

## Steps to Becoming an Owner-Operator:

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1. **Do Your Research:** Before making the decision to become an owner-operator, there are a few areas of the business that you should research. Here's a few areas to help you get started: What's the difference between leasing and purchasing your equipment, what are the different pay structures, what are the different endorsement types and what are the benefits, do you understand the Cost of Operation, and what do you look for in a trucking company?
2. **Make the Decision:** It is important that you do your research prior to making the transition to become an owner-operator. While many truckers have had very profitable and successful careers as owner-operators, it's important to understand the pros and the cons before making the final decision.
3. **Choose Your Carrier:** Once you've made the decision, your next step is to choose a trucking company that fits your needs and wants. In addition, make sure they offer the pay and reimbursement structure you feel most comfortable with.
4. **Purchase Your Equipment:** After you've decided to become an owner-operator, your next step is purchasing your own equipment. Now since you have done your research by this point, you already know that you have two options here. You can purchase your equipment outright or you can lease it and pay a monthly fee. Again, make sure you understand the pros and cons to both, so you can make the right decision for you.
5. **Get Your Insurance:** Once you've purchased your equipment, it's time to get your insurance. Just like with car insurance, there are different levels of protection. There's the base level of required insurance, which includes Public Liability Insurance. Then there's the level you should probably consider, which includes Cargo Insurance. And then there's the last level which provides extra protection. It's up to you to decide how much is right for you.

## Steps to Becoming a Carrier Owner:

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*For those who want to become a Carrier Owner or an Owner-Operator with their own authority.*

6. **Apply for Your Authority:** After you've purchased your insurance, your next step is to get your authority. Authority gives you the legal right to operate as an independent entity owner.
7. **Pass the New Entrant Safety Audit:** The last step to becoming a Carrier Owner is passing the New Entrant Safety Audit, which is conducted by the Federal Motor Carrier Safety Administration (FMCSA). The FMCSA is the part of the Department of Transportation that is assigned to administer and regulate the trucking industry. Within the first 12 months of your operation under your own authority, you will receive a new entrant safety audit. Most of the safety audit is paper and documentation but there are a few critical elements in the audit that require some preparation.

For more information on any one of these steps, we encourage you watch the webinars posted below or visit <http://www.oida.com/EducationTools/> to learn more.

FASTPORT would like to thank  for providing this valuable content for our military veterans to ensure they are fully prepared to become an Owner-Operator in the trucking industry.

To learn more visit [truckingtrack.org](http://truckingtrack.org).