies employed a risk-based approach for screening and reviewing motor carrier applications based on their probability for being a chameleon carrier with different risk factors used across agencies in their characterization approach.
3. The majority of state agencies indicated their primary detection signals for identifying suspected chameleon carriers included physical or mailing addresses (11), vehicle owners (10), company owners or officers (10), and shared VINs (9). [Numerical responses based upon survey responses assessing a factor as ‘extremely important’ or ‘very important’, as applicable.]
4. Agencies relied on a wide portfolio of federal, state, and third-party databases for screening—no single system provides a comprehensive view.
5. Most state agencies (11) attempted to verify applicant’s physical address primarily through GIS/Mapping Tools, State Business Registry, or U.S. Postal Service Web Tools.
6. Third-party application submissions are a recognized risk indicator (67%) but methods for identifying third-party submitters vary widely (e.g., form field, separate account, mismatch detection, other).
7. State agencies listed several main challenges that limit their ability to detect chameleon carriers with the most highly ranked including (a) evolving evasion tactics by applicants (10), (b) impaired data quality or completeness in databases (6), (c) limited statutory authority for enforcement (6), and (d) high carrier application volumes coupled with agency resource constraints (2).
8. State agencies cited integration with FMCSA’s PRISM IT architecture along with other databases (CVIEW, IDR) as most effective for their enforcement practices.

9. Respondents listed several major challenges in addressing chameleon carrier issue including (a) the need for more robust legislation on definitions and penalties, (b) concerns on FMCSA's reaction times to flagged carriers upon notification, and (c) more timely alerts on significant changes (vehicle transfers, safety status changes, inspections) between renewal periods.

5.4 Limitations in Evaluating State Enforcement Actions

The original work plan for this study also called for a comparison of enforcement activity across the study's pilot states, using FMCSA-coordinated data to evaluate the known number of chameleon carrier violations against their associated enforcement actions in each state. The intent was to identify which states achieved the most effective enforcement outcomes relative to chameleon carrier frequency, and to assess how each state's policies, regulations, and statutes may have contributed to those outcomes. In coordinating with FMCSA to scope this analysis, the research team learned that FMCSA does not centrally aggregate or track submitted chameleon carrier cases by individual state, nor does it maintain a consolidated record of follow-on confirmations — such as those resulting from the record consolidation order process — that would allow submitted cases to be validated and compared across states.¹⁰¹ Without a consistent, centrally available dataset of this kind, a cross-state comparison of enforcement effectiveness could not be constructed with the rigor this analysis would require. Given this constraint, the research team determined that this original research task was not feasible to complete as originally scoped and did not pursue it further. This finding is instructive and suggests that a standardized, multi-state tracking mechanism for chameleon carrier cases and their resolution does not yet exist at the federal level, a gap that may be worth addressing in future research or coordination efforts.

Chapter 6 Kentucky Financial and Safety Impacts

6.1 CVIEW-Flagged Chameleon Carrier Population

The financial and safety analyses presented in this chapter are grounded in a dataset of motor carriers identified as suspected chameleon carriers by KYTC through its CVIEW system. Within CVIEW, a carrier is assigned a flag when internal screening criteria indicate that the carrier may be engaging in chameleon carrier behavior — that is, when patterns in the carrier's registration history, ownership structure, or credentialing activity suggest that the carrier may have shed a prior identity to evade regulatory enforcement actions, outstanding penalties, or safety oversight obligations. It is important to note that a flag does not constitute a confirmed determination that a carrier is a chameleon carrier; rather, it represents a designation of suspicion based on available administrative data and warrants further investigation.

The process by which KYTC staff identify and flag suspected chameleon carriers involves both automated system checks and hands-on investigative research. When a carrier requests a credential, CVIEW automatically performs a series of checks drawing on IRP filing records, IFTA demographic and filing data, and information sourced from FMCSA, among other inputs. If no issues are detected, the carrier may proceed with the credentialing request. However, if any credential check returns a failure or surfaces a notable association — such as a link to a prior carrier account with unresolved violations or penalties — the carrier is directed to contact the appropriate state or federal agency before proceeding.

Beyond these automated system checks, KYTC staff are trained to exercise investigative judgment when they observe patterns suggesting shared identity across carrier entities. Staff examine a range of indicators, including common addresses, overlapping vehicle registrations, and shared ownership structures, cross-referencing information across multiple systems and sources. These include the Kentucky Automated Vehicle Information System (KAVIS) for vehicle registration records, local Property Valuation Administrator (PVA) offices for property ownership data, CVIEW, and the FMCSA Portal for carrier and driver authority records, including inspection records. Staff also consult Secretary of State filings in the relevant state of registration, conduct general web searches, and review carrier social media activity, which has proven to be a productive source of corroborating information. Applicable statutes, regulations, and reciprocal agreements provide the enforcement foundation for staff actions, and KYTC staff annotate case notes directly within CVIEW and on applicable carrier accounts to support continuity and coordinated enforcement across the agency.

The flagged carrier dataset provided by KYTC served as the foundational input for all analyses conducted under this chapter. Using this dataset in combination with supplementary data from the Federal Motor Carrier Safety Administration (FMCSA) and KYTC's own revenue records, the research team assessed both the financial implications of suspected chameleon carrier activity — in terms of unpaid taxes, fees, and penalties — and the safety risks posed by these carriers as evidenced by their inspection, citation, and crash histories. This section describes the data sources used, the preparation steps applied to each dataset, and the overview statistics that characterize the flagged carrier population prior to the more targeted analyses that follow.

6.2 Data Sources and Preparation

KTC researchers collected and evaluated research data to support this effort through both KYTC and FMCSA sources. The three primary data sources used to support the analyses included flagged chameleon carrier data (KYTC), carrier population data (FMCSA), and Road Fund revenue data (KYTC). Additional details on the data types, their characteristics, and usage are described below.

Flagged Chameleon Carrier Data

KYTC provided the core dataset that contained records for all carriers flagged as suspected chameleon carriers within CVIEW during the study period. The dataset included the following fields for each flagged record: USDOT number, company name, doing-business-as (DBA) name, state of registration, and the date on which the flag was assigned. The state field identifies the state in which the carrier is registered, and the date field records when the flag was entered into CVIEW. This dataset spans calendar years 2020 through 2025 and forms the basis for all carrier-level identification and filtering described in this chapter.

FMCSA Analysis and Information (A&I) Carrier Population Data

To contextualize the flagged carrier counts relative to the broader carrier population, the research team obtained annual carrier population data from the FMCSA's Analysis and Information Online portal (A&I Online), accessible at <https://ai.fmcsa.dot.gov/AI>. Separate datasets were downloaded for the national carrier population and the Kentucky-specific carrier population. Each dataset contains a monthly snapshot of the total number of active registered carriers for interstate, intrastate hazardous materials, or intrastate non-hazardous carriers across all operational categories (e.g., for hire, private, other).¹⁰² A December snapshot is used as the annual reference count for each calendar year spanning 2019 through 2025. These population totals served as the denominators in the percentage-based comparisons presented in this section.

Road Fund Revenue Data

KYTC compiled and shared their annual revenue collection data for key carrier-related tax and fee programs — including the International Fuel Tax Agreement (IFTA), the Kentucky Weight Distance Tax (KYU), the International Registration Plan (IRP), and the Unified Carrier Registration (UCR) program — that covered Kentucky fiscal years 2020 through 2025.¹⁰³ These revenue totals will be used later in this chapter to estimate the financial impact of chameleon carrier activity in terms of potential lost revenue to the Commonwealth.

Datasets

Prior to analysis, the research team applied several preparatory steps to the flagged chameleon carrier dataset to ensure consistency and analytical integrity. A calendar year variable was derived from the flag date field, and records falling outside the 2020–2025 study window were removed. The resulting dataset was then used to produce two filtered analytical versions, each reflecting a distinct combination of geographic scope (all states vs. Kentucky-based carriers only) and deduplication approach (unique carriers across all years vs. unique carriers by individual year). These two datasets are summarized in Table 6.1

and served as the primary inputs for the overview statistics and subsequent analyses presented in this chapter.

Table 6.1 Unique USDOT Carrier Datasets

Dataset File	Description
unique_flagged_carriers_by_year_2020–2025	Unique USDOT numbers flagged per calendar year (all states)
ky_unique_flagged_carriers_by_year_2020–2025	Unique USDOT numbers flagged per calendar year (KY-based carriers only)

For the carrier population denominators, the December snapshot values from the FMCSA A&I datasets were merged with the corresponding year's flagged carrier counts to compute annual flagging rates. Separate denominators were applied for national-scope and Kentucky-scope percentage calculations, respectively.

6.3 Flagged Carrier Statistics

The following figures characterize the CVIEW-flagged carrier population across the 2020–2025 study period, tracing the sequential steps through which the initial dataset of raw flagged records was refined into the Kentucky-focused investigation pool used in the financial and safety analyses that follow.

How many carriers were flagged in CVIEW each year, and how many were unique?

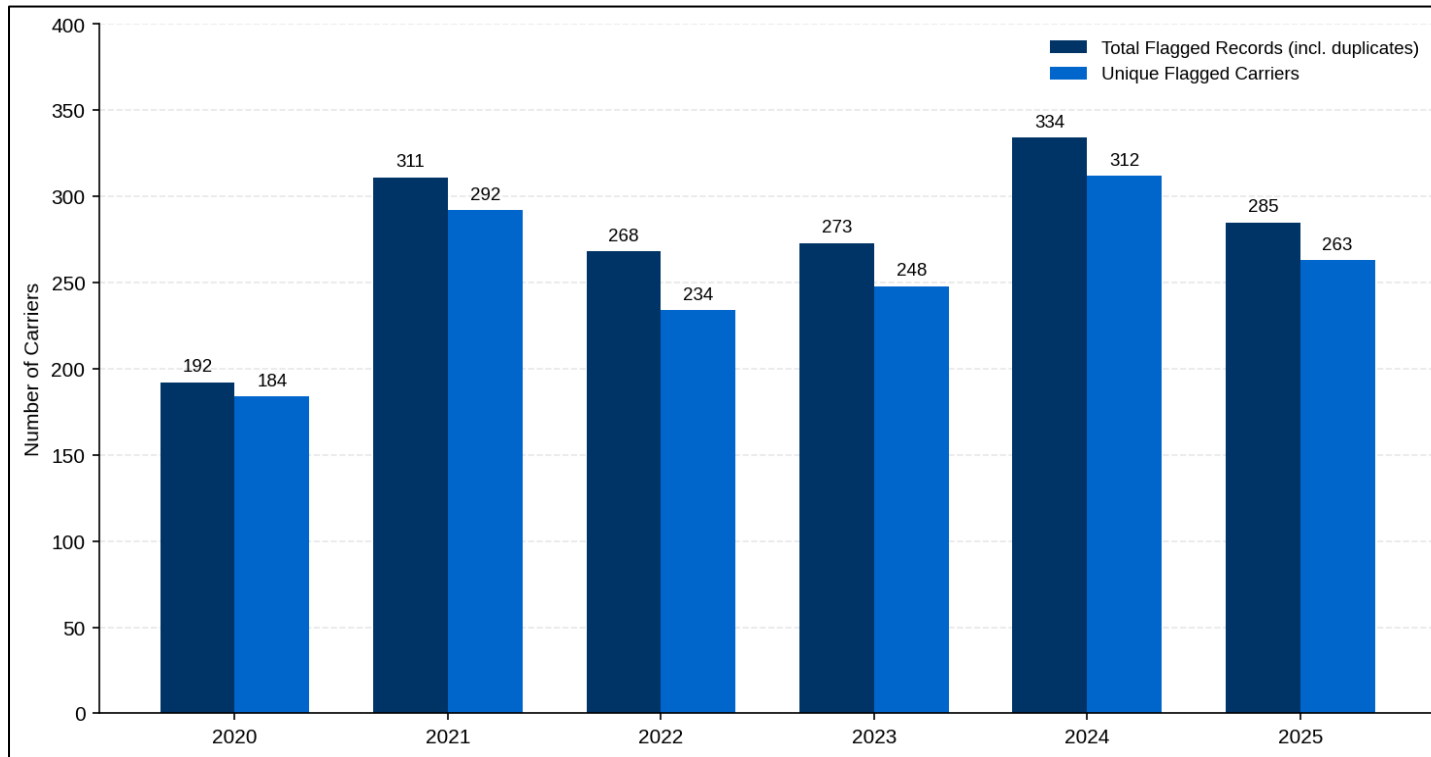


Figure 6.1 Total Flagged Versus Unique Flagged Carriers

Figure 6.1 presents the total number of carrier records flagged in KYTC's CVIEW system each year from 2020 through 2025, alongside the number of unique carriers represented within those records after removing duplicate USDOT numbers. Across the six-year period, CVIEW flagged a cumulative total of 1,663 carrier records, though a portion of those records represented the same carriers appearing in multiple years. After deduplication, the total unique carrier count across all years was 1,533, indicating that a modest share of carriers were flagged in more than one annual dataset. Flagging activity peaked in 2024 at 334 total records and 312 unique carriers.

Of the unique flagged carriers each year, how many were based in Kentucky?

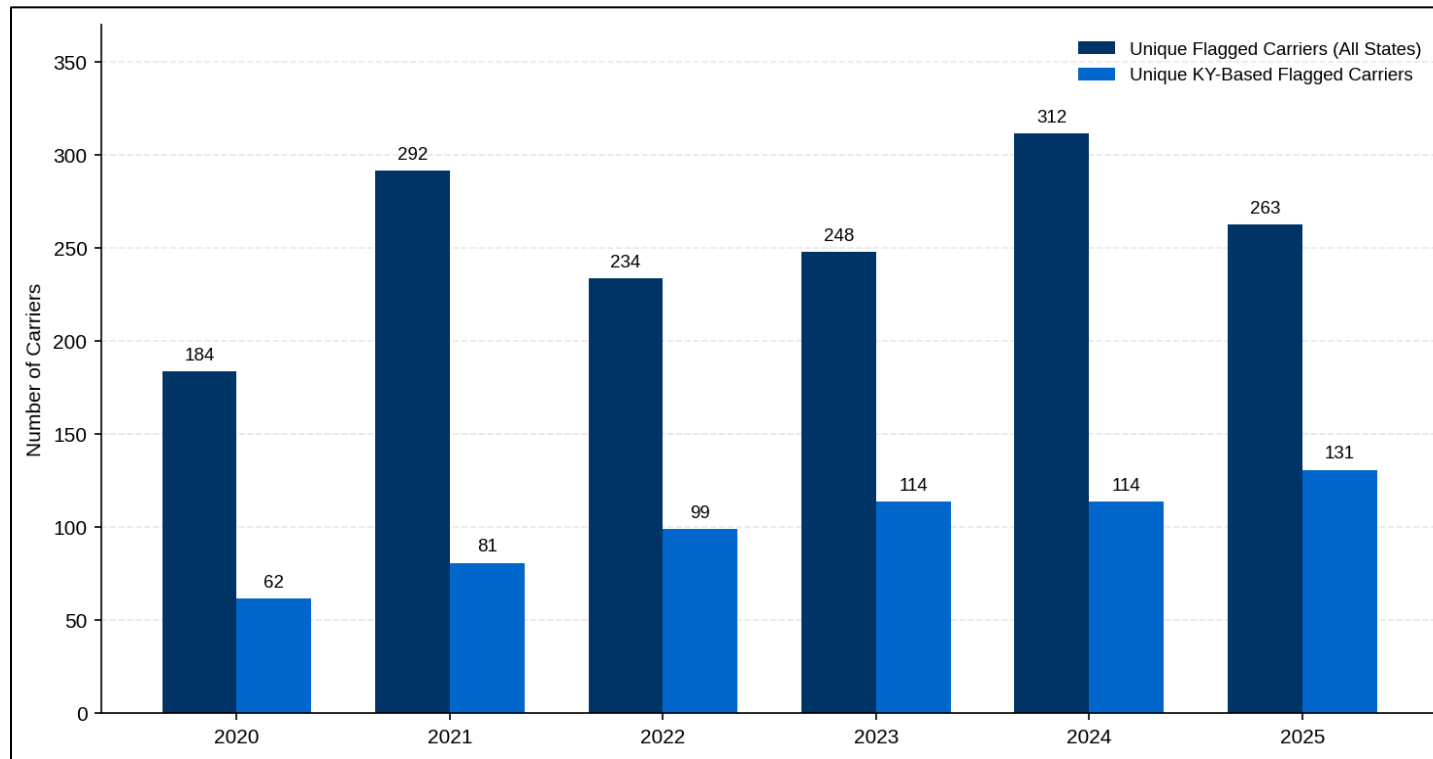


Figure 6.2 Unique Flagged (All States) Versus Unique KY-Based Flagged Carriers

Figure 6.2 disaggregates the unique flagged carrier population by carrier domicile state, comparing the broader national pool of carriers operating in Kentucky against the subset that are based in Kentucky. While CVIEW flags carriers regardless of their home state, the research team narrowed the investigation pool to Kentucky-domiciled carriers to align with the study's focus on chameleon carrier activity associated with Kentucky carrier businesses. The total number of Kentucky-domiciled carriers was 601 across the entire study period. The number of unique KY-based flagged carriers grew from 62 in 2020 to 131 in 2025, reflecting a consistent upward trend in detected activity among in-state carriers. In each year, KY-based carriers represented roughly one-third to one-half of the total unique flagged population, underscoring that a substantial share of flagged carriers were based outside Kentucky but operating within the state.

What share of Kentucky-based carriers were flagged as suspected chameleon carriers each year?

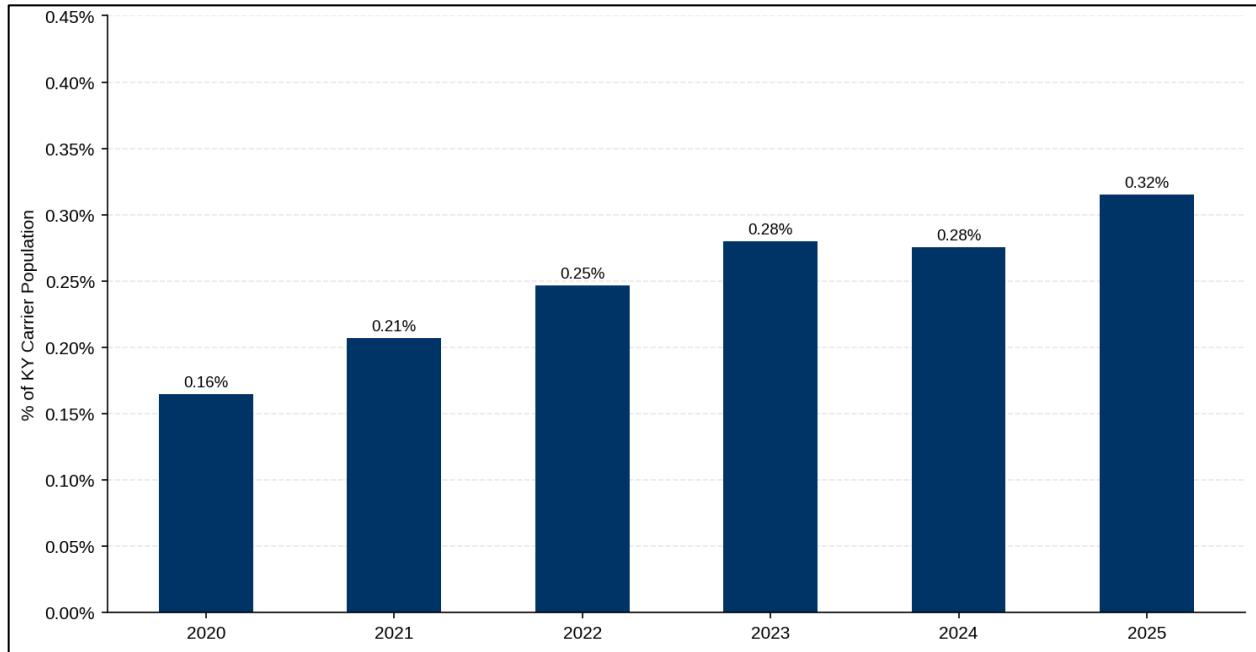


Figure 6.3 KY-Based Flagged Carriers as Percentage of KY Carrier Population

Figure 6.3 contextualizes the flagged KY-based carrier counts relative to the total registered carrier population in Kentucky each year. The percentages shown here reveal that suspected chameleon carriers remain a small but increasing fraction of the overall KY carrier population. The share rose from 0.16% in 2020 to 0.32% in 2025, effectively doubling over the study period. Although these percentages appear modest in absolute terms, the financial and safety-consequential nature of chameleon carrier activity means that even a small proportion of bad actors can generate disproportionate harm to the regulatory and transportation system. Table 6.2 shows the total Kentucky-based carrier population in relation to the suspected chameleon carriers in Kentucky.

Table 6.2 KY-Based Flagged Carriers and Total KY Carrier Population

Year	Flagged Carriers	Carrier Population	% Flagged
2020	62	37,643	0.165%
2021	81	39,149	0.207%
2022	99	40,144	0.247%
2023	114	40,719	0.280%
2024	114	41,397	0.275%
2025	131	41,564	0.315%

How did the flagged carrier population narrow from raw records to those datasets used within the financial and safety analyses, respectively?

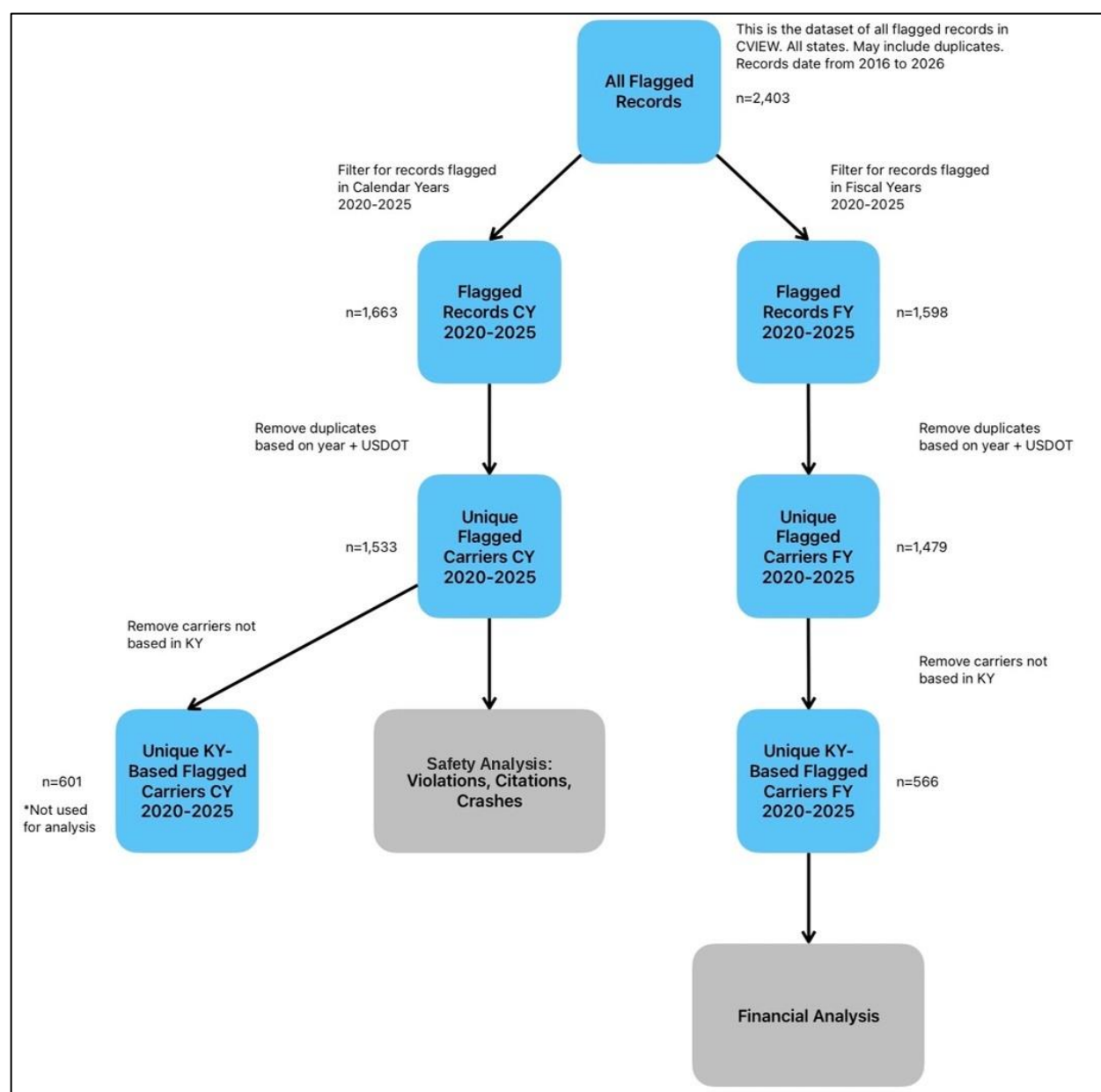


Figure 6.4 Financial and Safety Analyses Pathway for Determining Carrier Counts

Financial Analysis Pathway

As displayed in Figure 6.4, the financial analysis dataset began with the full population of CVIEW-flagged records — 2,403 records spanning 2016 through 2026, covering all states and potentially including duplicates. These records were first filtered to those flagged within fiscal years 2020–2025, yielding 1,598 records. Duplicate entries were then removed based on year and USDOT number, narrowing the dataset to 1,479 unique flagged carriers. From this unique carrier population, carriers not based in Kentucky were

removed, producing a final analytical dataset of 566 unique Kentucky-based flagged carriers for fiscal years 2020–2025. This carrier population forms the basis for the financial analysis presented later in this chapter.

Safety Analysis Pathway

The safety analysis dataset followed a parallel but distinct path, using calendar years rather than fiscal years. Starting from the same population of 2,403 total flagged records, the dataset was filtered to those flagged within calendar years 2020–2025, yielding 1,663 records. After removing duplicates based on year and USDOT number, 1,533 unique flagged carriers remained. Unlike the financial analysis pathway, the safety analysis did not require carriers to be filtered to Kentucky-based carriers alone; instead, the full set of 1,533 unique flagged carriers (calendar year basis) was carried forward into the violation, citation, and crash analyses presented in the safety sections of this chapter. The Kentucky-based subset of this calendar-year dataset ($n = 601$) was also derived for reference but was not used in the safety analyses themselves.

6.4 Financial Analysis

Introduction and Methodology

This section presents an analysis of the estimated Road Fund revenue losses attributable to suspected chameleon carrier activity in Kentucky over the six-year period from fiscal year (FY) 2020 through FY 2025. The analysis draws on the CVIEW-flagged carrier population — along with Kentucky Road Fund collection data and KYTC’s Motor Carrier Portal carrier registered users — to quantify the potential financial impact of carriers that may be evading their tax and fee obligations by cycling through new corporate registrations.

This financial analysis section has two important distinctions from the overview section. First, the financial analysis was organized around Kentucky fiscal years (July 1 through June 30) rather than calendar years. This was because the Road Fund revenue data provided by KYTC was collected and reported on a fiscal year basis. To align the flagged carrier counts and carrier population estimates with this fiscal year structure, adjustments were made to adapt the analysis around a July 1 – June 30 fiscal year model rather than the traditional January 1 – December 31 calendar model. The flagged carrier records were assigned to a fiscal year based on the month and year of the flag date — carriers flagged in July or later were assigned to the following fiscal year. The second notable distinction for deriving financial estimates involved the use of source registration data for motor carriers. Carrier population estimates for each fiscal year and program category relied on KYTC rather than FMCSA A&I registration data. In this two-step process, KYTC provided a baseline count of active registered carriers by the four major program types — KYU, IRP, IFTA, and UCR — from the KYTC Motor Carrier Portal as of July 1, 2026, providing separate counts for Kentucky-based and non-Kentucky-based carriers.

The research team used the Kentucky Weight Distance Tax (KYU) active account count as the basis for the carrier population denominator across all four programs. The KYU tax license is required for all carriers traveling on Kentucky roadways with a combined license weight greater than 59,999 pounds — meaning

it applies to carriers physically operating in Kentucky regardless of their state of domicile.¹⁰⁴ This makes the KYU account count the most direct available proxy for the universe of motor carriers subject to Kentucky's Road Fund tax and fee obligations in each period. Carriers holding an active KYU license would similarly be subject to IRP, IFTA, and UCR obligations, making this single population base applicable across all four programs. There are a few exceptions that may downwardly bias the KYU tax license numbers. First, not all active motor carriers are required to obtain a KYU tax license. Some commercial motor vehicles have a lower combined license weight that falls below the 60,000-pound KYU threshold. However, a review of state CMV roadside weigh station screening records from FY 2025 reveals they represent just 2.22% of the overall 3.67 million vehicles screened at Kentucky weigh stations that year.¹⁰⁵ Second, some carriers meeting KYU requirements choose to obtain temporary KYU permits rather than a regular KYU tax license, but this occurrence is relatively small compared to the overall number of issued regular tax licenses issued each year. In both cases, these factors represent small sources of measurement error within this analysis.

Historical Kentucky carrier population data by license and tax category type was not available for prior fiscal years necessitating the final step in the analysis. The research team estimated annual growth rates from FMCSA's Analysis and Information Online (A&I) carrier registry data, which provided December snapshots of the total national carrier population. A midpoint growth rate for each fiscal year was calculated by averaging the annual growth rates from the two adjacent calendar years (e.g., the FY 2025 growth rate was the average of the CY 2024 and CY 2025 rates). These growth rates were then applied in reverse to project the KYTC baseline backward from FY 2026 to FY 2020, producing estimated carrier population counts for each program and domicile group across the full study period. The FMCSA Motor Carrier active registry and those corresponding rates of change by calendar year are shown in Table 6.3.

Table 6.3 FMCSA Active Motor Carrier Registry – Annual Counts and Growth Rates¹⁰⁶

Year	FMCSA Motor Carriers (Active Registry)	CY % Change	Midpoint % Change
2018	1,563,191	—	—
2019	1,635,403	4.62%	4.66%
2020	1,712,298	4.70%	7.21%
2021	1,878,774	9.72%	7.71%
2022	1,985,977	5.71%	3.42%
2023	2,008,617	1.14%	1.01%
2024	2,026,384	0.88%	0.75%
2025	2,038,720	0.61%	—

Note: CY % Change reflects the year-over-year change in the FMCSA active registry. Midpoint % Change represents the average of the surrounding two calendar year rates and is used as the fiscal year growth

rate for carrier population projections. A dash (—) indicates the rate could not be computed due to a missing adjacent year value.

The core methodology for estimating lost revenue rests on a proportionality assumption: carriers that reincarnate as new entities to evade enforcement are presumed to avoid paying Road Fund revenues as would be expected based on their share of the total carrier population operating in Kentucky. Under this framework, a single unified carrier population — the KYU-based total carrier count for each fiscal year — serves as the denominator across all four programs. This approach reflects the fact that any carrier operating on Kentucky roadways above the KYU weight threshold would be simultaneously subject to KYU, IRP, IFTA, and UCR obligations. Estimated lost revenue for each program is calculated as the product of total program collections and the share of the KYU carrier population identified as suspected chameleon carriers in that fiscal year:

$$\text{Estimated Lost Revenue} = \text{Total Collection} \times (\text{Flagged Carriers} \div \text{KYU Carrier Population})$$

This approach provided a conservative, data-grounded floor estimate of revenue loss based solely on carriers that KYTC had already identified and flagged. It is important to recognize, however, that the flagged population almost certainly does not capture all chameleon carriers operating in Kentucky. Chameleon carrier activity is by nature designed to evade detection, and KYTC's identification process — while systematic — is bounded by available data and staff capacity. The true prevalence of such carriers in the Kentucky carrier population is unknown, and the observed flagging rate should be interpreted as a lower-bound estimate rather than a complete accounting. The degree to which the flagged population understates the true chameleon carrier population cannot be determined with precision from available data. Consequently, the research team developed hypothetical scenarios to illustrate the sensitivity of revenue loss estimates to different assumptions about detection rates as seen in the last pages of this section.

Observed Flagging Rate and Carrier Counts

Table 6.4 summarizes the flagged carrier counts and total carrier populations for each license and tax program — KYU, IRP, IFTA, and UCR — across the six fiscal years of the study period. The flagged carrier count reflects the combined total of Kentucky-based and non-Kentucky-based carriers identified as suspected chameleon carriers in each fiscal year. By virtue of their definition, these flagged (or suspected) chameleon carriers did not pay into any of the expected license and tax obligatory programs for these fiscal years. Conversely, the total carrier population column reflects the estimated number of active KYU-licensed carriers operating in Kentucky during that year — the population base used as the denominator across all four programs. The program-level carrier population figures shown for IRP, IFTA, and UCR are provided for reference and reflect the total number of active accounts in each program as tracked by KYTC; however, the KYU total carrier count is used as the common denominator in all lost revenue calculations given its direct relationship to physical operation on Kentucky roadways.

Table 6.4 Flagged Carrier Counts and Total Carrier Populations by Program (FY 2020–2025)

Fiscal Year	Flagged Carriers	KYU Total Carriers	IRP Total Carriers	IFTA Total Carriers	UCR Total Carriers
2020	138	73,200	600,767	319,126	812,265
2021	299	76,779	630,136	334,726	851,973
2022	236	82,746	679,115	360,744	918,194
2023	274	89,663	735,882	390,898	994,947
2024	272	92,841	761,964	404,753	1,030,211
2025	260	93,790	769,756	408,892	1,040,746

As shown in Table 6.4, the total number of flagged carriers ranged from 138 in FY 2020 to a peak of 299 in FY 2021, before stabilizing in the range of 236 to 274 for the remaining study years and closing at 260 in FY 2025. The KYU carrier population — the primary denominator for lost revenue calculations — grew steadily from approximately 73,200 in FY 2020 to 93,790 in FY 2025, reflecting the broader growth in the national motor carrier registry over this period. Carrier populations varied considerably across the other program categories in each year, with UCR consistently representing the largest pool and KYU the smallest, reflecting the more limited geographic scope of the weight-distance tax program. These population differences are shown for reference; however, they do not affect the revenue loss calculations, which use the KYU population uniformly across all four programs.

How many carriers were flagged each fiscal year by domicile status?

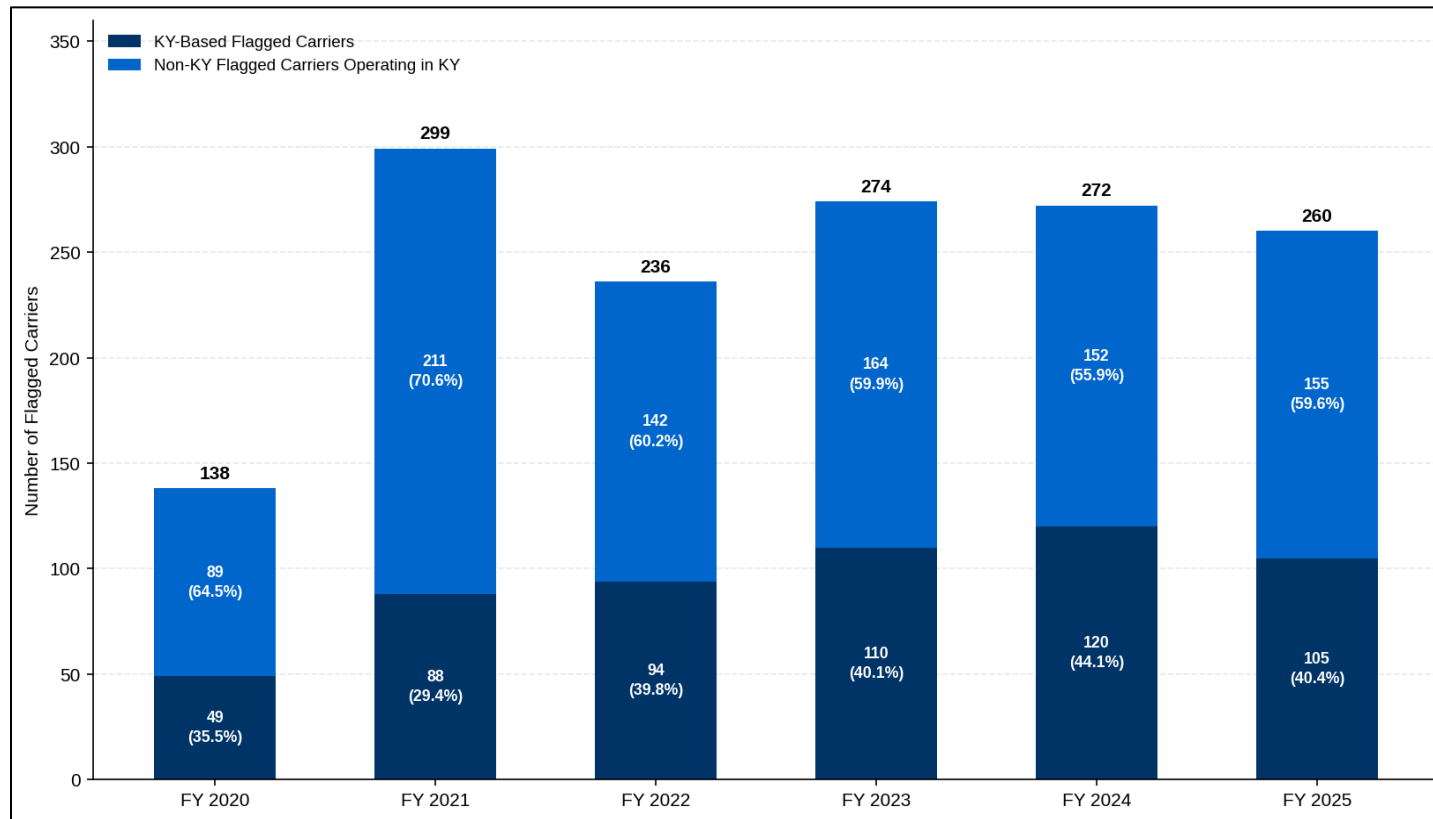


Figure 6.5 Flagged Carrier Counts by Domicile Status (FY 2020–2025)

Figure 6.5 presents the annual count of flagged carriers by domicile status — Kentucky-based and non-Kentucky-based — for each fiscal year from FY 2020 through FY 2025. Each bar is divided into its KY-based (dark navy) and non-KY-based (medium blue) components, with the raw carrier count and share of the annual total displayed within each segment. The total flagged count for each year is shown above the bar. Both groups exhibit variability across the study period, with the non-KY flagged carrier count showing more pronounced year-to-year fluctuation. The KY-based segment grew steadily from 49 in FY 2020 to a peak of 120 in FY 2024, while the non-KY segment peaked at 211 in FY 2021 before declining and

stabilizing. In most years, non-KY-based carriers represent a larger share of the total flagged population, reflecting the broader national pool of carriers that operate in Kentucky without being domiciled there.

Estimated Revenue Loss by Program

How much Road Fund revenue was estimated to be lost per program in each fiscal year (in thousands)?

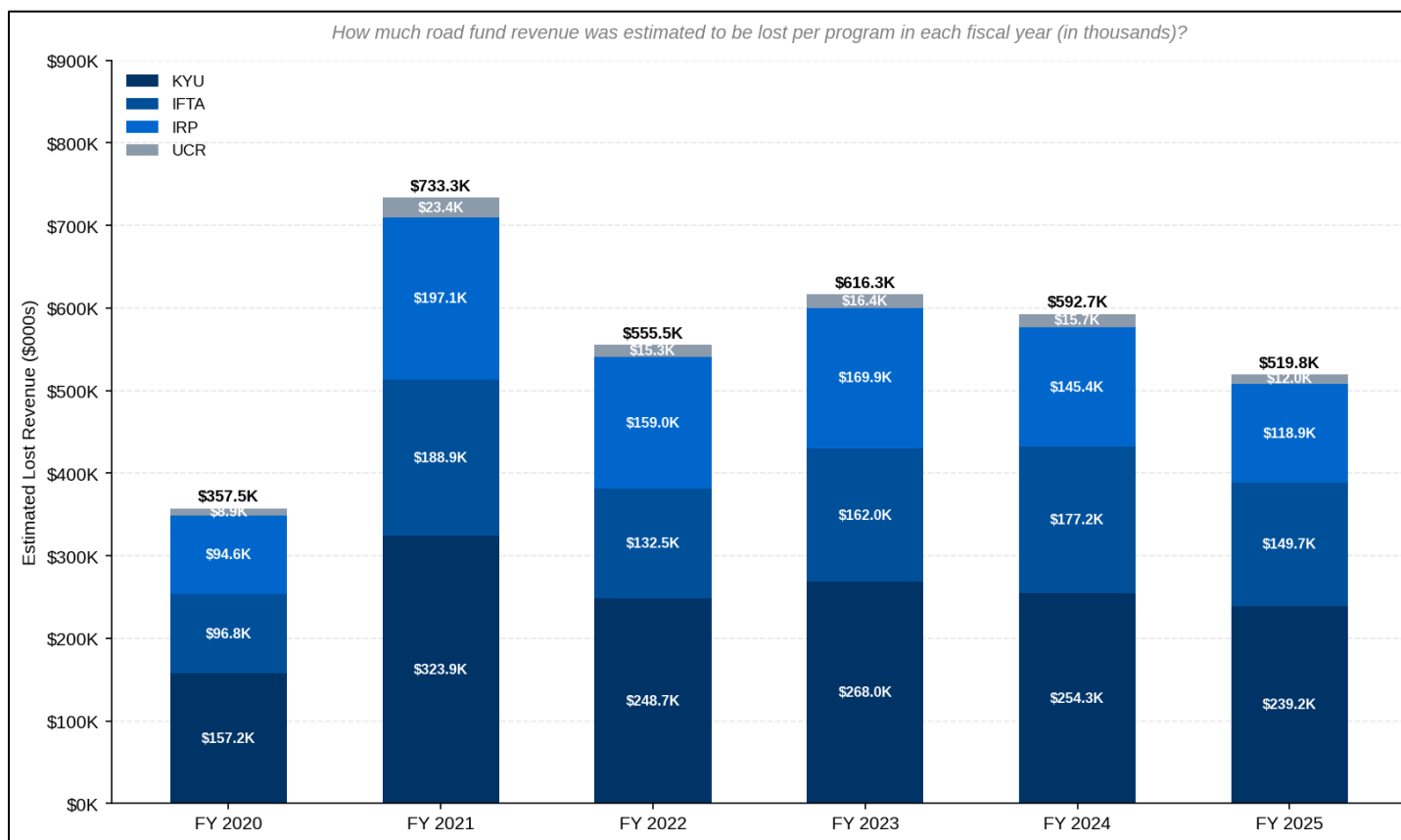


Figure 6.6 Fiscal Year Revenue Losses by Fund Category (FY 2020–2025)

Figure 6.6 presents the estimated annual Road Fund revenue loss as a cumulative stacked bar chart, disaggregated by program — KYU, IFTA, IRP, and UCR — for each fiscal year from FY 2020 through FY 2025. The values shown reflect the estimated losses attributable to the suspected chameleon carrier population operating in Kentucky, calculated using the KYU carrier population as the common denominator across all four

programs. All values are expressed in thousands of dollars, with per-program dollar amounts labeled in white within each segment and the combined annual total displayed above each bar. The Kentucky Weight Distance Tax (KYU) consistently represents the largest share of estimated lost revenue across all six years, reflecting both the size of KYU collections relative to other programs and the comparatively high exposure of per-mile weight-distance taxes to carrier non-compliance. IFTA losses rank second in most years, followed by IRP, while UCR losses are comparatively modest given the program's lower per-carrier fee structure. Estimated losses peaked at \$733.3K in FY 2021 with the remaining years ranging from a low of \$357.5K in FY 2020 to \$616.3K in FY 2023. Cumulated across all six fiscal years, total estimated Road Fund revenue loss attributable to identified suspected chameleon carriers amounts to approximately \$3,375K, or roughly \$3.38 million — a figure that should be understood as a conservative floor given the inherent limitations of the identification process.

Hypothetical Prevalence Scenarios

Because KYTC's flagging process is bounded by available data and investigative capacity, the identified population of suspected chameleon carriers is unlikely to represent the full universe of such carriers operating in Kentucky. To illustrate how revenue loss estimates would change under different assumptions about detection effectiveness, three hypothetical scenarios were developed using capture rates of 75% (high detection), 50% (medium detection), and 25% (low detection). A capture rate reflects the proportion of true chameleon carriers operating in Kentucky that KYTC's identification process successfully flags in a given fiscal year. For example, a 75% capture rate implies that for every four actual chameleon carriers operating in Kentucky, three were identified — meaning the true population was approximately one-third larger than the flagged count. Conversely, a 25% capture rate implies that only one in four true chameleon carriers was detected, suggesting the flagged count represents only a fraction of the actual problem. These scenarios are not projections or predictions; rather, they are sensitivity analyses intended to convey the potential magnitude of undetected revenue loss under different assumptions about KYTC's current identification effectiveness.

Table 6.5 presents the six-year estimated revenue loss totals for the observed (flagged-only) baseline and each of the three hypothetical detection scenarios. The projected carrier-FY count represents the estimated total number of chameleon carrier-fiscal year observations implied by each scenario, derived by dividing the observed flagged count by the assumed capture rate.

Table 6.5 Projected Chameleon Carrier Counts by Fiscal Year and Detection Scenario (FY 2020–2025)

Fiscal Year	Observed (Flagged Only)	High Detection (75% Capture)	Medium Detection (50% Capture)	Low Detection (25% Capture)
2020	138	184	276	552
2021	299	399	598	1,196
2022	236	315	472	944
2023	274	365	548	1,096
2024	272	363	544	1,088
2025	260	347	520	1,040
6-Year Total	1,479	1,973	2,958	5,916

How does cumulative six-year estimated revenue loss compare across observed and hypothetical chameleon carrier detection scenarios (in millions)?

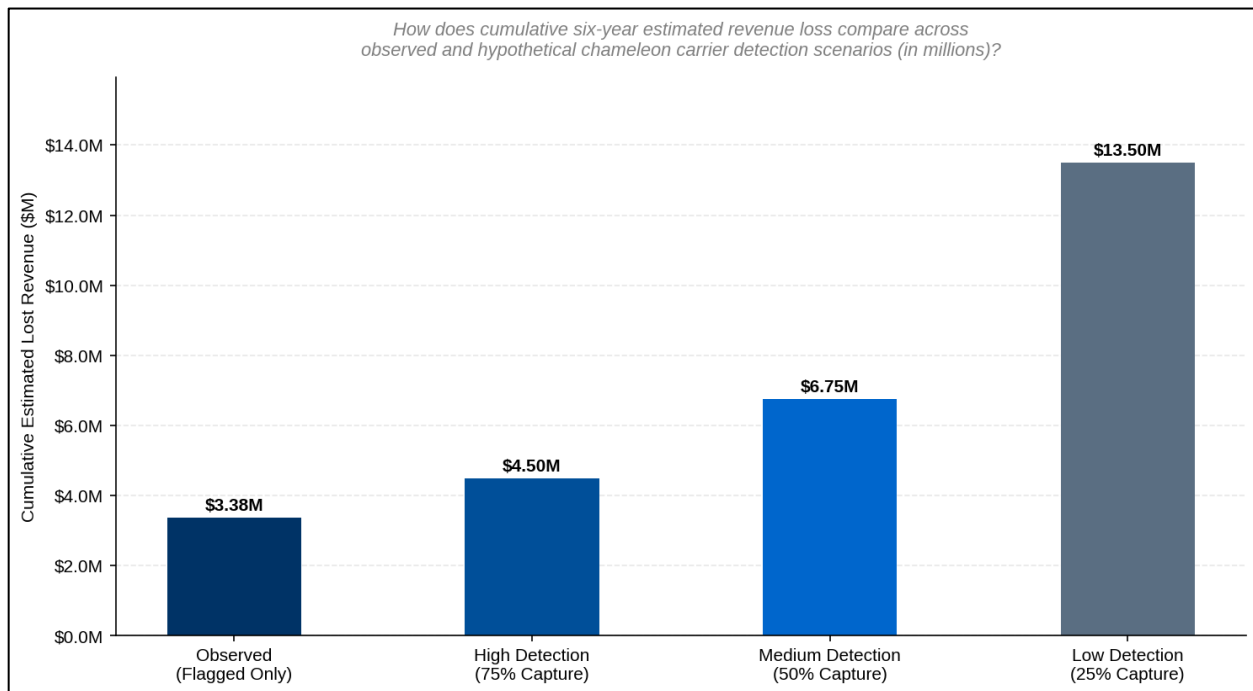


Figure 6.7 Revenue Loss Scenarios by Detection Rate (FY 2020–2025)

Figure 6.7 illustrates the cumulative six-year estimated Road Fund revenue loss under the observed flagging baseline and the three hypothetical detection scenarios, with all values expressed in millions of dollars. The observed estimate totals approximately \$3.38M over the full study period. Under a high detection assumption (75% capture rate), the implied total loss rises to approximately \$4.50M — suggesting that roughly \$1.13M in additional losses may have gone undetected. Under medium detection (50% capture rate), implied losses reach \$6.75M, and under low detection (25% capture rate), the implied total climbs to \$13.50M, four times the observed baseline. These figures underscore the sensitivity of revenue loss projections to assumptions about the true scope of chameleon carrier activity and the potential financial stakes of under-identification. Even under the most conservative scenario, the results suggest that the Road Fund impact of chameleon carriers may be substantially larger than what current detection methods alone can confirm. Improved identification capabilities, whether through enhanced data sharing, automated screening, or targeted enforcement, could therefore yield meaningful returns in terms of recovered revenue for the Commonwealth.

6.5 Safety Analysis – Inspections

Introduction and Methodology

This section examines the inspection histories of suspected chameleon carriers and compares their safety performance against the broader population of non-flagged carriers operating in Kentucky from 2020 through 2025. The analysis draws on roadside Kentucky-based inspection records obtained from the

Kentucky State Police and matched to the CVIEW-flagged carrier dataset.¹⁰⁷ Inspection records were linked to carriers using USDOT numbers, enabling a direct comparison of inspection outcomes — including violation rates, out-of-service (OOS) violations, and the nature of OOS violations — between the flagged and non-flagged carrier populations.

Raw inspection data were drawn from multiple source files spanning the study period and combined into three analytical datasets covering roadside inspection records, vehicle-level records, and violation records. Exact duplicate records in the violations file were removed prior to analysis. The main and violation files were then merged using a unique inspection identifier, and a calendar year variable was added to enable year-by-year comparisons. For citation records, string-matching techniques were applied to distinguish citations from warnings, as the citation number field is a manual entry and subject to variation in how warnings are recorded by inspectors. The inspection data were then collapsed to one record per carrier per year, aggregating key inspection metrics for each carrier-year pair. This carrier-year dataset was subsequently merged with the flagged carrier dataset to assign each carrier a flag status — flagged (suspected chameleon carrier) or non-flagged — enabling the comparative analyses presented below.

Two types of rates are reported throughout this section. Aggregate rates reflect the overall burden across all inspections in a group (e.g., total violations divided by total inspections), while carrier-mean rates represent the average of each individual carrier's own rate within the group. Both measures are informative: aggregate rates capture the total safety exposure attributable to each group, while carrier-mean rates account for differences in inspection volume across carriers and provide a better sense of the typical carrier's experience. Figures in this section use aggregate rates as the primary metric, with carrier-mean rates referenced in narrative where they add meaningful context. It should also be noted that the number of flagged carriers with inspection records is substantially smaller than the non-flagged population — ranging from 62 to 130 inspected carriers per year compared to more than 20,000 non-flagged carriers — and year-to-year variation in flagged carrier metrics should be interpreted with this in mind.

Inspection Volume and Violation Summary

Tables 6.6 through 6.9 summarize inspection volumes and key rate metrics for flagged and non-flagged carriers separately across all six study years. Tables 6.6 and 6.7 present raw counts and derived rates for flagged carriers, while Tables 6.8 and 6.9 present the corresponding data for non-flagged carriers. This separation improves readability and allows each group's data to be scanned independently before the comparative tables that follow.

Table 6.6 Flagged Carriers – Violation Volume Metrics

Flagged Carriers — Volume Metrics	2020	2021	2022	2023	2024	2025
Carriers Inspected	62	105	95	90	130	96
Total Inspections	284	299	310	381	465	343

Flagged Carriers — Volume Metrics	2020	2021	2022	2023	2024	2025
Total Violations	442	653	987	791	1,039	686

Table 6.7 Flagged Carriers – Violation Rate Metrics

Flagged Carriers — Rate Metrics	2020	2021	2022	2023	2024	2025
Violations per Inspection (Agg.)	1.56	2.18	3.18	2.08	2.23	2.00
% Inspections with OOS Violation	20.4%	25.8%	35.8%	28.3%	27.5%	28.0%
% Inspections with Vehicle OOS	16.2%	16.4%	25.2%	23.9%	24.1%	21.0%
% Inspections with Driver OOS	6.3%	11.7%	16.1%	8.1%	7.1%	9.6%

Table 6.8 Non-Flagged Carriers – Violation Volume Metrics

Non-Flagged Carriers — Volume Metrics	2020	2021	2022	2023	2024	2025
Carriers Inspected	20,395	23,225	26,277	22,810	23,147	23,199
Total Inspections	55,920	56,380	63,768	61,017	59,902	61,836
Total Violations	61,722	72,516	97,633	90,113	86,579	77,967

Table 6.9 Non-Flagged Carriers – Violation Rate Metrics

Non-Flagged Carriers — Rate Metrics	2020	2021	2022	2023	2024	2025
Violations per Inspection (Agg.)	1.10	1.29	1.53	1.48	1.45	1.26
% Inspections with OOS Violation	14.8%	17.1%	23.0%	21.0%	22.6%	21.6%
% Inspections with Vehicle OOS	11.4%	12.8%	18.1%	17.3%	19.2%	18.0%

Non-Flagged Carriers — Rate Metrics	2020	2021	2022	2023	2024	2025
% Inspections with Driver OOS	4.6%	5.9%	7.2%	5.6%	5.4%	5.4%

Across all years, flagged carriers were inspected far less frequently in absolute terms than non-flagged carriers, reflecting their smaller population. However, the per-inspection violation burden tells a markedly different story: flagged carriers recorded substantially higher violation rates per inspection than their non-flagged counterparts in every year of the study period, as well as higher rates of out-of-service events across all OOS categories. These differences are explored in greater detail in the figures that follow.

How do total inspection counts compare between flagged and non-flagged carriers each year?

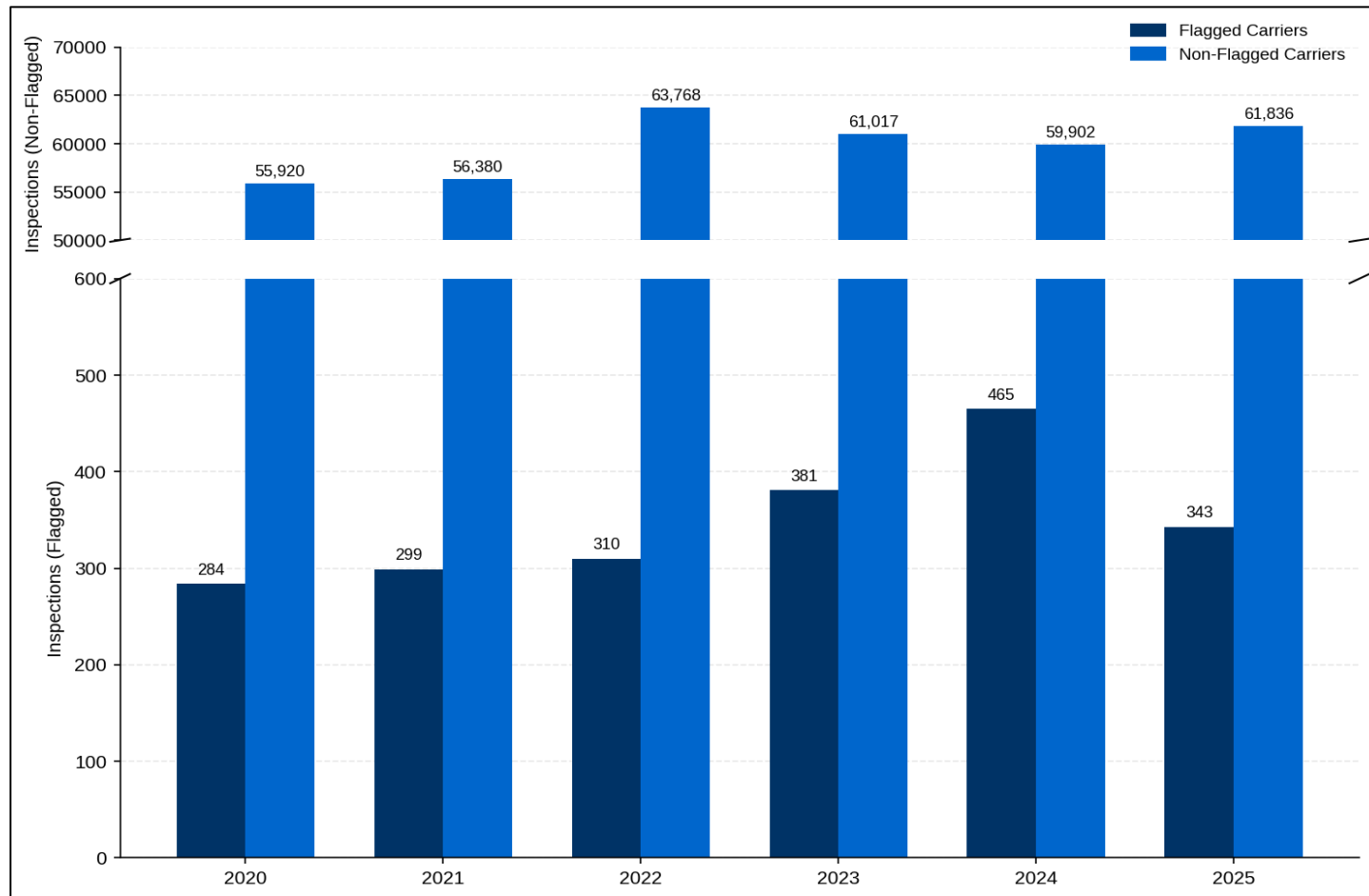


Figure 6.8 Inspection Counts for Flagged Versus Non-Flagged Carriers

Figure 6.8 illustrates the stark difference in inspection volumes between flagged and non-flagged carriers over the 2020–2025 study period. The two groups differ dramatically in scale with non-flagged carrier inspections ranging from approximately 55,900 to 63,800 per year and flagged carrier inspections ranging from just 284 to 465. To compensate for this significant difference in scale, the figure uses a split vertical axis to display

both series legibly, with non-flagged counts on the upper panel and flagged counts on the lower panel. Despite the large volume difference, flagged carrier inspection counts show a generally upward trend consistent with the growth in the flagged carrier population, peaking at 465 inspections in 2024 before declining to 343 in 2025.

Violation Rates

How do aggregate violation rates per inspection compare between flagged and non-flagged carriers?

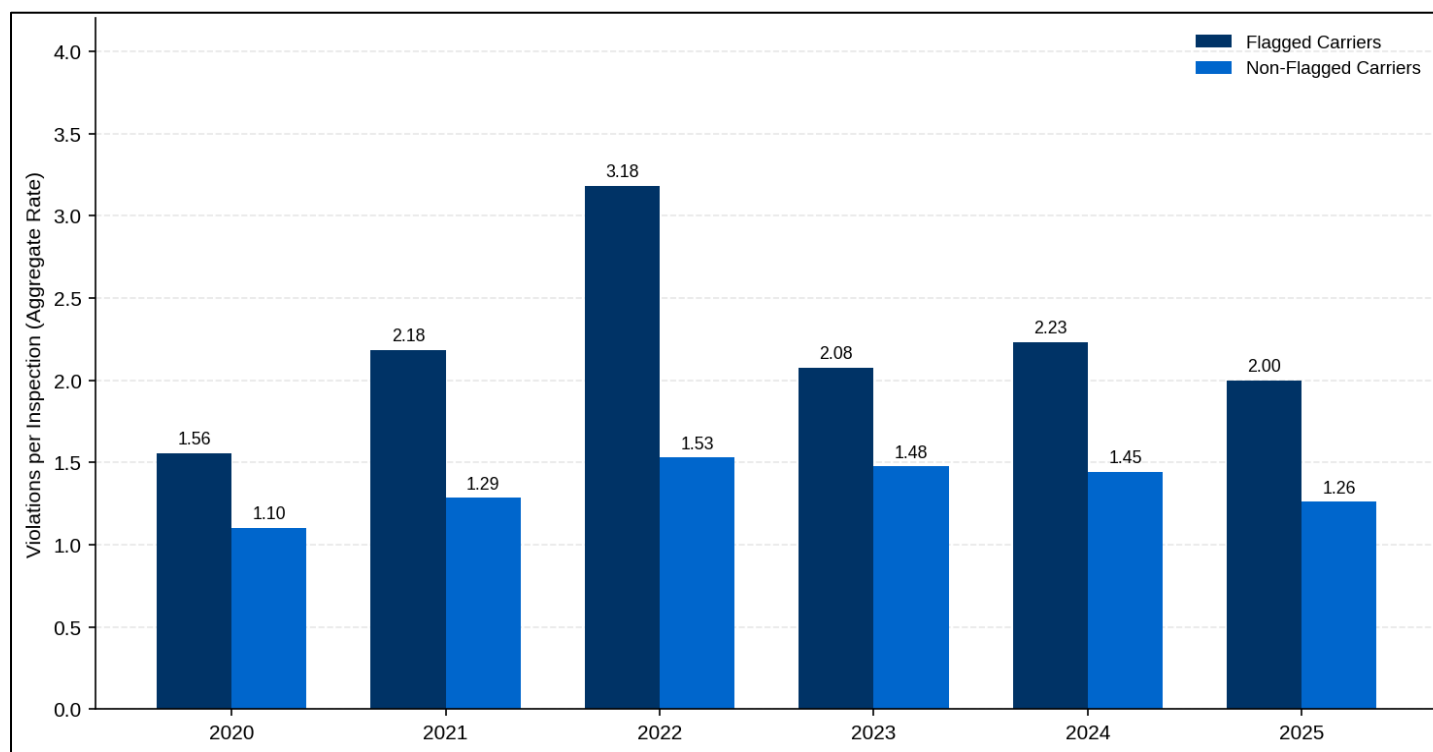


Figure 6.9 Violation Rates for Flagged Versus Non-Flagged Carriers

Figure 6.9 compares the aggregate violation rate per inspection — calculated as total violations divided by total inspections — between flagged and non-flagged carriers for each year from 2020 through 2025. Flagged carriers consistently recorded higher violation rates in every year of the study period, with rates ranging from 1.56 violations per inspection in 2020 to a peak of 3.18 in 2022, before declining to 2.00 in 2025. Non-flagged carrier rates were substantially lower throughout, ranging from 1.10 in 2020 to 1.53 in 2022.

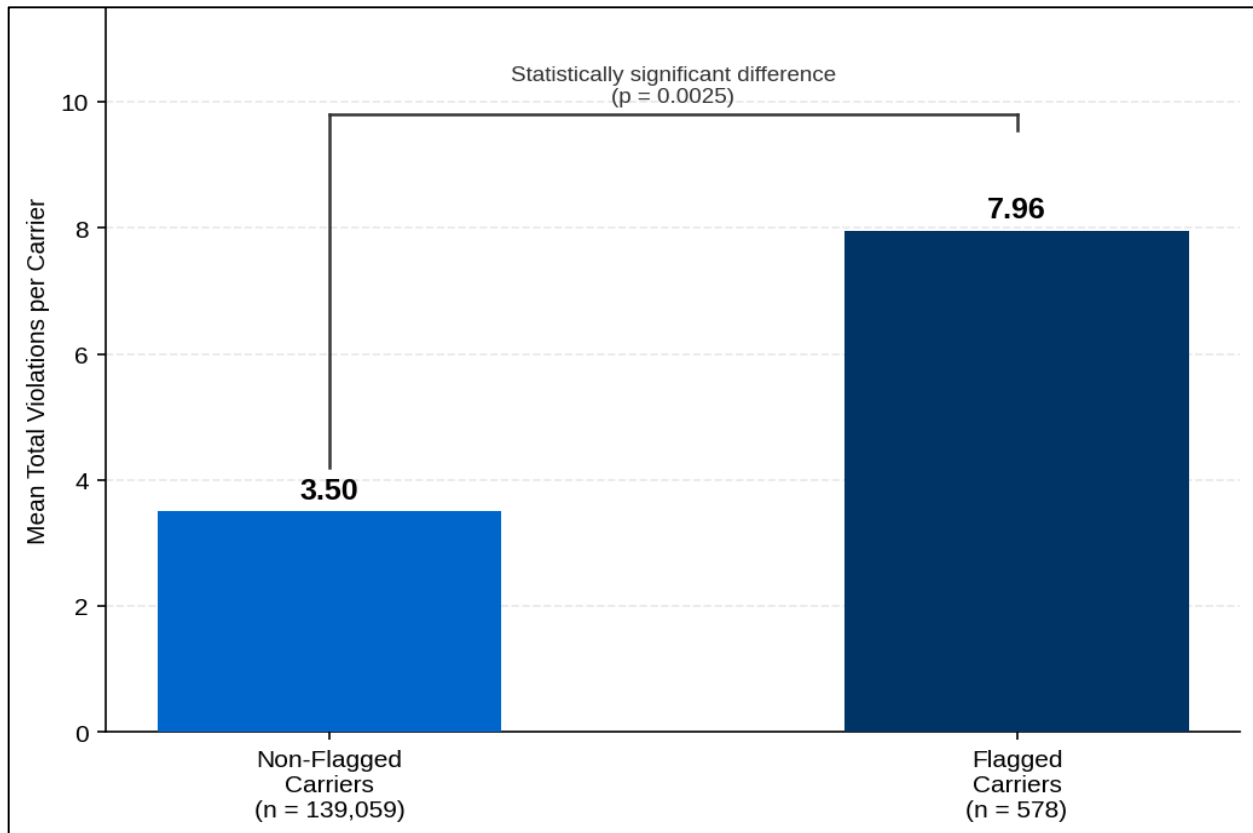


Figure 6.10 Two-Sample t-test on Violations for Flagged Versus Non-Flagged Carriers

Figure 6.10 presents the results of a two-sample t-test comparing total violations per carrier between flagged and non-flagged carriers, pooled across all study years. The bars represent the mean violations per carrier for each group while using an established confidence interval of 95% around each mean. Flagged carriers averaged 7.96 violations per carrier, compared to 3.50 for non-flagged carriers — a difference of approximately 4.46 violations per carrier. This difference is statistically significant at the 0.01 level ($t = -3.03$, $p = 0.0025$), meaning there is strong statistical evidence that the higher violation burden observed among suspected chameleon carriers is not attributable to random chance. The non-overlapping confidence intervals reinforce the reliability of this finding. These results indicate that suspected chameleon carriers present a meaningfully elevated and statistically distinguishable safety profile compared to the general carrier population, which has direct implications for enforcement prioritization and roadway safety outcomes in Kentucky.

Out-of-Service Violation Rates

What share of inspections resulted in an out-of-service violation for flagged vs. non-flagged carriers?

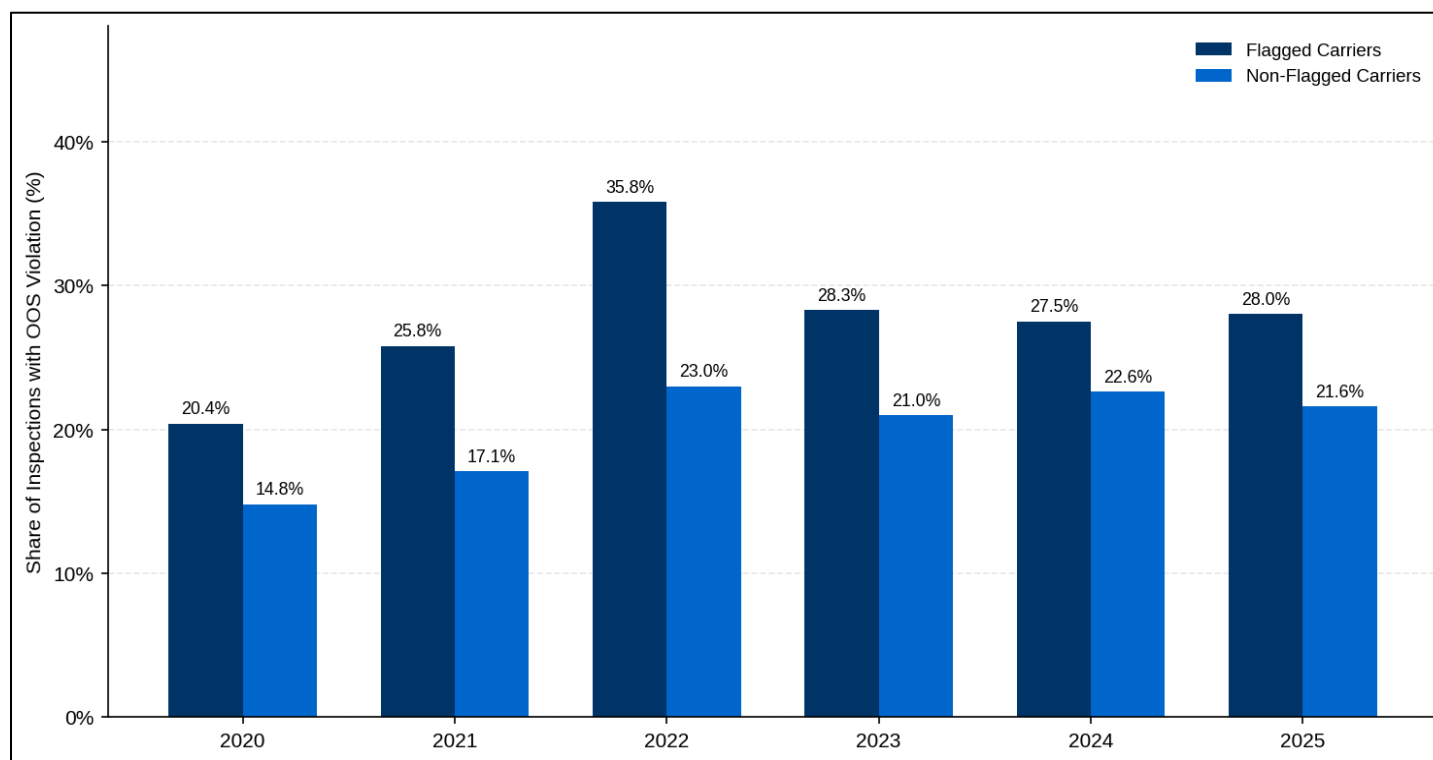


Figure 6.11 Out-of-Service Violation Rates for Flagged Versus Non-Flagged Carriers

Figure 6.11 presents the share of inspections that resulted in at least one out-of-service violation for flagged and non-flagged carriers across the study period. Flagged carriers exhibited higher OOS rates in every year, with the gap most pronounced in 2022 when 35.8% of flagged carrier inspections resulted in an OOS order compared to 23.0% for non-flagged carriers — a difference of nearly 13 percentage points. The OOS rate for flagged carriers showed notable year-to-year variability, which is consistent with the relatively small number of inspected flagged carriers in any given year. Non-flagged carrier OOS rates were more stable across the period, ranging from 14.8% in 2020 to 23.0% in 2022. The consistently

higher OOS rates among flagged carriers suggest that suspected chameleon carriers present a meaningfully elevated safety risk on Kentucky roadways.

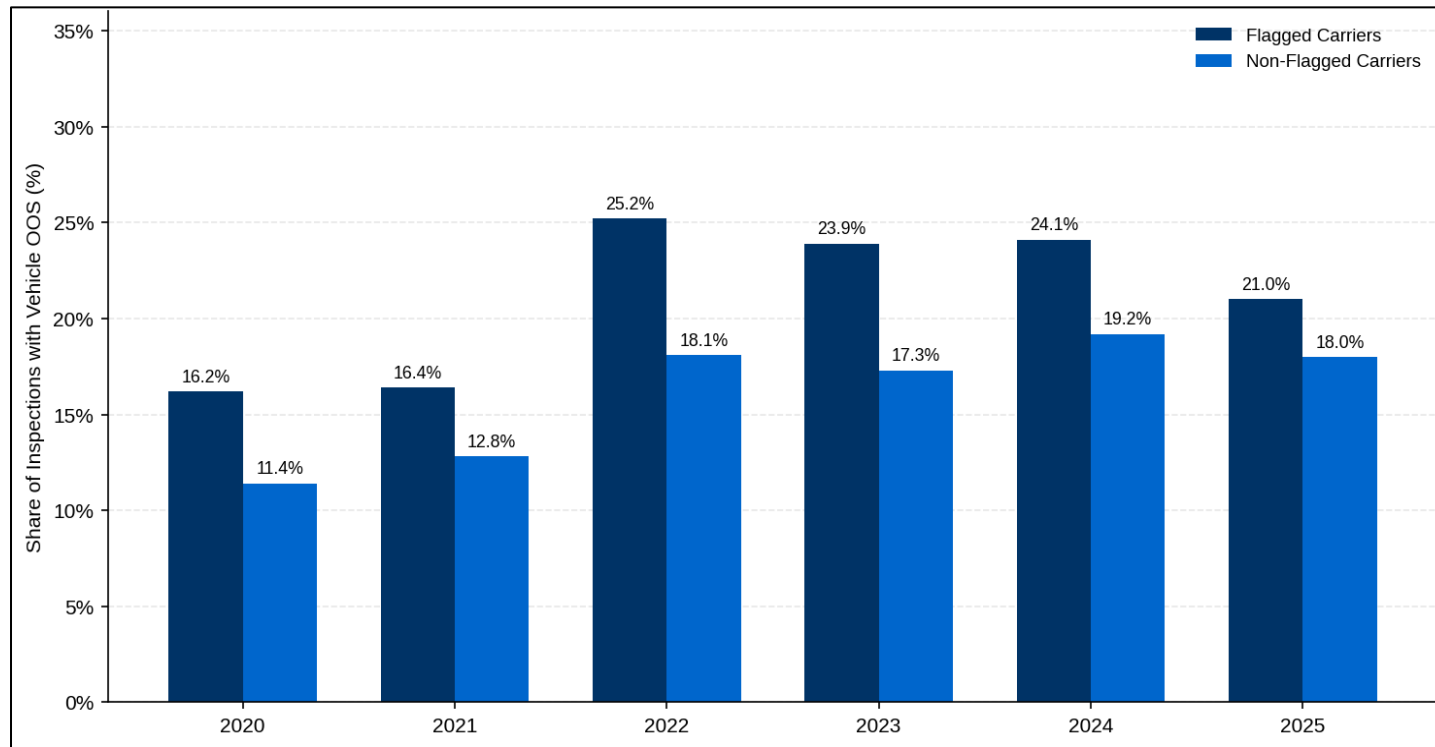


Figure 6.12 Vehicle Out-of-Service Event for Flagged Versus Non-Flagged Carriers

Figure 6.12 examines vehicle out-of-service events specifically — violations serious enough to remove a vehicle from operation due to mechanical or equipment deficiencies. Flagged carriers recorded higher vehicle OOS rates than non-flagged carriers in every year of the study period. The gap was most pronounced in 2022, when flagged carriers posted a vehicle OOS rate of 25.2% compared to 18.1% for non-flagged carriers. Non-flagged vehicle OOS rates were relatively stable, peaking at 19.2% in 2024, while flagged carrier rates showed more year-to-year variation consistent with the smaller inspection sample. The elevated vehicle OOS rates among flagged carriers suggest that suspected chameleon carriers may be more likely to operate vehicles in deficient mechanical condition, potentially reflecting reduced investment in vehicle maintenance among carriers seeking to avoid regulatory scrutiny.

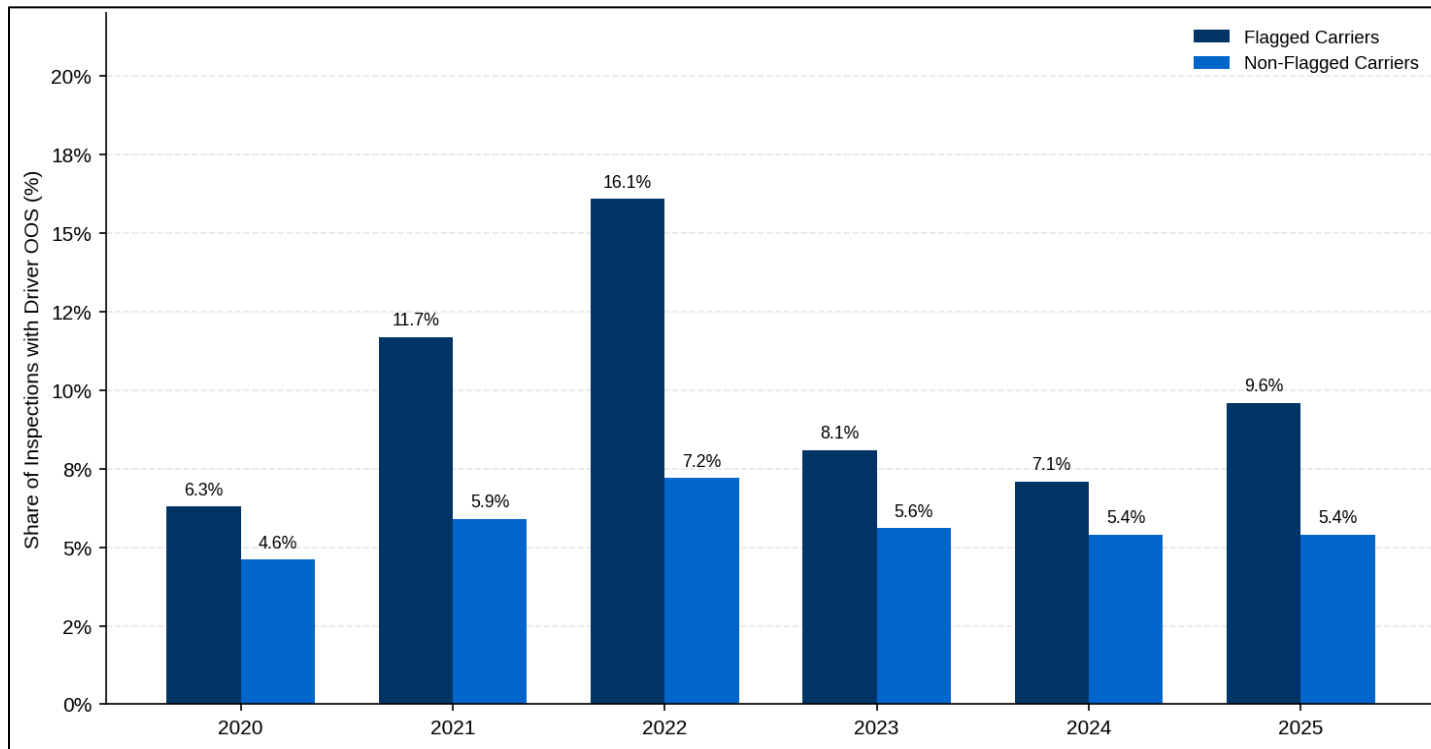


Figure 6.13 Driver Out-of-Service Event for Flagged Versus Non-Flagged Carriers

Figure 6.13 presents driver out-of-service rates — the share of inspections in which a driver was placed out of service due to a disqualifying violation — for flagged and non-flagged carriers across the study period. Flagged carriers consistently recorded driver OOS rates approximately 1.5 to 2 times higher than non-flagged carriers in most years, with flagged rates peaking at 16.1% in 2022 compared to 7.2% for non-flagged carriers in the same year. Non-flagged driver OOS rates were comparatively stable, ranging from 4.6% to 7.2% across the study period. Taken together with the vehicle OOS findings in Figure 6.12, the driver OOS data reinforce the overall pattern: suspected chameleon carriers exhibit elevated safety risks across multiple dimensions of roadside inspection performance, suggesting that the evasion of regulatory oversight by these carriers may come at a meaningful and measurable cost to roadway safety.

6.6 Safety Analysis – Citations

Introduction and Methodology

This section examines the citation histories of suspected chameleon carriers and compares their citation experience against the broader population of non-flagged carriers operating in Kentucky from 2020 through 2025. Citations differ from violations in that they represent formal enforcement actions issued by an inspecting officer — distinct from warnings, which are excluded from this analysis. The citation data were derived from the same FMCSA roadside inspection records used previously, with additional processing to isolate confirmed citations from violation rates.

Citation records were prepared by extracting the inspection identifier and citation number fields from the violations file, removing exact duplicates, and dropping records with missing citation numbers. Because citation numbers are manually entered by inspectors and can occasionally be paired with multiple inspection identifiers in the raw data, a unique citation was defined as a unique combination of inspection identifier and citation number. The resulting citation counts were merged back to the main inspection file and subsequently collapsed to one record per carrier per year, producing the metrics used in this analysis. The carrier-year dataset was subsequently merged with the flagged carrier dataset using year and USDOT number to assign flag status, enabling direct comparisons between the flagged and non-flagged carrier populations.

The metrics reported in this section parallel those used in the inspection analysis. Aggregate rates reflect the overall citation burden across all inspections in a group, while carrier-mean rates represent the average of each individual carrier's own citation rate. As with the inspection analysis, aggregate rates are used as the primary metric in figures, with carrier-mean rates referenced in narrative where they provide additional context. This study has limitations inherent due to the small sample size associated with flagged chameleon carriers ranging in the dozens to low hundreds annually versus tens of thousands of non-flagged carriers. Consequently, annual fluctuations in flagged carrier data should be interpreted with caution.

Citation Volume and Summary

Tables 6.10 through 6.13 summarize citation volumes and key rate metrics for flagged and non-flagged carriers separately across all six study years. Tables 6.10 and 6.11 present raw counts and derived rates for flagged carriers, while Tables 6.12 and 6.13 present the corresponding data for non-flagged carriers.

Table 6.10 Flagged Carriers – Citation Volume Metrics

Flagged Carriers — Citation Volume Metrics	2020	2021	2022	2023	2024	2025
Carriers with Inspections	62	105	95	90	130	96
Carriers with Citations	38	63	79	68	94	71
Total Inspections	284	299	310	381	465	343

Flagged Carriers — Citation Volume Metrics	2020	2021	2022	2023	2024	2025
Total Citations	69	80	145	155	213	123
Inspections with Citation	66	79	140	154	205	122

Table 6.11 Flagged Carriers – Citation Rate Metrics

Flagged Carriers — Citation Rate Metrics	2020	2021	2022	2023	2024	2025
Citations per Inspection (Agg.)	0.243	0.268	0.468	0.407	0.458	0.359
% Inspections with Citation (Agg.)	23.2%	26.4%	45.2%	40.4%	44.1%	35.6%
% Inspections with Citation (Avg.)	37.4%	42.6%	61.6%	56.2%	48.9%	50.4%

Table 6.12 Non-Flagged Carriers – Citation Volume Metrics

Non-Flagged Carriers — Citation Volume Metrics	2020	2021	2022	2023	2024	2025
Carriers with Inspections	20,395	23,225	26,277	22,810	23,147	23,199
Carriers with Citations	6,299	7,264	11,993	11,419	11,242	10,319
Total Inspections	55,920	56,380	63,768	61,017	59,902	61,836
Total Citations	8,488	9,596	16,934	17,220	16,788	14,984
Inspections with Citation	8,405	9,527	16,805	17,079	16,645	14,884

Table 6.13 Non-Flagged Carriers – Citation Rate Metrics

Non-Flagged Carriers — Citation Rate Metrics	2020	2021	2022	2023	2024	2025
Citations per Inspection (Agg.)	0.152	0.170	0.266	0.282	0.280	0.242
% Inspections with Citation (Agg.)	15.0%	16.9%	26.4%	28.0%	27.8%	24.1%

Non-Flagged Carriers — Citation Rate Metrics	2020	2021	2022	2023	2024	2025
% Inspections with Citation (Avg.)	21.2%	22.6%	35.6%	38.8%	37.5%	33.4%

As shown in the preceding four tables, flagged carriers were cited less frequently in absolute terms than non-flagged carriers, reflecting their smaller population. On a per-inspection basis, however, flagged carriers consistently recorded higher citation rates than non-flagged carriers across all six years, a pattern explored in the figures that follow.

How do aggregate citation rates per inspection compare between flagged and non-flagged carriers?

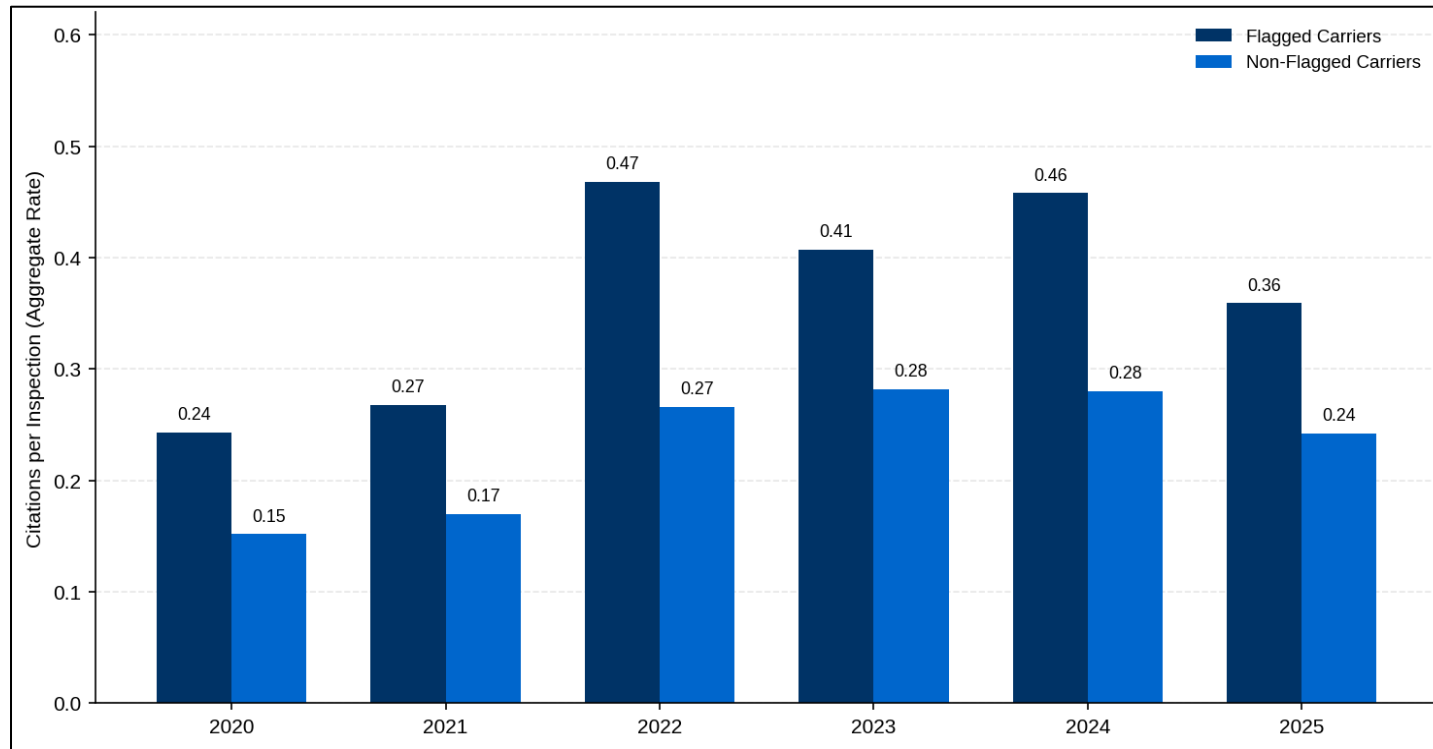


Figure 6.14 Citation Rates for Flagged Versus Non-Flagged Carriers

Figure 6.14 compares the aggregate citation rate per inspection — calculated as total citations divided by total inspections — between flagged and non-flagged carriers for each year from 2020 through 2025. Flagged carriers recorded higher citation rates than non-flagged carriers in every year of the study period, with rates ranging from 0.24 citations per inspection in 2020 to a peak of 0.47 in 2022, before declining to 0.36 in 2025. Non-flagged carrier rates were consistently lower, ranging from 0.15 in 2020 to 0.28 in 2023. Both groups exhibited a notable increase in citation rates through 2022 and 2023, followed by a modest decline in subsequent years — a pattern that may reflect broader changes in enforcement

activity or inspection practices over this period rather than changes in carrier behavior alone. The gap between flagged and non-flagged carriers was widest in 2022, when flagged carriers averaged 0.47 citations per inspection compared to 0.27 for non-flagged carriers.

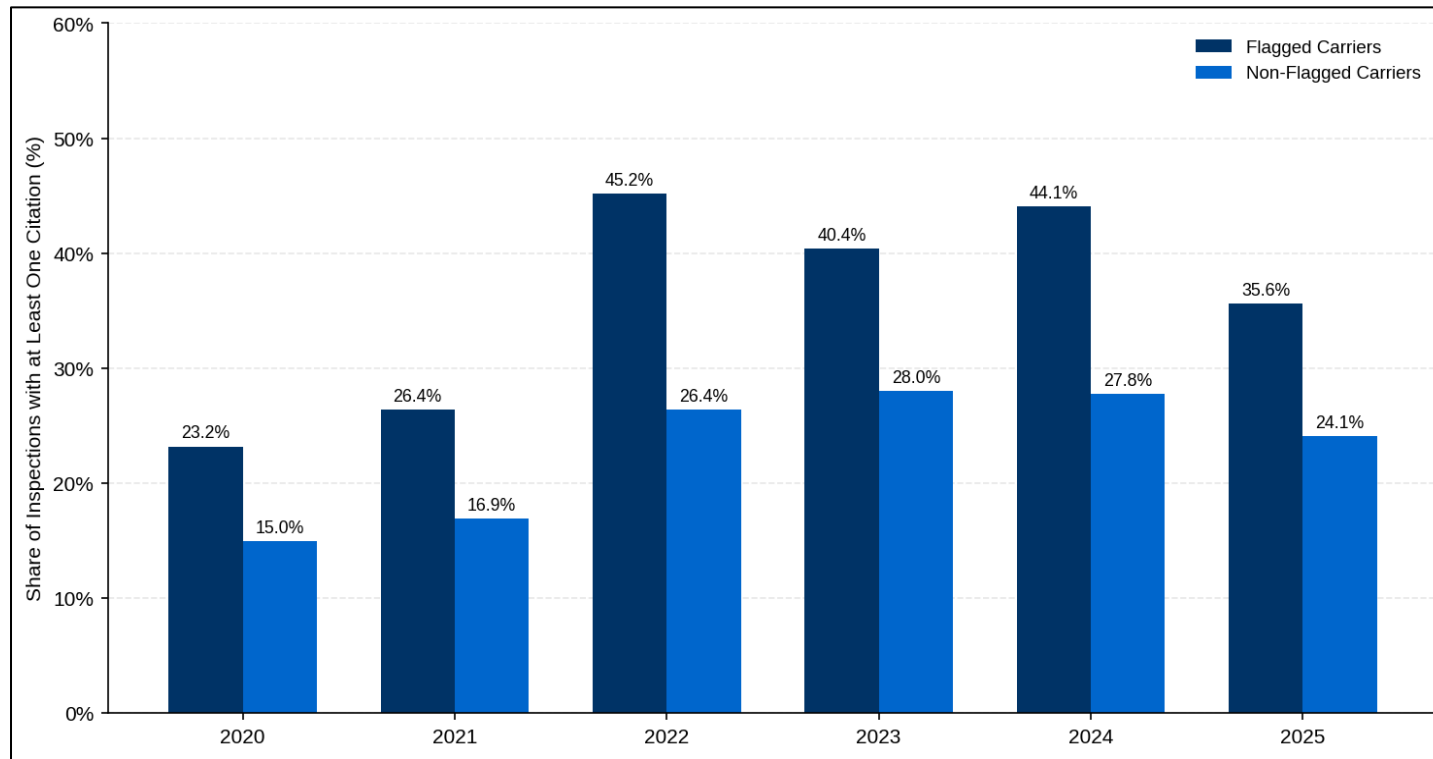


Figure 6.15 Inspection Percentages with at Least One Citation for Flagged Versus Non-Flagged Carriers

Figure 6.15 presents the share of inspections that resulted in at least one citation for flagged and non-flagged carriers across the study period. Flagged carriers consistently had a higher share of citation-producing inspections in every year, peaking at 45.2% in 2022 compared to 26.4% for non-flagged carriers — a gap of nearly 19 percentage points. By 2025, both groups had declined from their 2022–2023 peaks, with flagged carriers at 35.6% and non-flagged carriers at 24.1%. The carrier-mean rate, which averages each carrier's own share of inspections with citations, was substantially higher than the aggregate rate for flagged carriers in most years — ranging from 37.4% in 2020 to 61.6% in 2022 — suggesting that the elevated citation exposure is broadly distributed across flagged carriers rather than concentrated among a small number of high-activity carriers.

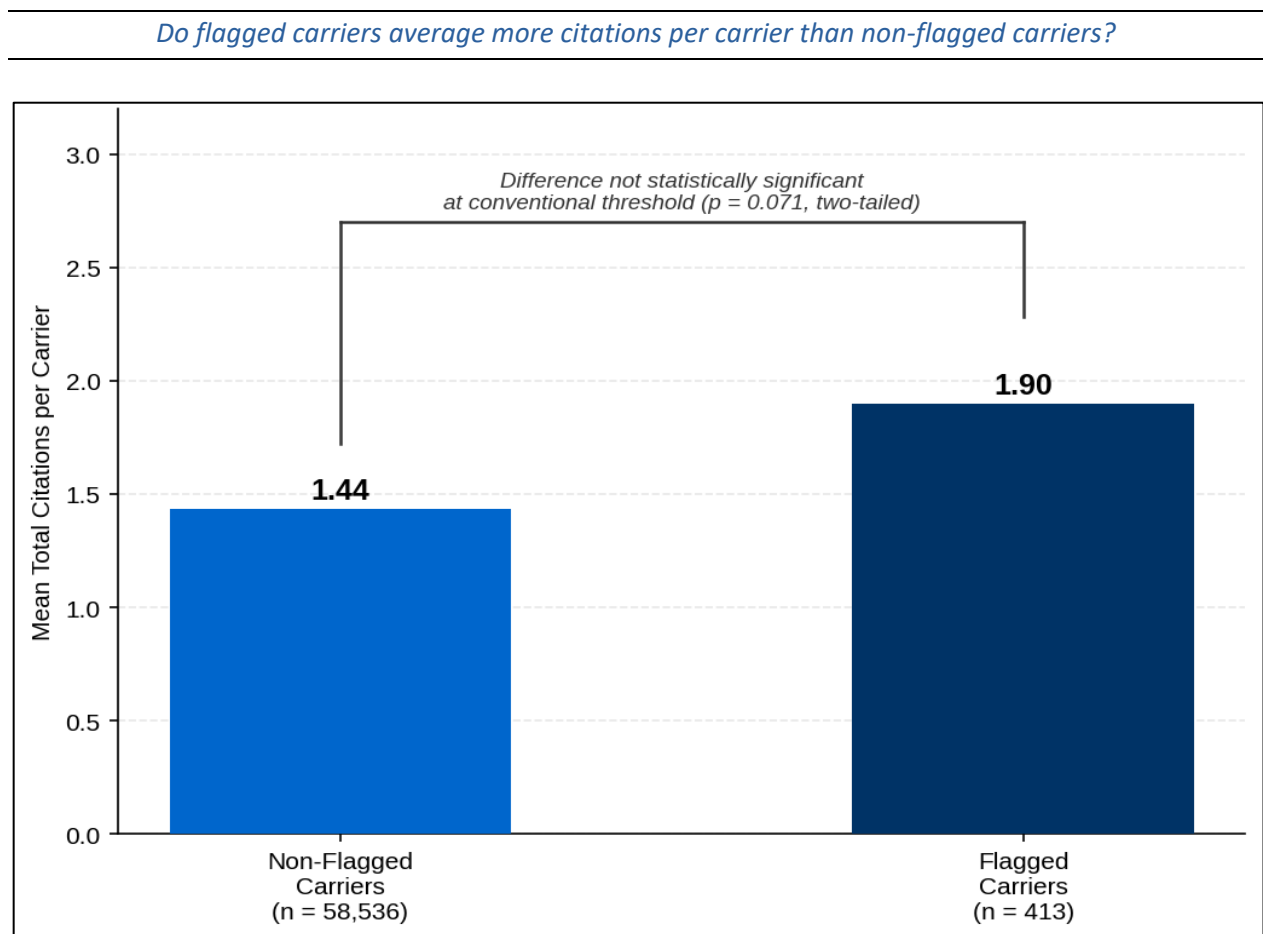


Figure 6.16 Two-Sample t-test on Citations for Flagged Versus Non-Flagged Carriers

Figure 6.16 presents the results of a two-sample t-test comparing total citations per carrier between flagged and non-flagged carriers, restricted to carriers with at least one citation and pooled across all study years. Flagged carriers averaged 1.90 citations per carrier, compared to 1.44 for non-flagged carriers — a difference of approximately 0.47 citations per carrier. While flagged carriers averaged more citations, this difference does not meet the conventional threshold for statistical significance in a two-tailed test ($t = -1.80$, $p = 0.071$) using a 95% confidence interval. This means that while the data are directionally consistent with flagged carriers receiving more citations per carrier, the evidence is not strong enough to rule out the possibility that the observed gap could arise by chance under the null hypothesis of no difference. This result contrasts with the inspection violation analysis, where the difference between groups was highly significant ($p = 0.0025$) and suggests that the citation-specific gap — while present — is less pronounced and less consistent than the broader violation burden documented earlier. Taken together, the citation analysis provides supporting but not conclusive evidence of elevated citation activity among suspected chameleon carriers.

What share of carriers received at least one citation during inspections each year?

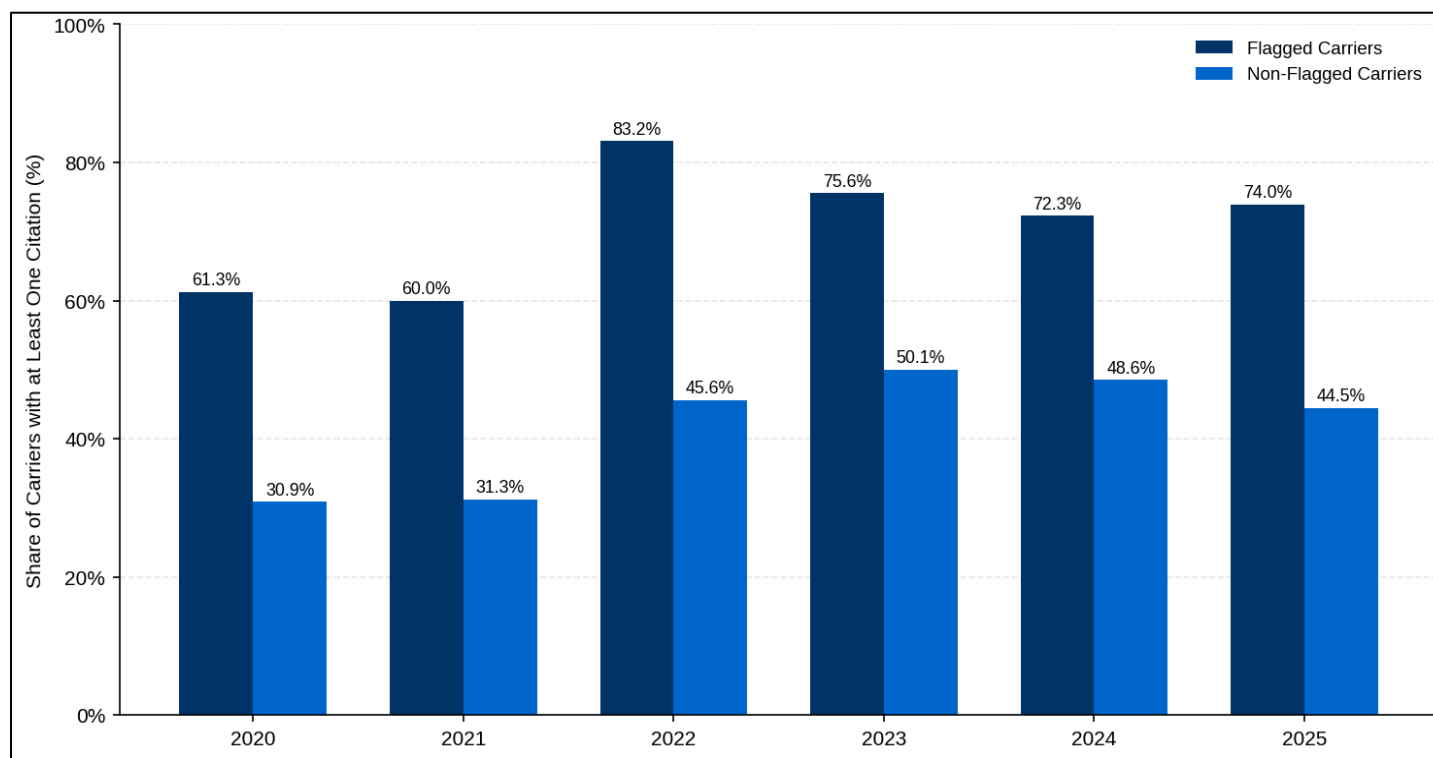


Figure 6.17 Carrier Percentages with at Least One Citation for Flagged Versus Non-Flagged Carriers

Figure 6.17 presents the share of carriers — among those with at least one inspection in a given year — that received at least one citation, comparing flagged and non-flagged carriers across the 2020–2025 study period. Flagged carriers consistently had a substantially higher share of carriers receiving citations in every year, ranging from a low of 60.0% in 2021 to a peak of 83.2% in 2022, before declining in the ensuing years. By contrast, the share of non-flagged carriers receiving at least one citation ranged from 30.9% in 2020 to a high of 50.1% in 2023. The persistent gap between the two groups — ranging between 23 and 38 percentage points in any given year — suggests that citation exposure is markedly more common

among suspected chameleon carriers at the individual carrier level, reinforcing the directional findings from the aggregate citation rate analysis and providing additional context for interpreting the t-test result in Figure 6.16.

6.7 Safety Analysis – Crashes

Introduction and Methodology

This section examines the crash histories of suspected chameleon carriers and compares their crash experience against the broader national carrier population from 2020 through 2025. The analysis draws on FMCSA Motor Carrier Management Information System (MCMIS) crash data, which covers only federally reportable crashes — defined as crashes involving a commercial motor vehicle that result in a fatality, an injury requiring immediate off-scene medical treatment, or a vehicle tow-away.¹⁰⁸ Minor incidents not meeting these thresholds are not captured in this dataset. Crash records were obtained from the FMCSA Analysis and Information Online portal as one file per state and territory, covering all MCMIS crashes for 2019 through 2026. These files were combined and filtered to the 2020–2025 study period.

Using the combined crash dataset, researchers collapsed the dataset to one record per carrier per year, producing total crash counts and counts by crash type — fatal, non-fatal, injury, and tow-away — for each carrier-year pair. This carrier-year dataset was then merged with the flagged carrier dataset using USDOT number and year to assign flag status. Carrier population figures for this section differ from the inspection and citation analyses in two important respects. First, the crash analysis used the national carrier population rather than the Kentucky records for KYU, IRP, IFTA, and UCR (used in the financial analysis) because MCMIS crash data covers all states and is not limited to crashes occurring in Kentucky. Second, the non-flagged carrier population was estimated as the national carrier population minus the count of unique flagged carriers for that year. USDOT numbers are used as the basis for identifying individual carriers, both flagged chameleon carriers and non-flagged carriers. Using this foundation, the research team collected information on the national carrier population from the FMCSA A&I portal which includes all motor carrier companies with active USDOT numbers across the interstate, intrastate hazardous materials, or intrastate non-hazardous materials categories, respectively.¹⁰⁹

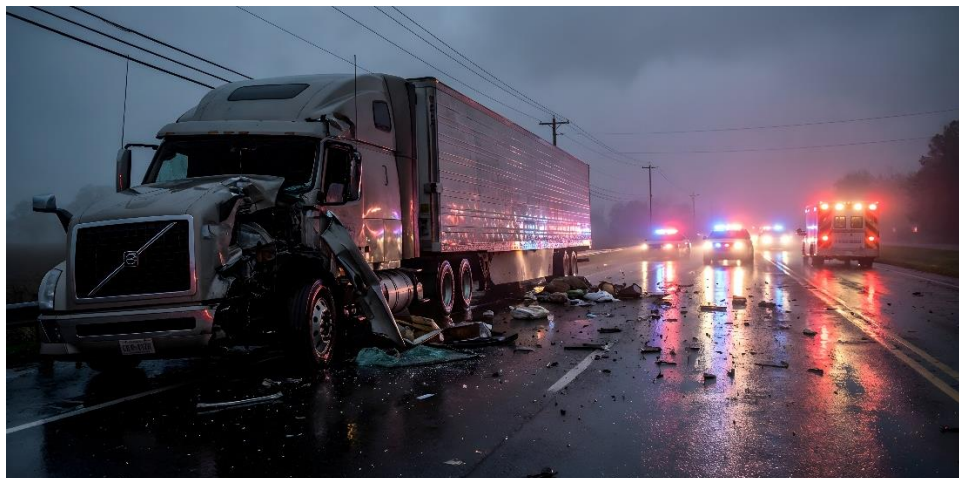


Figure 6.18 Commercial Motor Vehicle Crash Incident¹¹⁰

Crash Volume Summary

Tables 6.14 and 6.15 summarize crash volumes and carrier-level crash rates for flagged and non-flagged carriers respectively across all six study years. As seen by the counts, the most striking difference between

the two groups is in the share of carriers involved in at least one crash. Flagged carriers had a substantially higher crash involvement rate in every year of the study period — ranging from 17.9% to 27.9% — compared to non-flagged carriers, whose rates ranged from 3.59% to 4.11%.

Table 6.14 Flagged Carriers – Crash Summary Statistics

Flagged Carriers — Crash Summary	2020	2021	2022	2023	2024	2025
Carrier Population	184	292	234	248	312	263
Carriers with Crash	41	66	42	60	87	66
% Carriers with Crash	22.3%	22.6%	17.9%	24.2%	27.9%	25.1%
Total Crashes	298	391	118	440	340	245
Fatal Crashes	11	11	3	7	6	6
Non-Fatal Crashes	287	380	115	433	334	239
Injury Crashes	101	129	40	137	96	72
Tow-Away Crashes	288	374	117	424	325	237
Total Fatalities	15	11	4	7	6	6

Table 6.15 Non-Flagged Carriers – Crash Summary Statistics

Non-Flagged Carriers — Crash Summary	2020	2021	2022	2023	2024	2025
Carrier Population	1,746,139	1,912,612	2,020,476	2,043,659	2,062,333	2,074,989
Carriers with Crash	65,168	78,606	81,210	77,844	76,929	74,577
% Carriers with Crash	3.73%	4.11%	4.02%	3.81%	3.73%	3.59%
Total Crashes	129,565	153,111	155,119	147,116	146,038	140,515
Fatal Crashes	4,057	4,733	4,899	4,551	4,092	3,763
Non-Fatal Crashes	125,508	148,378	150,220	142,565	141,946	136,752
Injury Crashes	44,638	52,517	52,211	51,172	51,277	51,030
Tow-Away Crashes	123,342	145,932	147,684	139,594	138,212	132,546

Non-Flagged Carriers — Crash Summary	2020	2021	2022	2023	2024	2025
Total Fatalities	4,669	5,442	5,652	5,149	4,628	4,321

Crash Involvement Rate

What share of carriers were involved in at least one reportable crash each year?

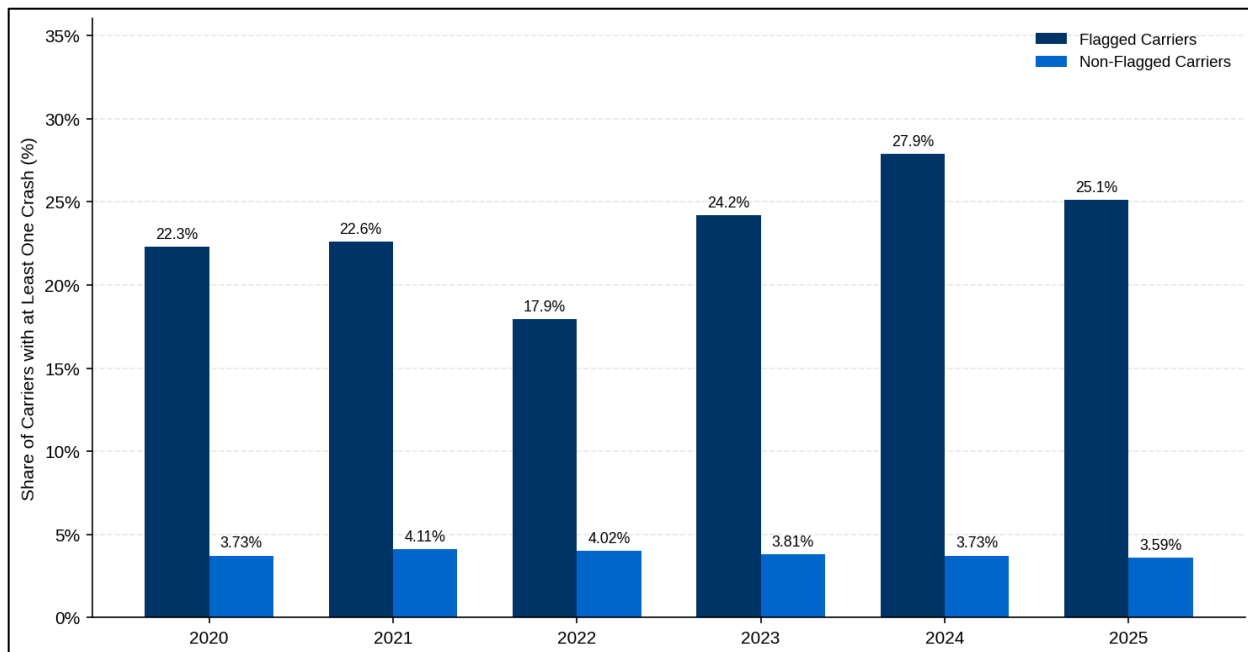


Figure 6.19 Annual Crash Percentage for Flagged Versus Non-Flagged Carriers

Figure 6.19 compares the share of carriers involved in at least one FMCSA-reportable crash each year between flagged and non-flagged carriers. The difference is substantial and consistent across all six years: flagged carriers had crash involvement rates ranging from 17.9% in 2022 to 27.9% in 2024, while non-flagged carrier rates ranged from just 3.59% to 4.11% — a gap of approximately 14 to 24 percentage points depending on the year. The flagged carrier rate exhibited more year-to-year variability, which is consistent with the smaller population size noted throughout this chapter. The notably lower rate in 2022 for flagged carriers (17.9%) coincides with a lower total crash count for that year (118 crashes) and may reflect data completeness or timing issues in the underlying MCMIS records for that period rather than a genuine reduction in crash activity. Non-flagged carrier crash involvement rates were comparatively stable across the study period, reflecting the much larger and more consistent underlying population.

Do flagged carriers average significantly more crashes per carrier than non-flagged carriers?

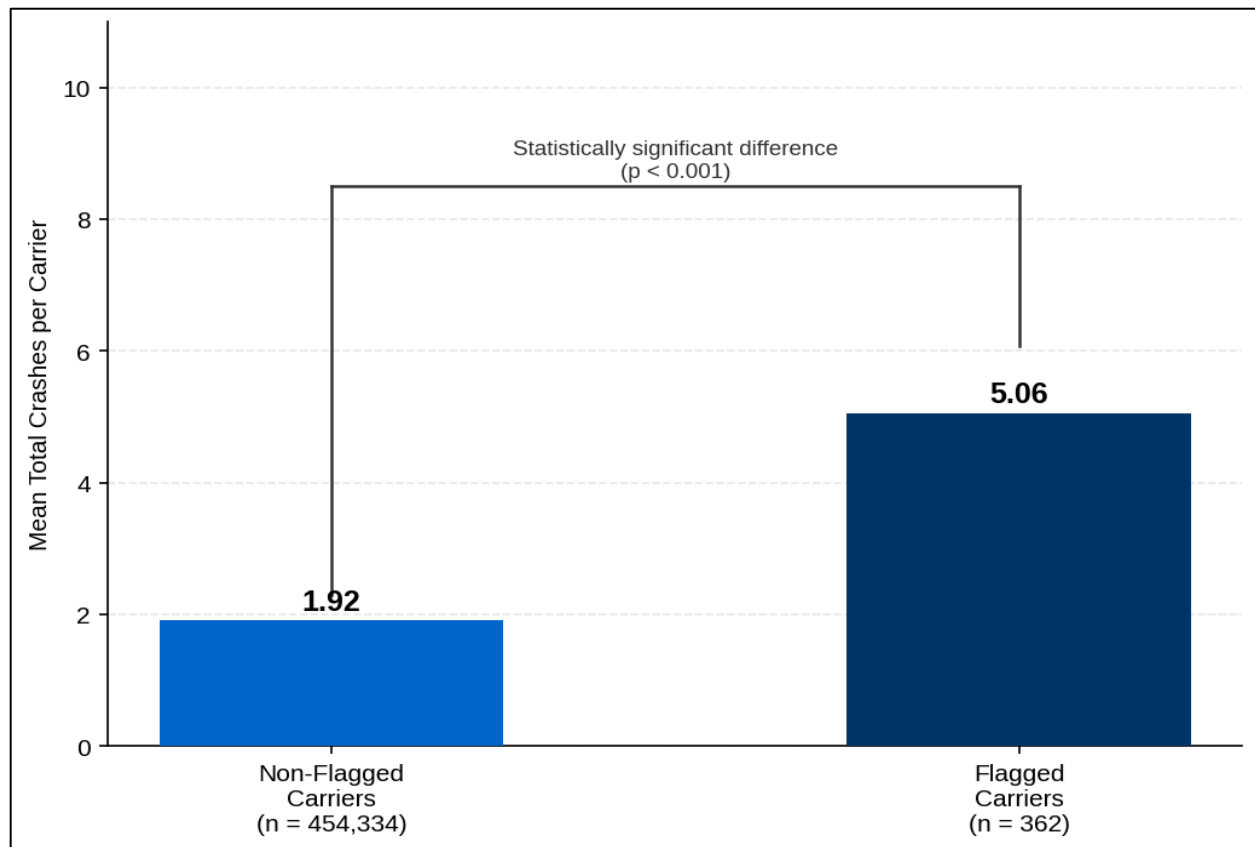


Figure 6.20 Two-Sample t-test on Crashes for Flagged Versus Non-Flagged Carriers

Figure 6.20 presents the results of a two-sample t-test comparing total crashes per carrier between flagged and non-flagged carriers, pooled across all study years. Flagged carriers averaged 5.06 crashes per carrier compared to 1.92 for non-flagged carriers — a difference of approximately 3.14 crashes per carrier. This difference is highly statistically significant ($t = -5.59$, $p < 0.001$) at the 95% confidence interval, providing strong evidence that the higher crash burden observed among suspected chameleon carriers is not attributable to random chance. This is the most statistically decisive finding in the safety analysis, with a p-value that rounds to zero at four decimal places. The magnitude and statistical strength of the finding — flagged carriers averaging more than 2.6 times the crashes per carrier of non-flagged carriers — is consistent with the broader pattern of elevated safety risk documented across all three safety analyses in this chapter.

Crash Severity Breakdown

How are crashes among flagged carriers distributed across severity categories each year? (Note: categories are not mutually exclusive — a single crash may appear in more than one category)

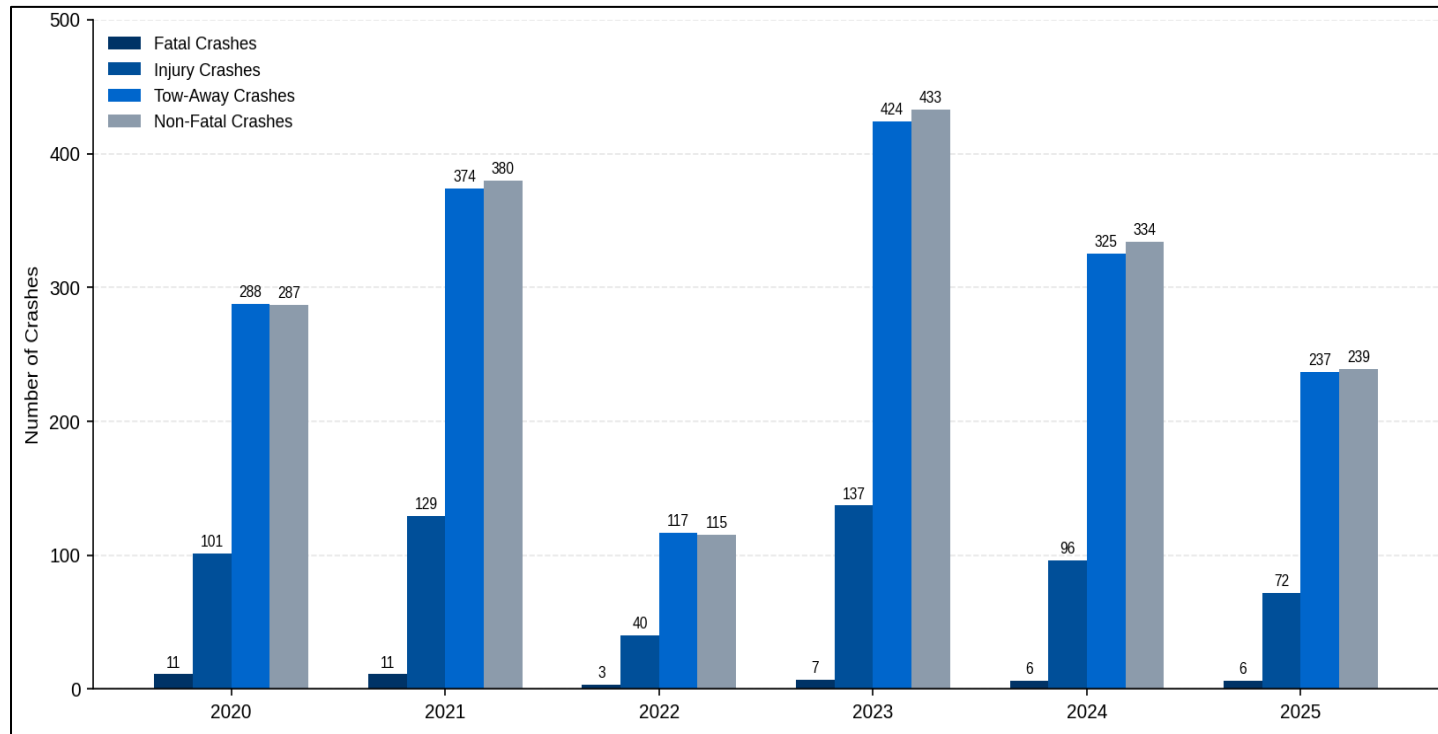


Figure 6.21 Crash Type Distribution for Flagged Carriers

Figure 6.21 presents the annual distribution of crashes among flagged carriers across four severity categories — fatal crashes, injury crashes, tow-away crashes, and non-fatal crashes — for each year from 2020 through 2025. Because these categories are not mutually exclusive (a single crash may simultaneously involve a fatality, an injury, and a tow-away), the bars are shown independently rather than as a stacked total, and the sum of the four categories will exceed the total crash count in most years. Non-fatal crashes consistently represent the largest category, followed closely by tow-away crashes, reflecting the standard distribution of commercial vehicle crash types. Fatal crashes represent a small but persistent

share of the total every year, ranging from 3 in 2022 to 11 in both 2020 and 2021. The 2022 drop across all categories is consistent with the lower total crash count noted in Tables 6.14 and 6.15 and likely reflects the same underlying data pattern rather than a genuine year-over-year safety improvement.

Total Crash Volume Comparison

How do total reportable crash counts compare between flagged and non-flagged carriers each year?

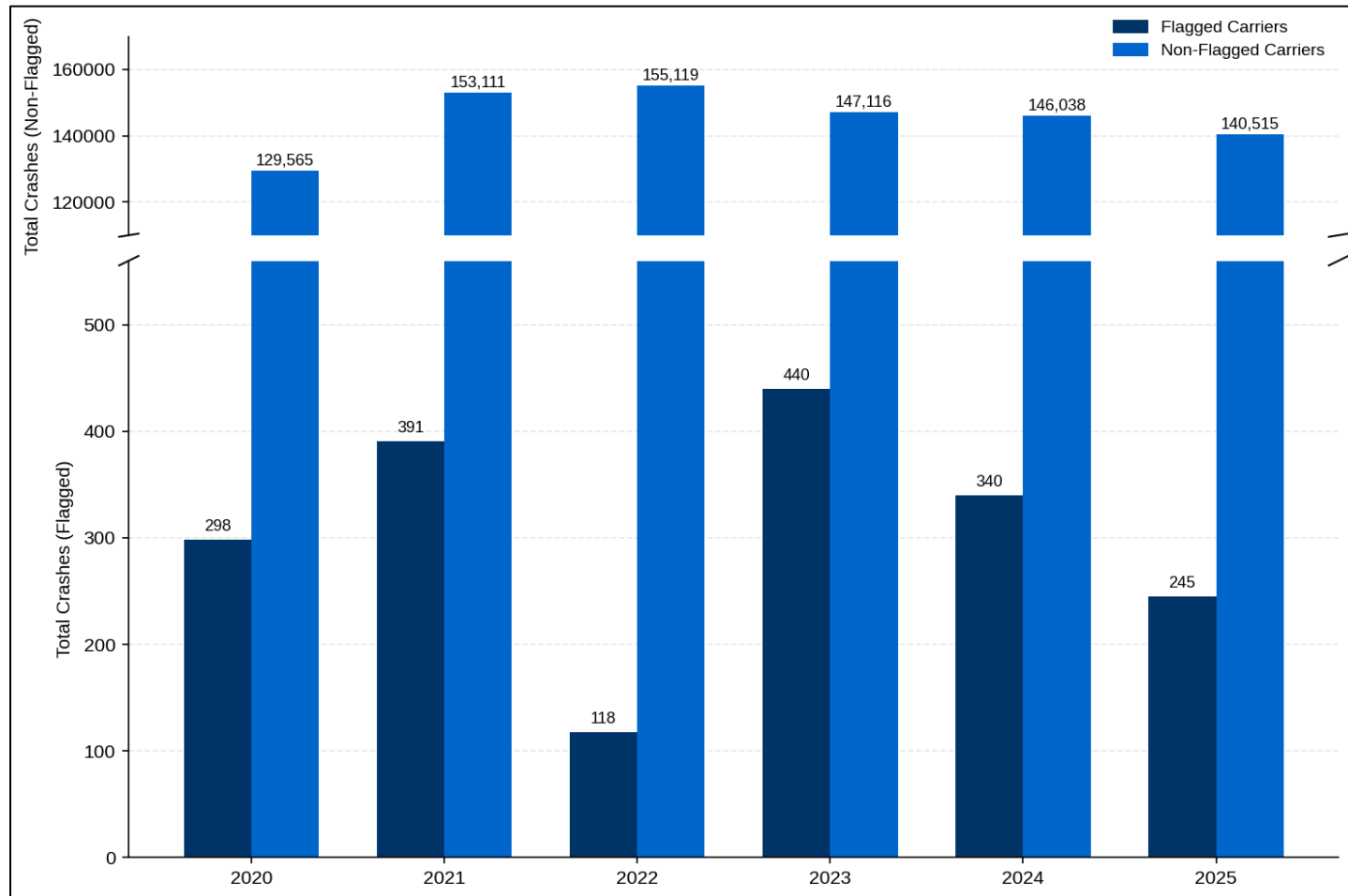


Figure 6.22 Crash Counts for Flagged Versus Non-Flagged Carriers

Figure 6.22 presents total FMCSA-reportable crash counts for flagged and non-flagged carriers across the 2020–2025 study period, using a split vertical axis to accommodate the large difference in absolute scale between the two groups. Non-flagged carrier crash totals are shown on the upper panel, ranging from approximately 129,600 in 2020 to a peak of 155,100 in 2022 before declining to 140,500 in 2025. Flagged carrier crash totals are shown on the lower panel and range from 118 in 2022 to 440 in 2023. As with the inspection volume comparison, the raw counts reflect the much larger size of the non-flagged carrier population and should not be interpreted as evidence of comparable safety performance — the carrier-level t-test results in Figure 6.20 provide the more appropriate basis for comparison. Taken together, the crash analyses presented in this section consistently indicate that suspected chameleon carriers are involved in a meaningful number of crashes reinforcing the pattern of elevated safety risk documented across inspections, violations, and citations throughout this chapter.

Chapter 7 Conclusion

7.1 Findings

This study examined how state and federal agencies define, detect, and respond to suspected chameleon carriers, and assessed the financial and highway safety impacts of this activity in Kentucky. The research team conducted multiple activities to derive the findings, including a review of state administrative codes and statutes; two rounds of multi-state surveys; an analysis of federal enforcement infrastructure; and an original analysis of Kentucky carrier, revenue, and crash data. This research yielded the key findings below, grouped by theme:

Definitional and Legal Foundations

1. While 77% of surveyed agency officials reported at least a moderate working knowledge of chameleon carrier activity, that familiarity was not matched by formal statutory recognition of the term. (Ch. 3, "3.3 Survey Results and Findings," Q4/Q5)
2. A review of administrative codes and statutes across the 13 pilot states found no instance in which "chameleon carrier" or "reincarnated carrier" was formally codified; only broad "fraud" provisions appeared, and those were generally not specific to motor carrier identity evasion. (Ch. 3, "3.2 Methodology for State Selection and Surveys")
3. Among the 13 pilot states, only one cited a formal regulatory definition for a "reincarnated...motor carrier," and that definition exists at the federal level under 49 CFR § 385.1003 rather than in state law. (Ch. 3, "3.3 Survey Results and Findings," Q5)
4. A majority of pilot states (69%) reported no internal written agency policy defining chameleon carriers, leaving agency personnel to rely on individual judgment rather than consistent administrative guidance. (Ch. 3, "3.3 Survey Results and Findings," Q7)
5. Most agencies (62%) fell back on general state statutes as their primary authority for denying or revoking registrations, applying that authority mainly in response to PRISM out-of-service orders or fraudulent/proxy application scenarios. (Ch. 3, "3.3 Survey Results and Findings," Q6)

Coordination and Information-Sharing Gaps

6. Only a slight majority of states (54%) were aware that other state agencies (e.g., state police, Secretary of State) shared enforcement responsibility for chameleon carriers, suggesting that inter-agency coordination is inconsistent even within individual states. (Ch. 3, "3.3 Survey Results and Findings," Q8)
7. The research team's own attempt to characterize FMCSA-state coordination was limited by incomplete responses from FMCSA to the study's outreach, leaving this report's account of that coordination based primarily on publicly available documentation rather than direct agency input. (Ch. 4, "4.7 Direct FMCSA Engagement: Approach and Limitations")

8. The research team's attempt to compare enforcement effectiveness across pilot states could not be completed as originally scoped, because FMCSA does not centrally aggregate or track submitted chameleon carrier cases by state, nor maintain consolidated records of follow-on confirmations such as those from the record consolidation order process. This indicates that no standardized, multi-state tracking mechanism for these cases currently exists at the federal level. (Ch. 5, "5.4 Limitations in Evaluating State Enforcement Actions")

Detection and Screening Practices

9. Most state agencies relied on a combination of state statutory or regulatory authority and the IRP reciprocal agreement to deny or revoke credentials or renewal applications, rather than on a single dedicated source of authority. (Ch. 5, "5.2 Survey Results," Q4-Q5)
10. Only 42% of state agencies employed a risk-based approach to screening motor carrier applications for chameleon carrier risk, and those that did so applied inconsistent risk factors from one agency to the next. (Ch. 5, "5.2 Survey Results," Q6/Q8)
11. Agencies most commonly cited physical or mailing addresses, vehicle owners, company owners or officers, and shared VINs as their primary signals for detecting suspected chameleon carriers. (Ch. 5, "5.2 Survey Results," Q10)
12. No single database or system gave agencies a comprehensive view of carrier risk; agencies instead drew on a wide portfolio of federal, state, and third-party databases to screen applications. (Ch. 5, "5.2 Survey Results," Q11)
13. Most state agencies (10 of 12) verified an applicant's physical address primarily through GIS/mapping tools, state business registries, or U.S. Postal Service web tools. (Ch. 5, "5.2 Survey Results," Q16)
14. Two-thirds of agencies (67%) recognized third-party application submissions as a risk indicator, but the methods used to identify third-party submitters varied widely across agencies, from dedicated form fields to manual mismatch detection. (Ch. 5, "5.2 Survey Results," Q18-Q19)

Reported Barriers to Enforcement

15. Agencies identified evolving evasion tactics, impaired data quality or completeness, limited statutory authority, and high application volumes paired with resource constraints as the leading barriers to detecting and responding to chameleon carriers. (Ch. 5, "5.2 Survey Results," Q28)
16. Despite these barriers, agencies cited integration with FMCSA's PRISM IT architecture, alongside other supporting databases such as CVIEW and the IRP Data Repository, as their most effective current enforcement tools. (Ch. 5, "5.2 Survey Results," Q29)

17. When asked what would most improve their ability to address chameleon carriers, respondents pointed to the need for more robust legislation on definitions and penalties, faster FMCSA response times to flagged carriers, and more timely alerts on significant carrier changes between renewal periods. (Ch. 5, "5.2 Survey Results," Q30)

Financial Impact in Kentucky

18. KYTC's CVIEW system identified 1,533 unique suspected chameleon carriers that conducted operations within Kentucky across the 2020-2025 calendar years with 601 of those carriers based in Kentucky. Over this period, the share of Kentucky's carrier population flagged as suspected chameleon carriers doubled from 0.16% to 0.32% over that period. (Ch. 6, "6.3 Flagged Carrier Statistics")
19. Suspected chameleon carrier activity cost Kentucky's Road Fund an estimated \$3.38 million across the 2020–2025 fiscal years, with the Kentucky Weight Distance Tax (KYU) accounting for the largest share. This estimate is based on the KYU active carrier population as the common denominator across all four Road Fund programs — KYU, IRP, IFTA, and UCR — reflecting that carriers subject to the KYU weight-distance tax are physically operating on Kentucky roadways and are simultaneously obligated under all four programs. The research team characterizes this figure as conservative, as it reflects only carriers that KYTC has already identified and flagged through its CVIEW system. (Ch. 6, "6.4 Financial Analysis")

Safety Impact in Kentucky

20. Flagged carriers recorded higher violation rates per inspection than non-flagged carriers in every year of the study period (1.56–3.18 vs. 1.10–1.53 violations per inspection). (Ch. 6, "6.5 Safety Analysis – Inspections")
21. Flagged carriers exhibited higher out-of-service rates than non-flagged carriers across both vehicle and driver OOS categories, with vehicle OOS rates reaching 25.2% (vs. 18.1%) and driver OOS rates reaching 16.1% (vs. 7.2%) at their 2022 peaks. (Ch. 6, "6.5 Safety Analysis – Inspections")
22. Flagged carriers recorded higher citation rates per inspection than non-flagged carriers throughout the study period, peaking at 0.47 vs. 0.27 citations per inspection in 2022. (Ch. 6, "6.6 Safety Analysis – Citations")
23. When evaluating carriers collectively rather than based on individual inspections, a substantial majority of flagged carriers (60.0%–83.2% across the study period) received at least one citation, compared to just 30.9%–50.1% of non-flagged carriers. (Ch. 6, "6.6 Safety Analysis – Citations")
24. The share of inspections resulting in at least one citation was substantially higher for flagged carriers than non-flagged carriers, peaking at 45.2% vs. 26.4% in 2022. (Ch. 6, "6.6 Safety Analysis – Citations")

25. Flagged carriers were involved in crashes at substantially higher rates than non-flagged carriers throughout the study period (17.9%–27.9% vs. 3.59%–4.11% annually) — a gap ranging from 14 to 24 percentage points depending on the year. (Ch. 6, "6.7 Safety Analysis – Crashes")
26. Statistical testing confirmed that flagged carriers averaged significantly more violations per carrier than non-flagged carriers (7.96 vs. 3.50; $t = -3.03$, $p = 0.0025$). (Ch. 6, "6.5 Safety Analysis – Inspections")
27. The citation gap between flagged and non-flagged carriers was directionally consistent with the violation and crash findings (1.90 vs. 1.44 citations per carrier) but did not reach statistical significance ($t = -1.80$, $p = 0.071$), indicating weaker evidence for this safety indicator. (Ch. 6, "6.6 Safety Analysis – Citations")
28. Statistical testing confirmed that flagged carriers averaged significantly more crashes per carrier than non-flagged carriers (5.06 vs. 1.92; $t = -5.59$, $p < 0.001$) — the most statistically decisive safety finding in the study. (Ch. 6, "6.7 Safety Analysis – Crashes")

7.2 Recommendations

Based on the findings summarized in Section 7.1 and report details presented in Chapters 2 through 6, the research team offers the following recommendations. These recommendations are organized by theme and directed primarily at KYTC as the project sponsor, though several carry broader relevance for other state CMV registration and enforcement agencies, law enforcement partners, and FMCSA.

Establish Clear Definitions and Internal Policy Guidance

1. KYTC should pursue a formal statutory or administrative definition of “chameleon carrier” or “reincarnated carrier” in Kentucky law, since no pilot state has formally codified the term and most agencies must instead rely on broad, non-specific fraud provisions. (Ch. 3, “3.2 Methodology for State Selection and Surveys”)
2. KYTC should develop written internal policy guidance that defines chameleon carrier indicators and standardizes how staff identify and respond to suspected cases, addressing the gap reported by 69% of pilot states that lack any internal written policy on this issue. (Ch. 3, “3.3 Survey Results and Findings,” Q7)

Strengthen Interagency and Federal-State Coordination

3. KYTC should formalize coordination protocols with other Kentucky agencies that share chameleon carrier enforcement responsibility, such as the Kentucky State Police and the Secretary of State’s office, given that only 54% of pilot states reported awareness that such shared responsibility exists within their own state. (Ch. 3, “3.3 Survey Results and Findings,” Q8)

4. KYTC, in coordination with other commercial motor vehicle national associations and state agencies, should advocate that FMCSA establish a standardized, centrally tracked case management system for chameleon carrier referrals and resolutions, addressing the absence of any consolidated multi-state tracking mechanism identified during this study. (Ch. 4, “4.7 Direct FMCSA Engagement: Approach and Limitations”; Ch. 5, “5.4 Limitations in Evaluating State Enforcement Actions”)

Adopt Risk-Based Screening and Detection Practices

5. KYTC should adopt a standardized, risk-based screening methodology for registration applications that incorporates the common identifiers most cited by pilot states — physical and mailing addresses, vehicle owners, company officers, and shared VINs — since only 42% of agencies currently use a risk-based approach and those that do apply inconsistent risk factors. (Ch. 5, “5.2 Survey Results,” Q6/Q8/Q10)
6. KYTC should continue and expand its use of CVIEW and the PRISM Target File as core detection tools, while also establishing a standardized procedure for identifying and verifying third-party application submissions, a risk indicator recognized by two-thirds of pilot states but tracked through widely varying methods. (Ch. 4, “4.4 PRISM Data Files”; Ch. 5, “5.2 Survey Results,” Q18-Q19/Q29)

Strengthen Statutory Authority and Enforcement Tools

7. KYTC should pursue legislative or regulatory changes that grant clear, dedicated authority to deny or revoke registration credentials specifically on chameleon carrier grounds, since pilot states most commonly cited limited statutory authority as a leading barrier and identified more robust legislation on definitions and penalties as the change that would most improve their enforcement ability. (Ch. 5, “5.2 Survey Results,” Q28/Q30)
8. KYTC should engage FMCSA, in coordination with other commercial motor vehicle state agencies, to request faster turnaround on flagged carrier reviews and more timely alerts when significant carrier changes occur between renewal periods, both of which pilot state respondents identified as priority improvements. (Ch. 5, “5.2 Survey Results,” Q30)

Address Financial Impacts to the Kentucky Road Fund

9. KYTC should explore and standardize additional mechanisms for identifying, billing, or otherwise recouping unpaid KYU, IFTA, IRP, and UCR obligations from confirmed chameleon carriers, given that suspected chameleon carrier activity cost Kentucky's Road Fund an estimated \$3.38 million from FY 2020–2025 — a figure the research team characterizes as a conservative floor reflecting only carriers currently identifiable through CVIEW. (Ch. 6, “6.4 Financial Analysis”)
10. KYTC should continue refining its CVIEW flagging methodology and identify opportunities to increase investment in detection capabilities, as the hypothetical detection scenarios developed in this study illustrate the financial stakes of under-identification. If KYTC's current process captures only 50% of true chameleon carrier activity, estimated cumulative revenue losses would nearly double to approximately estimated cumulative revenue losses would nearly double to approximately \$6.75 million; at

a 25% capture rate, losses could reach \$13.50 million — nearly four times the observed baseline estimate of \$3.38 million. (Ch. 6, “6.4 Financial Analysis”)

Target Safety Enforcement Resources Toward High-Risk Carriers

11. KYTC should continue to engage with the Kentucky State Police to prioritize roadside inspection resources toward CVIEW-flagged carriers, given that flagged carriers recorded significantly higher violation rates per inspection and higher out-of-service rates than non-flagged carriers throughout the study period. (Ch. 6, “6.5 Safety Analysis – Inspections”)
12. KYTC should continue to engage with the Kentucky State Police to consider flagged-carrier status as an explicit input into citation issuance guidance and follow-up enforcement actions, reflecting the substantially higher citation rates and citation exposure documented for flagged carriers relative to non-flagged carriers. (Ch. 6, “6.6 Safety Analysis – Citations”)
13. KYTC should coordinate with the Kentucky State Police and other crash-investigation authorities to flag and review crash-involved carriers against the CVIEW chameleon carrier list, given that flagged carriers were involved in crashes at rates 14 to 24 percentage points higher than non-flagged carriers and averaged significantly more crashes per carrier (5.06 vs. 1.92; $p < 0.001$), the most statistically decisive safety finding in the study. (Ch. 6, “6.7 Safety Analysis – Crashes”)

Appendix A Survey Questions on Chameleon Carrier Characterizations

Survey Introduction

This survey is part of a research effort examining how state motor carrier credentialing agencies identify and characterize suspected “chameleon carriers” and “reincarnated carriers.” Your responses will be aggregated and summarized. Individual agencies and respondents will not be identified.

Section 1. Respondent Information

Q1 Provide your full name (last, first).

Name _____

Q2 Provide your organizational title.

Title _____

Q3 List the name of your organizational state agency.

Agency _____

Q4 List the name of your department, division, branch, and/or section (as applicable).

Department / Division / Branch / Section _____

Section 2. Familiarity with Chameleon Carriers

Q5 How familiar are you with the issue of fraudulent motor carriers commonly referred to as chameleon carriers or reincarnated carriers?

- ☐ Very familiar
- ☐ Somewhat familiar
- ☐ Vaguely familiar
- ☐ Not at all familiar

Section 3. State Definitions & Characterizations

Q6 Do you know if your state has formally defined the term chameleon carrier, reincarnated carrier, or some other similar characterization of fraudulent motor carriers?

- ☐ Yes
- ☐ No

If Yes → Please indicate how your state defines this characterization (select all that apply):

- ☐ State administrative codes
- ☐ State legal statutes
- ☐ Federal administrative codes
- ☐ Federal legal statutes

Q7 If yes to any part of Q6, please provide the full language definition(s) by source along with their corresponding citations.

Provide the definition text and citation for each applicable source selected above.

Section 4. Internal Agency Policies

Q8 Excluding administrative codes and/or legal statutes, does your state agency have internal written policies defining and/or describing the term chameleon carrier, reincarnated carrier, or some other similar characterization of fraudulent motor carriers?

- ☐ Yes
- ☐ No

If Yes → Please provide the relevant policy language or a summary below:

Section 5. Inter-Agency Awareness

Q9 Are you aware of any other state government agencies within your state that would also have jurisdictional responsibilities for identifying and/or counteracting chameleon carriers?

- ☐ Yes
- ☐ No

If Yes → Please list the agency/agencies and briefly describe your understanding of their role (2–3 sentences):

Section 6. Additional Information

Q10 Is there any other information on chameleon carrier definitions, descriptions, and/or characterizations that may not have been addressed in the preceding questions that you would like to provide?

Do not include enforcement topics in this response — enforcement questions will be addressed in a separate follow-up survey.

Appendix B Survey Questions on Chameleon Carrier Enforcement

Survey Introduction

This survey is part of a research effort examining how state motor carrier credentialing agencies identify and respond to suspected “chameleon carriers.” For purposes of this survey, a *chameleon carrier* refers to a motor carrier that seeks to evade prior safety, compliance, or enforcement actions by reapplying for operating credentials under a new or altered identity. Your responses will be aggregated and summarized. Individual agencies and respondents will not be identified.

Section 1. Agency Context

Q1 Which best describes your agency’s organizational placement?

- ☐ Department of Transportation
- ☐ Department of Revenue
- ☐ Department of State
- ☐ Other (please specify): _____

Q2 Which jurisdiction do you currently serve in?

Select one from the dropdown (all 50 U.S. states and the District of Columbia): _____

Section 2. Agency Authority

Q3 Which functions does your office perform related to issuing credentials to motor carriers? (Select all that apply)

- ☐ Issue new motor carrier registration / licensing
- ☐ Issue motor carrier registration / licensing renewals for existing customers
- ☐ Document credential denials and / or revocations as they occur
- ☐ Other (please describe): _____

Q4 Which types of credentials does your office issue related to motor carriers? (Select all that apply)

- ☐ International Registration Plan (IRP)
- ☐ International Fuel Tax Agreement (IFTA)
- ☐ State-Specific Weight-Distance Tax
- ☐ Intrastate Operating Authority
- ☐ Oversize / Overweight Permit
- ☐ Hazardous Materials (HazMat) Permit
- ☐ Temporary Permit
- ☐ Other (please describe): _____

Q5 Using the authority as granted in the IRP and IFTA reciprocal agreements, does your agency take any of the following administrative actions for motor carriers? (Select all that apply)

Administrative Action	IRP Authority	IFTA Authority
Deny an initial registration or credential	☐	☐

Administrative Action	IRP Authority	IFTA Authority
Deny a renewal application	☐	☐
Suspend or revoke credentials	☐	☐
Place conditions on approval	☐	☐
Refer cases to FMCSA or other agencies	☐	☐
Not a member of this reciprocal agreement	☐	☐
Unsure	☐	☐

Q6 Other than the authority in the reciprocal agreements for IRP and IFTA, does your agency have statutory or regulatory authority to take any of the following administrative actions for motor carriers? (Select all that apply)

- ☐ Deny an initial registration or credential
- ☐ Deny a renewal application
- ☐ Suspend or revoke credentials
- ☐ Place conditions on approval
- ☐ Refer cases to FMCSA or other agencies
- ☐ No such authority
- ☐ Unsure

Section 3. Risk Identification Criteria

Q7 Does your agency classify motor carrier applications based on perceived risk of chameleon carrier activity?

- ☐ Yes
- ☐ No
- ☐ Informally (case-by-case)

Q8 Does your agency use defined factors (e.g., data matches to prior carriers with adverse history) to flag an application for further review?

- ☐ Yes
- ☐ No
- ☐ Unsure

If Yes → Q8b Which factors most commonly elevate a carrier application to higher risk? (Select all that apply):

- ☐ Data matches to prior carriers with adverse compliance history (e.g., address, phone, etc.)
- ☐ VINs associated with other USDOT numbers
- ☐ Inconsistent or incomplete application data
- ☐ Third-party submission of application
- ☐ Other (please specify): _____

Section 4. Data Elements Used for Screening

Q9 Which data elements does your agency review when screening motor carrier applications for potential chameleon carrier activity? (Select all that apply)

- ☐ Carrier Legal Name / DBA
- ☐ Company Officers or Principals
- ☐ EIN Number
- ☐ DUNS Number
- ☐ Phone Number(s)
- ☐ Email Address(es)
- ☐ Physical or Mailing Address
- ☐ VIN(s)
- ☐ Vehicle Ownership Information
- ☐ Insurance Provider
- ☐ Other (please specify): _____

Q10 Please rate the level of importance for each of the following data elements when evaluating motor carrier applicants for potential chameleon carrier activity.

Data Element	Not at all Important	Slightly Important	Moderately Important	Very Important	Extremely Important
Carrier Legal Name / DBA	☐	☐	☐	☐	☐
Company Officers or Principals	☐	☐	☐	☐	☐
EIN Number	☐	☐	☐	☐	☐
DUNS Number	☐	☐	☐	☐	☐
Phone Number(s)	☐	☐	☐	☐	☐
Email Address(es)	☐	☐	☐	☐	☐
Physical or Mailing Address	☐	☐	☐	☐	☐
VIN(s)	☐	☐	☐	☐	☐
Vehicle Ownership Information	☐	☐	☐	☐	☐
Insurance Provider	☐	☐	☐	☐	☐
Other (please specify)	☐	☐	☐	☐	☐

Scale: 1 = Not at all Important · 2 = Slightly · 3 = Moderately · 4 = Very · 5 = Extremely Important

Section 5. IT Systems and Data Sources

Q11 Which systems or databases does your agency use to screen motor carrier applications? (Select all that apply)

- ☐ FMCSA MCMIS
- ☐ FMCSA SAFER
- ☐ FMCSA NAS (A&I)
- ☐ PRISM Target File
- ☐ IRP Data Repository (IDR)
- ☐ CVIEW

- ☐ State Business Registry (e.g., Secretary of State)
- ☐ Mapping or GIS Tools
- ☐ National Motor Vehicle Title Information System (NMVTIS)
- ☐ Other (please specify): _____

Q12 How are these systems typically used?

- ☐ Automated screening
- ☐ Manual review
- ☐ Combination of both

Section 6. VIN, Address, & Identity Verification

Q13 Does your agency screen VINs to determine whether any commercial motor vehicles for a motor carrier applicant have been associated with another USDOT number?

- ☐ Yes
- ☐ No

If Yes → Q13b Which systems or databases does your agency use to screen the VINs? (Select all that apply)

- ☐ FMCSA MCMIS
- ☐ FMCSA SAFER
- ☐ FMCSA NAS (A&I)
- ☐ PRISM Target File
- ☐ IRP Data Repository (IDR)
- ☐ CVIEW
- ☐ State Business Registry (e.g., Secretary of State)
- ☐ Mapping or GIS Tools
- ☐ National Motor Vehicle Title Information System (NMVTIS)
- ☐ Other (please specify): _____

Q14 Does your agency perform any steps to verify the physical address provided on applications?

- ☐ Yes
- ☐ No

If Yes → Q14b Which tools does your agency use for physical address verification? (Select all that apply)

- ☐ U.S. Postal Service Web Tools (Address Information)
- ☐ GIS / Mapping Imagery (e.g., Google Maps, Bing Maps, ESRI)
- ☐ State Business Registry (e.g., Secretary of State)
- ☐ FMCSA IT Systems
- ☐ Other Tool (please describe): _____

Section 7. Third-Party & Proxy Risks

Q15 Third parties (e.g., insurance agents and/or service companies) may periodically submit applications on behalf of motor carriers. Does your agency require or allow identification of an agent / representative when an application is submitted on behalf of a motor carrier?

- ☐ Yes, agent information must be provided

- Yes, agent information is optional
- No, this information is not required
- Unsure

Q16 Which methods does your agency use to determine whether an application was submitted by a third party? (Select all that apply)

- ☐ Separate agent account / user credential (i.e., application submitted from a pre-registered third-party account)
- ☐ IP / device pattern analysis (e.g., use of IP address to detect whether the same third party submits multiple applications for different carriers)
- ☐ Contact information mismatch detection (e.g., email or phone match to a service provider, address not matching carrier's business address, etc.)
- ☐ Explicit agent / representative field marked on application (i.e., agency form requires this information)
- ☐ Other (please describe): _____
- ☐ None of the above — Do not check for submissions by third parties

Q17 If third-party submissions are identified, does your agency treat those applications as higher risk?

- Yes
- No
- Case-by-case

Q18 Does your agency attempt to identify whether a family member or associate of a previously revoked or denied carrier is acting as a proxy applicant?

- Yes
- No
- Unsure

If Yes → Q18b Please briefly describe the steps taken to determine the identification of a proxy applicant.

Response _____

Section 8. Internal Review & Escalation

Q19 When an application is flagged for potential chameleon carrier activity, what steps typically follow? (Select all that apply)

- ☐ Additional internal review
- ☐ Supervisory review
- ☐ Legal or policy review
- ☐ Request for additional documentation
- ☐ Referral to FMCSA or another agency
- ☐ Other (please specify): _____

Q20 Approximately how long does it take from flagging an application to reaching a decision?

- Less than 1 week
- 1–2 weeks
- More than 2 weeks
- Varies significantly

Section 9. Coordination with FMCSA & Enforcement Partners

Q21 Under what circumstances does your agency refer cases to FMCSA or law enforcement partners? (Select all that apply)

- ☐ Evidence suggests regulatory evasion
- ☐ Federal out-of-service history identified
- ☐ Multiple data matches to prior carriers
- ☐ Other (please specify): _____

Q22 What information is typically shared during referrals? (Select all that apply)

- ☐ Application data
- ☐ VIN or vehicle information
- ☐ Ownership or officer details
- ☐ Screening results or concerns
- ☐ Other (please specify): _____

Section 10. Administrative Actions

Q23 What administrative actions has your agency taken in response to suspected chameleon carrier activity? (Select all that apply)

- ☐ Denial of application
- ☐ Denial of renewal
- ☐ Suspension or revocation
- ☐ Conditional approval
- ☐ Referral only
- ☐ No action taken directly

Q24 Does your agency follow PRISM or similar guidance when taking administrative action?

- ☐ Yes
- ☐ No
- ☐ Unsure

Section 11. Challenges & Gaps

Q25 What challenges limit your agency's ability to detect or respond to chameleon carriers? (Select all that apply)

- ☐ Data quality or completeness
- ☐ Volume of applications
- ☐ Limited statutory authority
- ☐ Resources or staffing constraints
- ☐ Evolving evasion tactics
- ☐ Other (please specify): _____

Section 12. Best Practices & Recommendations

Q26 What practices or tools have been most effective for your agency in addressing suspected chameleon carriers?

(Open-ended response)

Q27 Are there legislative, policy, or system changes that would improve your agency's ability to address this issue?

(Open-ended response)

Endnotes

¹ 49 CFR § 390.5 – Definitions; Federal Motor Carrier Safety Regulations, Title 49, Code of Federal Regulations, Part 390.5. U.S. Government Publishing Office, <https://www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-390/section-390.5>.

² U.S. Government Accountability Office, Motor Carrier Safety: Reincarnating Commercial Vehicle Companies Pose Safety Threat to Motoring Public; Federal Safety Agency Has Initiated Efforts to Prevent Future Occurrences, GAO-09-924 (Washington, DC: Government Printing Office, 2009), 5.

³ U.S. Government Accountability Office, Motor Carrier Safety: Reincarnating Commercial Vehicle Companies Pose Safety Threat to Motoring Public; Federal Safety Agency Has Initiated Efforts to Prevent Future Occurrences, GAO-09-924 (Washington, DC: Government Printing Office, 2009), 6.

⁴ U.S. Government Accountability Office, Motor Carrier Safety: Reincarnating Commercial Vehicle Companies Pose Safety Threat to Motoring Public; Federal Safety Agency Has Initiated Efforts to Prevent Future Occurrences, GAO-09-924 (Washington, DC: Government Printing Office, 2009), 8-10.

⁵ U.S. Government Accountability Office, Motor Carrier Safety: Reincarnating Commercial Vehicle Companies Pose Safety Threat to Motoring Public; Federal Safety Agency Has Initiated Efforts to Prevent Future Occurrences, GAO-09-924 (Washington, DC: Government Printing Office, 2009), 8-10, 12.

⁶ Falvey Insurance Group, "What Are Chameleon Carriers?," Falvey Insurance Group Blog, September 17, 2025, <https://falveyinsurancegroup.com/blog/what-are-chameleon-carriers>.

⁷ Hutelmyer, Liam. "CAB Usage in Underwriting Truckers." Client Advisory, AmWINS Group, Dec. 2014, www.amwins.com/docs/default-source/Insights/clientadvisory_transportation_12-14.pdf. Accessed 19 May 2026.

⁸ U.S. Government Accountability Office, Motor Carrier Safety: Reincarnating Commercial Vehicle Companies Pose Safety Threat to Motoring Public; Federal Safety Agency Has Initiated Efforts to Prevent Future Occurrences, GAO-09-924 (Washington, DC: Government Printing Office, 2009), 4.

⁹ U.S. Government Accountability Office, Motor Carrier Safety: Reincarnating Commercial Vehicle Companies Pose Safety Threat to Motoring Public; Federal Safety Agency Has Initiated Efforts to Prevent Future Occurrences, GAO-09-924 (Washington, DC: Government Printing Office, 2009), 1.

¹⁰ Federal Motor Carrier Safety Administration. Analysis & Information (A&I), Registration Data Summary. U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/registrationstatistics/CustomReports>. Accessed 14 Apr. 2026.

¹¹ Federal Motor Carrier Safety Administration. Analysis & Information (A&I), Registration Data Summary. U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/registrationstatistics/CustomReports>. Accessed 14 Apr. 2026.

¹² Federal Motor Carrier Safety Administration. "New Entrant Safety Assurance Process." Federal Register, vol. 73, no. 242, 16 Dec. 2008, p. 76472.

¹³ Federal Motor Carrier Safety Administration. "New Entrant Safety Assurance Process." Federal Register, vol. 73, no. 242, 16 Dec. 2008, p. 76473.

¹⁴ Federal Motor Carrier Safety Administration. "New Entrant Safety Assurance Process." Federal Register, vol. 73, no. 242, 16 Dec. 2008, p. 76474.

¹⁵ Federal Motor Carrier Safety Administration. "New Entrant Safety Assurance Process." Federal Register, vol. 73, no. 242, 16 Dec. 2008, p. 76475, 76494.

-
- ¹⁶ U.S. Government Accountability Office, Motor Carrier Safety: Reincarnating Commercial Vehicle Companies Pose Safety Threat to Motoring Public; Federal Safety Agency Has Initiated Efforts to Prevent Future Occurrences, GAO-09-924 (Washington, DC: Government Printing Office, 2009), 16.
- ¹⁷ Federal Motor Carrier Safety Administration. The Implementation of a Risk-Based Vetting Methodology to Identify Chameleon Carriers Applying for Operating Authority: Report to Congress, Pursuant to Senate Report 112-157. U.S. Department of Transportation, June 2013.
- ¹⁸ Federal Motor Carrier Safety Administration. The Implementation of a Risk-Based Vetting Methodology to Identify Chameleon Carriers Applying for Operating Authority: Report to Congress, Pursuant to Senate Report 112-157. U.S. Department of Transportation, June 2013.
- ¹⁹ Federal Motor Carrier Safety Administration. Implementation of a Risk-Based Vetting Methodology to Identify Chameleon Carriers Applying for Operating Authority: Report to Congress, Fiscal Year 2014. U.S. Department of Transportation, Mar. 2014.
- ²⁰ Federal Motor Carrier Safety Administration. Utility for Risk-Based Screening and Assessment (URSA). U.S. Department of Transportation, www.fmcsa.dot.gov/research-and-analysis/research/utility-risk-based-screening-and-assessment-ursa. Accessed 14 Apr. 2026.
- ²¹ United States, Government Accountability Office. Motor Carrier Safety: New Applicant Reviews Should Expand to Identify Freight Carriers Evading Detection. GAO-12-364, Mar. 2012, www.gao.gov/assets/gao-12-364.pdf, pp. 17-18.
- ²² Falvey Insurance Group. "What Are Chameleon Carriers?" Falvey Insurance Group Blog, 17 Sept. 2025, <https://falveyinsurancegroup.com/transportation-logistics/what-are-chameleon-carriers/>.
- ²³ Federal Motor Carrier Safety Administration. "New Entrant Safety Assurance Process." Federal Register, vol. 73, no. 242, 16 Dec. 2008, p. 76472.
- ²⁴ Miller, Eric. "CVSA Files 'Friend of the Court' Brief in Chameleon Carrier Case." Transport Topics, 15 Nov. 2018, www.ttnews.com/articles/cvsa-files-friend-court-brief-chameleon-carrier-case.
- ²⁵ Miller, Eric. "CVSA Files 'Friend of the Court' Brief in Chameleon Carrier Case." Transport Topics, 15 Nov. 2018, www.ttnews.com/articles/cvsa-files-friend-court-brief-chameleon-carrier-case.
- ²⁶ Miller, Eric. "CVSA Files 'Friend of the Court' Brief in Chameleon Carrier Case." Transport Topics, 15 Nov. 2018, www.ttnews.com/articles/cvsa-files-friend-court-brief-chameleon-carrier-case.
- ²⁷ Miller, Eric. "CVSA Files 'Friend of the Court' Brief in Chameleon Carrier Case." Transport Topics, 15 Nov. 2018, www.ttnews.com/articles/cvsa-files-friend-court-brief-chameleon-carrier-case.
- ²⁸ ONB Insurance Group, Inc. v. Estate of Megel. No. 40A01-1707-CT-1513, Indiana Court of Appeals, 25 July 2018. Indiana Judicial Branch, <https://public.courts.in.gov/MyCase#/vw/CaseSummary/eyJ2ljp7lkNhC2VUb2tlbil6lnFsX2EwUmtaZEh3MG5xb01TNlgwc0tHVGZ2eH-BlbHRoUENKYzV1d285Q3cxln19>.
- ²⁹ Falvey Insurance Group. "What Are Chameleon Carriers?" Falvey Insurance Group Blog, 17 Sept. 2025, <https://falveyinsurancegroup.com/blog/what-are-chameleon-carriers>.
- ³⁰ U.S. Government Accountability Office. Motor Carrier Safety: Reincarnating Commercial Vehicle Companies Pose Safety Threat to Motoring Public; Federal Safety Agency Has Initiated Efforts to Prevent Future Occurrences. GAO-09-924, 2009, pp. 4–5, 9.
- ³¹ Falvey Insurance Group. "What Are Chameleon Carriers?" Falvey Insurance Group Blog, 17 Sept. 2025, <https://falveyinsurancegroup.com/blog/what-are-chameleon-carriers>.
- ³² "Cargo Theft's New Playbook: Strategic Fraud, Double Brokering, and Cybercrime Hit Trucking." Trucking Info, 1 Apr. 2026, www.truckinginfo.com/digital-cover-features/cargo-thefts-new-playbook-strategic-fraud-double-brokering-and-cybercrime-hit-trucking.

-
- ³³ X. “Security Camera Monitors Loading Dock Truck.” Adobe Stock, photo 1428227494, <https://stock.adobe.com/1428227494>. Accessed 23 June 2026.
- ³⁴ “Cargo Theft’s New Playbook: Strategic Fraud, Double Brokering, and Cybercrime Hit Trucking.” Trucking Info, 1 Apr. 2026, www.truckinginfo.com/digital-cover-features/cargo-thefts-new-playbook-strategic-fraud-double-brokering-and-cybercrime-hit-trucking.
- ³⁵ Reagan, Courtney, and Scott Zamost. “Cargo Thieves Are Attacking the U.S. Supply Chain at Alarming Rates.” CNBC, 9 May 2025, www.cnbc.com/2025/05/09/cargo-thieves-attack-supply-chain.html.
- ³⁶ “Cargo Theft’s New Playbook: Strategic Fraud, Double Brokering, and Cybercrime Hit Trucking.” Trucking Info, 1 Apr. 2026, www.truckinginfo.com/digital-cover-features/cargo-thefts-new-playbook-strategic-fraud-double-brokering-and-cybercrime-hit-trucking.
- ³⁷ Federal Motor Carrier Safety Administration. “New Entrant Safety Assurance Process.” Federal Register, vol. 73, no. 242, 16 Dec. 2008, p. 76474.
- ³⁸ U.S. Government Accountability Office. Motor Carrier Safety: Reincarnating Commercial Vehicle Companies Pose Safety Threat to Motoring Public; Federal Safety Agency Has Initiated Efforts to Prevent Future Occurrences. GAO-09-924, 2009, p. 13.
- ³⁹ Federal Motor Carrier Safety Administration. “New Entrant Safety Assurance Process.” Federal Register, vol. 73, no. 242, 16 Dec. 2008, p. 76474.
- ⁴⁰ Mooney, Collin B. “The Amicus Curiae Brief: A Strategic Approach to Judicial Outreach and Courtroom Advocacy.” Guardian, vol. 25, no. 4, Commercial Vehicle Safety Alliance, 4th Quarter 2018, pp. 2–3.
- ⁴¹ Federal Motor Carrier Safety Administration. “New Entrant Safety Assurance Process.” Federal Register, vol. 73, no. 242, 16 Dec. 2008, p. 76488.
- ⁴² Federal Motor Carrier Safety Administration. “New Entrant Safety Assurance Process.” Federal Register, vol. 73, no. 242, 16 Dec. 2008, p. 76474.
- ⁴³ Commercial Vehicle Safety Alliance. About CVSA. <https://cvsa.org/about-cvsa/>. Accessed 6 May 2026.
- ⁴⁴ BigChen. “Police Car Patrol on Highway Cross Desert.” Adobe Stock, photo 22745131, <https://stock.adobe.com/22745131>. Accessed 23 June 2026.
- ⁴⁵ Commercial Vehicle Safety Alliance. Corrected Brief of Amicus Curiae. ONB Insurance Group, Inc. v. Estate of Megel, no. 40A01-1707-CT-1513, Indiana Court of Appeals, 9 Nov. 2018, p. 16.
- ⁴⁶ Miller, Eric. “CVSA Files ‘Friend of the Court’ Brief in Chameleon Carrier Case.” Transport Topics, 15 Nov. 2018, www.ttnews.com/articles/cvsa-files-friend-court-brief-chameleon-carrier-case.
- ⁴⁷ Commercial Vehicle Safety Alliance. Corrected Brief of Amicus Curiae. ONB Insurance Group, Inc. v. Estate of Megel, no. 40A01-1707-CT-1513, Indiana Court of Appeals, 9 Nov. 2018, pp. 8–9.
- ⁴⁸ Commercial Vehicle Safety Alliance. Corrected Brief of Amicus Curiae. ONB Insurance Group, Inc. v. Estate of Megel, no. 40A01-1707-CT-1513, Indiana Court of Appeals, 9 Nov. 2018, pp. 21.
- ⁴⁹ Commercial Vehicle Safety Alliance. Corrected Brief of Amicus Curiae. ONB Insurance Group, Inc. v. Estate of Megel, no. 40A01-1707-CT-1513, Indiana Court of Appeals, 9 Nov. 2018, pp. 8–9.
- ⁵⁰ “49 C.F.R. § 385.1007(c) – Determination of Violation.” Code of Federal Regulations, title 49, sec. 385.1007, www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-385/subpart-L/section-385.1007.
- ⁵¹ Miller, Eric. “CVSA Files ‘Friend of the Court’ Brief in Chameleon Carrier Case.” Transport Topics, 15 Nov. 2018, www.ttnews.com/articles/cvsa-files-friend-court-brief-chameleon-carrier-case.
- ⁵² Hutelmyer, Liam. “CAB Usage in Underwriting Truckers.” Client Advisory, AmWINS Group, Dec. 2014, www.amwins.com/docs/default-source/Insights/clientadvisory_transportation_12-14.pdf. Accessed 19 May 2026.

-
- ⁵³ “Central Analysis Bureau Report (CAB).” IRMI, International Risk Management Institute, www.irmi.com/term/insurance-definitions/central-analysis-bureau-report. Accessed 19 May 2026.
- ⁵⁴ Federal Motor Carrier Safety Administration. Safety Measurement System (SMS) Methodology, version 3.20. U.S. Department of Transportation, Sept. 2025, <https://csa.fmcsa.dot.gov/documents/smsmethodology.pdf>, p. 1.
- ⁵⁵ Hutelmyer, Liam. “CAB Usage in Underwriting Truckers.” Client Advisory, AmWINS Group, Dec. 2014, www.amwins.com/docs/default-source/Insights/clientadvisory_transportation_12-14.pdf. Accessed 19 May 2026.
- ⁵⁶ Falvey Insurance Group. “What Are Chameleon Carriers?” Falvey Insurance Group Blog, 17 Sept. 2025, <https://falveyinsurancegroup.com/blog/what-are-chameleon-carriers>.
- ⁵⁷ Hutelmyer, Liam. “CAB Usage in Underwriting Truckers.” Client Advisory, AmWINS Group, Dec. 2014, www.amwins.com/docs/default-source/Insights/clientadvisory_transportation_12-14.pdf. Accessed 19 May 2026.
- ⁵⁸ Hutelmyer, Liam. “CAB Usage in Underwriting Truckers.” Client Advisory, AmWINS Group, Dec. 2014, www.amwins.com/docs/default-source/Insights/clientadvisory_transportation_12-14.pdf. Accessed 19 May 2026.
- ⁵⁹ “Corporationwiki.com.” IPAddress.com, www.ipaddress.com/website/corporationwiki.com/. Accessed 19 May 2026.
- ⁶⁰ Hutelmyer, Liam. “CAB Usage in Underwriting Truckers.” Client Advisory, AmWINS Group, Dec. 2014, www.amwins.com/docs/default-source/Insights/clientadvisory_transportation_12-14.pdf. Accessed 19 May 2026.
- ⁶¹ Falvey Insurance Group. “What Are Chameleon Carriers?” Falvey Insurance Group Blog, 17 Sept. 2025, <https://falveyinsurancegroup.com/blog/what-are-chameleon-carriers>.
- ⁶² Hutelmyer, Liam. “CAB Usage in Underwriting Truckers.” Client Advisory, AmWINS Group, Dec. 2014, www.amwins.com/docs/default-source/Insights/clientadvisory_transportation_12-14.pdf. Accessed 19 May 2026.
- ⁶³ Vit. “Blue Big Rig Semi Truck.” Adobe Stock, photo 287667476, <https://stock.adobe.com/287667476>. Accessed 23 June 2026.
- ⁶⁴ “Reincarnated or Affiliated Motor Carriers.” Code of Federal Regulations, title 49, sec. 385.1003, www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-385/subpart-L/section-385.1003.
- ⁶⁵ Federal Motor Carrier Safety Administration. “About FMCSA.” U.S. Department of Transportation, www.fmcsa.dot.gov/mission/about-us.
- ⁶⁶ Federal Motor Carrier Safety Administration. Grants. U.S. Department of Transportation, www.fmcsa.dot.gov/grants.
- ⁶⁷ Federal Motor Carrier Safety Administration. “Do I Need a USDOT Number?” U.S. Department of Transportation, www.fmcsa.dot.gov/registration/do-i-need-usdot-number.
- ⁶⁸ Federal Motor Carrier Safety Administration. “How to Get an MC Number / Authority to Operate.” U.S. Department of Transportation, www.fmcsa.dot.gov/registration/get-mc-number-authority-operate.
- ⁶⁹ Federal Motor Carrier Safety Administration. “PRISM.” U.S. Department of Transportation, www.fmcsa.dot.gov/PRISM.
- ⁷⁰ Federal Motor Carrier Safety Administration. “PRISM: About PRISM.” U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/prism/home/AboutPRISM>.

-
- ⁷¹ Federal Motor Carrier Safety Administration. “PRISM: About PRISM.” U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/prism/home/AboutPRISM>.
- ⁷² Federal Motor Carrier Safety Administration. “PRISM Levels.” U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/prism/home/PrismLevels>.
- ⁷³ Federal Motor Carrier Safety Administration. “PRISM Levels.” U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/prism/home/PrismLevels>.
- ⁷⁴ Federal Motor Carrier Safety Administration. “PRISM Levels: Full Participation.” U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/prism/home/PrismLevels#FullParticipation>. Accessed 13 Mar. 2026.
- ⁷⁵ Federal Motor Carrier Safety Administration. “PRISM Levels: Enhanced Participation.” U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/prism/home/PrismLevels#EnhancedParticipation>.
- ⁷⁶ Federal Motor Carrier Safety Administration. “PRISM Levels: Enhanced Participation.” U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/prism/home/PrismLevels#EnhancedParticipation>.
- ⁷⁷ Federal Motor Carrier Safety Administration. “PRISM Levels: Expanded Participation.” U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/prism/home/PrismLevels#ExpandedPRISM>.
- ⁷⁸ Federal Motor Carrier Safety Administration. “PRISM Levels: Optional Upgrades.” U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/prism/home/PrismLevels#OptionalUpgrades>.
- ⁷⁹ Federal Motor Carrier Safety Administration. “PRISM: States Using PRISM.” U.S. Department of Transportation, <https://www.fmcsa.dot.gov/information-systems/prism/states-using-prism>.
- ⁸⁰ Federal Motor Carrier Safety Administration. PRISM Guide for Identifying Reincarnated Carriers. U.S. Department of Transportation, Dec. 2021.
- ⁸¹ Federal Motor Carrier Safety Administration. PRISM System Specifications, version 1.0. U.S. Department of Transportation, Aug. 2019, www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/mission/information-systems/prism/405546/prism-system-specifications-v10-august-2019.pdf.
- ⁸² United States, Department of Transportation, Federal Motor Carrier Safety Administration. Privacy Impact Assessment: Safety and Fitness Electronic Records (SAFER). USDOT, 16 Oct. 2018, www.transportation.gov/sites/dot.gov/files/docs/resources/individuals/privacy/322921/privacy-fmcsa-safer-pia-011618.pdf.
- ⁸³ Federal Motor Carrier Safety Administration. PRISM System Specifications, version 1.0. U.S. Department of Transportation, Aug. 2019, www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/mission/information-systems/prism/405546/prism-system-specifications-v10-august-2019.pdf.
- ⁸⁴ Federal Motor Carrier Safety Administration. “FMCSA Policy on Granting, Withholding, Suspending, Amending, or Revoking Operating Authority.” Federal Register, 2 Aug. 2012, www.federalregister.gov/documents/2012/08/02/2012-18935/fmcsa-policy-on-granting-withholding-suspending-amending-or-revoking-operating-authority.
- ⁸⁵ Riddle, Kenneth. Federal Motor Carrier Safety Administration, Office of Registration, “Chameleon Carrier Project.” Email received by Brian Howell, 16 Jan. 2026.
- ⁸⁶ “Prohibition.” Code of Federal Regulations, title 49, sec. 385.1005, www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-385/subpart-L/section-385.1005.
- ⁸⁷ Code of Federal Regulations, title 49, pt. 385, subpt. L, www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-385/subpart-L.
- ⁸⁸ Riddle, Kenneth. Federal Motor Carrier Safety Administration, Office of Registration, “Chameleon Carrier Project.” Email received by Brian Howell, 16 Jan. 2026.

⁸⁹ Federal Motor Carrier Safety Administration. “FAQ: What Is the Vetting Process and What Do I Need to Do?” U.S. Department of Transportation, www.fmcsa.dot.gov/faq/what-vetting-process-and-what-do-i-need-do.

⁹⁰ Federal Motor Carrier Safety Administration. “FMCSA Policy on Granting, Withholding, Suspending, Amending, or Revoking Operating Authority.” Federal Register, 2 Aug. 2012, www.federalregister.gov/documents/2012/08/02/2012-18935/fmcsa-policy-on-granting-withholding-suspending-amending-or-revoking-operating-authority.

⁹¹ Code of Federal Regulations, title 49, pt. 386, www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-386.

⁹² Code of Federal Regulations, title 49, pt. 386, www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-386.

⁹³ Code of Federal Regulations, title 49, pt. 386, www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-386.

⁹⁴ Code of Federal Regulations, title 49, pt. 386, www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-386.

⁹⁵ Federal Motor Carrier Safety Administration. FMCSA Information Technology Capital Investment Plan, FY 2018–2022. U.S. Department of Transportation, Jan. 2020, www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/2020-02/FMCSA%20IT%20CIP%20FY18-22%20Report%20FINAL%20January%202020.pdf.

⁹⁶ Federal Motor Carrier Safety Administration. Unified Registration System (URS) Privacy Impact Assessment. U.S. Department of Transportation, Feb. 2025, www.transportation.gov/sites/dot.gov/files/2025-02/FMCSA%20-%20Privacy%20-%20URS%20-%20PIA%20-%202025.pdf.

⁹⁷ Federal Motor Carrier Safety Administration. Unified Registration System (URS) Privacy Impact Assessment. U.S. Department of Transportation, Feb. 2025, www.transportation.gov/sites/dot.gov/files/2025-02/FMCSA%20-%20Privacy%20-%20URS%20-%20PIA%20-%202025.pdf.

⁹⁸ Federal Motor Carrier Safety Administration. Unified Registration System (URS) Privacy Impact Assessment. U.S. Department of Transportation, Feb. 2025, www.transportation.gov/sites/dot.gov/files/2025-02/FMCSA%20-%20Privacy%20-%20URS%20-%20PIA%20-%202025.pdf.

⁹⁹ Federal Motor Carrier Safety Administration. Unified Registration System (URS) Privacy Impact Assessment. U.S. Department of Transportation, Feb. 2025, www.transportation.gov/sites/dot.gov/files/2025-02/FMCSA%20-%20Privacy%20-%20URS%20-%20PIA%20-%202025.pdf.

¹⁰⁰ Federal Motor Carrier Safety Administration. “About FMCSA Registration Changes.” U.S. Department of Transportation, www.fmcsa.dot.gov/registration/whats-coming. Accessed 23 June 2026.

¹⁰¹ Smoot, John. Federal Motor Carrier Safety Administration, Kentucky Division Office, “Chameleon Carrier Project.” Email received by Brian Howell, 18 March 2026.

¹⁰² Federal Motor Carrier Safety Administration. “Registration Statistics: Custom Reports.” Analysis & Information (A&I), U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/registrationstatistics/CustomReports>. Accessed 2 July 2026.

¹⁰³ McDaniel, Tom. “Kentucky Road Fund Revenues.” Kentucky Transportation Cabinet, Frankfort, 8 May 2026.

¹⁰⁴ Kentucky Transportation Cabinet, Division of Motor Carriers. “KYU.” Kentucky Transportation Cabinet, <https://drive.ky.gov/Motor-Carriers/Pages/KYU.aspx>. Accessed 24 June 2026

¹⁰⁵ Office of Information Technology. “Kentucky Automated Truck Systems Observations Data.” Kentucky Transportation Cabinet. 2025.

¹⁰⁶ Federal Motor Carrier Safety Administration. "Registration Statistics: Custom Reports." Analysis & Information (A&I), U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/registrationstatistics/CustomReports>. Accessed 2 July 2026.

¹⁰⁷ Leddy, David. "KSP-CVE Inspection Data." Kentucky State Police—Commercial Vehicle Enforcement, Frankfort, 16 June 2026.

¹⁰⁸ Federal Motor Carrier Safety Administration. "Crash Statistics." A&I Online, U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/CrashStatistics/>. Accessed 6 May 2026.

¹⁰⁹ Federal Motor Carrier Safety Administration. "Registration Statistics: Custom Reports – Registration Data Summary Dashboard." Analysis & Information (A&I), U.S. Department of Transportation, <https://ai.fmcsa.dot.gov/downloadfile.axd/RegistrationDataSummaryReportDescription.pdf>. Accessed 2 July 2026.

¹¹⁰ Nusrat. "Nighttime Semi-Truck Accident." Adobe Stock, photo 1880182347, <https://stock.adobe.com/1880182347>. Accessed 23 June 2026.