How to Obtain For-Hire DOT Authority

A for-hire carrier uses vehicles to transport people or property that are not part of the carrier's business and charge for the service. If you operate this type of carrier, the Federal Motor Carrier Safety Administration (FMSCA) requires you to have the right authority. Here's how to obtain it.



1.

Determine Authority

First decide what type(s) of for-hire authority you need based on what type(s) of _services you offer.



Transports items that are owned by others for compensation.

Household Goods Carrier

Transports household goods for the general public in exchange for payment.

Passenge Carrier

Transports people for compensation.

Property Broker

Receives payment for arranging the transportation of property belonging to others by bringing a buyer and a seller (shipper and carrier) together.

Freight Forwarder

Transports property for compensation and in the course of business assembles, consolidates and distributes shipments, often using multiple carriers and modes.

2 Apply for Authority

Based on the services you offer you must apply for each authority separately.

New Carrier

Apply for authority at the same time you apply online for your USDOT number. The application process will help you determine the type(s) of authority required.

Existing Carrier

Apply for authority using the FMCSA form designated as the OP-1 series. The FMCSA's preferred method of application is submitting the form electronically.

Demonstrate Financial Responsibility



Your insurance company must provide the FMCSA with documentation proving adequate coverage ranging from \$750,000 to \$5,000,000.

Actual Transporters

Carriers that engage in actual transportation can use bodily injury and property damage liability insurance to meet this requirement. Household goods carriers must obtain cargo insurance.

Brokers and Forwarders

These types of carriers have additional surety bond requirements.

Designate Process Agents

You are required to source a "statutory agent" to act as a conduit between the legal system and your operation in the event of an accident or other incident.

Named By State

You must assign a process agent for each state in which



your company operates, or name a "blanket" agent.



It's typical for it to take many weeks for your authority to be issued by the FMCSA.

Errors

Every error or missing piece of information will delay the process, therefore it's imperative to handle each step correctly or seek a third party to handle it for you. Keep in mind that you will not have active authority until the FMCSA approves all of the steps. Active authority is required to move even a single for-hire interstate load.

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