

International Fuel Tax Association, Inc.

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THE IFTA NEWS

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TAX RATES

The 3Q17 tax rate matrix was closed and finalized on September 4, 2017. Jurisdictions now have until **December 3** (Sunday), 2017, to verify or amend their tax rate data for the **4Q17** matrix. Currently, no new tax rates have been entered. To view current tax rate changes please visit:

<https://www.iftach.org/taxchangeq.php>

REMINDER!! Please keep your Contacts updated in your IFTA, Inc. profile on www.iftach.org to prevent emails being returned with a delivery failure notice. Contact data for group emails is also pulled from the Jurisdiction Communication Lists and it is imperative that all emails on the JCLs are updated to ensure that all members receive important information by email from IFTA, Inc.

It is recommended that **all** membership review their Jurisdiction Communication Lists at this time. If your revised date is more than one year, but there have been no changes, please click to update your communication list so that the revision date shows for 2017. Thank you!

THE IFTA, INC. STAFF

Lonette L. Turner
CEO

Debora K. Meise
Senior Director

Jason DeGraf
Information Services Director

Amanda McNally Koeller
Comptroller/Treasurer

Tammy Trinker
Office and Events Administrator

Tom King
Webmaster

Maria Coronado
Membership Services Officer

Upcoming IFTA Meetings

The **IFTA/IRP Managers' and Law Enforcement Workshop** will be held September 26 - 28 in Salt Lake City, UT at the Sheraton Salt Lake City Hotel. Basic information is provided on our website under the IFTA Events web page and clicking on the highlighted tab marked for the workshop. Clicking on this web page will then forward you to the IRP, Inc. website where the workshop data is listed. If you have questions related to the workshop please contact Claudia Trapp at IRP, Inc. or a member of either the IFTA Agreement Procedures Committee or Law Enforcement Committee.

Upcoming Compliance Reviews



JURISDICTION	TEAM MEMBERS
Idaho August 21 – 25, 2017	Joey Puckett (KY) David Nicholson (OK)
Washington August 28 – September 1, 2017	Christian Kent (AZ) Bill McInerney (WY)
Utah September 11-15, 2017	Steph Young (BC) Rob Soumas (WA)

2017 Ballot Information

Short Track Ballots

Second Comment Period Ends on **September 26, 2017**

Full Track Ballots

Second Comment Period ends on **October 30, 2017**



NOTES from the Business Meeting

On August 9 – 10, 2017, the IFTA, Inc. Board of Trustees and membership attended the 34th Annual IFTA Business Meeting in Chandler, Arizona, at the Sheraton Grand at Wild Horse Pass. There were fifty-six (56) voting delegates in attendance either in person or by proxy. Only the jurisdictions of New Mexico and Tennessee were not present. With a quorum for business acknowledged, Mr. Chuck Ulm (MD), IFTA, Inc. Board of Trustees (Board) President, called the meeting to order.

Mr. Marc Munoz, Fuel Tax Reporting Supervisor for the Arizona Department of Transportation, offered the Welcome on behalf of the Arizona IFTA Commissioner, Mr. Vasile Samartinean. Following the Welcome, Mr. Ulm offered the President's Report. He acknowledged one of the reasons that IFTA continues to be a success is the participation of members on the various committees and recognized the committee chairs. Industry also aids in the success of IFTA and Mr. Ulm commented on the value of their support and input on all matters relative to the IFTA.

Mr. Ulm reviewed the Board's activities following the 2016 Annual IFTA Business meeting and outlined some of the future projects for IFTA, Inc. including the sale of the existing building and purchase of a new office location, future funding opportunities, the Strategic Plan, and the future of motor carrier taxes.

The 2016 Annual IFTA Business meeting minutes were approved as written by membership. Membership then voted to elect the Board members for 2018. Re-elected members included Mr. Trent Knoles (IL), Mr. Stephen Nutter (VA), and Mr. Rick Taylor (KY). Newly elected members were Ms. Virginia Barnett (ON) and Mr. Scott Bryer (NH). The term limits for both Mr. Ulm and Mr. Stuart Zion (CO) expire December 31, 2017.

Ms. Lonette Turner, IFTA, Inc. CEO, informed membership that a Board Governance training is being scheduled in 2018. Reviewing the financial audit and service auditors report, Ms. Turner announced that there were no adjustments or exceptions found in the reports and that IFTA, Inc. remains in good financial standing. Ms. Turner also spoke at length regarding several Strategic Plan items and updated membership regarding the Clearinghouse, stating that Oklahoma is now a full participating member. The Clearinghouse Advisory Committee (CAC) has also reviewed the data quality control issues and established new data connections as jurisdictions switch data providers.

Additionally, IFTA, Inc. has modernized the IFTA, Inc. website and has handled over \$360 million through the funds netting process. IFTA, Inc. has also continued to work with member jurisdictions to assist with compliance by conducting reviews and working with the Program Compliance Review Committee (PCRC). Ms. Turner then spoke about the damage at the office by the water heater. During the remodel phase of this incident, the building that had been owned by IFTA, Inc. was sold. As a result of this sale, IFTA, Inc. will be relocating to the middle suite unit, B-6. This suite is smaller in size and has a five year lease term with the option to terminate after two years without penalty, based on 120 days' notice. Moving dates are estimated between August 21 and September 7.

Jurisdiction sponsored ballots were reviewed. Mr. Patrick Harrison, Assistant IFTA Commissioner and Motor Carrier Services Director for the Virginia Department of Motor Vehicles, presented IFTA Full Track Preliminary Ballot Proposal (FTPBP) #1-2017. The intent of this ballot is to allow carriers using a qualified motor vehicle under a short-term motor vehicle rental of 29 days or less whereby the lessee has assumed responsibility for reporting and paying the fuel use tax to temporarily display the IFTA decals rather than permanently affix them to the vehicle. This proposed change would also provide carriers using rental equipment greater flexibility and in some cases lower costs in managing the requirement to display IFTA decals on qualifying motor vehicles. The change could also reduce the number of circumstances in which a lessee fails to remove its IFTA decals from rental equipment upon termination of the rental, potentially jeopardizing law enforcement efforts.

During discussions, concern was expressed regarding emergency vehicles as well as multiple decal requests from carriers. An additional concern was for the creation of a temporary decal in addition to the permanent decal.

Mr. Jay Sween, IFTA Commissioner for the Wisconsin Department of Transportation, and Lt. Michael Klingenberg, Wisconsin State Police, presented IFTA FTPBP #5-2017. The intent of this ballot is to allow licensees and base jurisdictions flexibility in issuing and presenting the license. The ballot adds language clarifying that base jurisdictions may issue licenses in paper or as an electronic image. The ballot also adds language requiring jurisdictions to accept a paper original, legible paper copy, or legible electronic image of the license, at the option of the licensee, regardless of the method by which the license was initially issued by the base jurisdiction.

During discussions, the seven jurisdiction e-Credential pilot project was referenced. It was observed that carrying paper credentials is still a requirement and necessity. A problem that the pilot project participants are facing is the lack of incentive to fully contribute to the project. Carrying both a paper credential and creating an electronic credential currently falls to the carrier and there is no guarantee that the jurisdiction representatives at roadside will accept the e-credential.

Concern was expressed for the language requiring jurisdictions to accept the e-credential; it was opined that this should remain as an option open to the jurisdictions. It was the perspective of industry that they would need confirmation and consistency as to how carrier credentials will be accepted. The ballot sponsors will review the current language and research a size minimum of the electronic credentials to ensure legibility.

The 2017 Richard L. Reeves IFTA Leadership Award was presented during a special luncheon. The award was presented by Mr. Sam Losavio, Fast Enterprises, Mr. Dennis Vanderslice, ARI Fleet, Industry Advisory Committee (IAC) Chair, and Ms. Donna Burch, Ryder Truck Rental. The recipient of this award was Mrs. Sheila Rowen, Tennessee Department of Revenue, retired.

Committee sponsored ballots were also reviewed. Mr. David Bales, Chair of the Law Enforcement Committee (LEC) and Kansas Highway Patrol Officer, presented IFTA FTPBP #2-2017. The intent of this ballot is to require that jurisdictions track and upload serialized decal numbers issued to carriers. This would be done by adding "serialized decal numbers" to Licensee demographic data in Section R2110.200 of the IFTA Articles of Agreement. This ballot is co-sponsored by the Agreement Procedures Committee (APC).

During the discussions of ballot #2-2017 it was noted that IFTA has the requirement for membership to serialize the IFTA decals, but there is no tracking method. At the roadside, law enforcement utilizes the IFTA decal to verify compliance and valid licenses. Law enforcement wants to assist membership with the collection of the fuel use tax and would like to keep the decals as one of the current tools of enforcement. Concern was expressed that there may not be an interest in decals in the near future and, if so, jurisdictions may not be able to spend additional monies for a system change related to an aspect that might not be supported by the organization in the future. It was expressed that a definite decision regarding the IFTA decals must first be made before membership can commit to additional expenses for the purpose of tracking serialized decals.

Ms. Marie Stark, Chair of the APC and Assistant IFTA Commissioner for the Montana Department of Transportation, presented committee sponsor ballot FTPBP #3-2017. The intent of this ballot is to align with the Bank of Canada's new procedure in publishing exchange rates once each business day by 4:30 PM Eastern Time. With the elimination of the published noon day rate, to allow for timely Canadian jurisdictional transmittals, if a conversion takes place before 4:30 PM Eastern Time the prior day's rate will be used. A fund conversion at 4:30 PM Eastern Time or after will be converted using the current day's rate. Following a straw poll indicating that there was no opposition to the ballot's language, membership voted in favor of moving ballot #3-2017 to the short track ballot process.

Ms. Stark then presented FTPBP #4-2017, also sponsored by the APC. The intent of this ballot is to clarify that the upload done on a daily basis for each business day is an upload of the full demographic data. This change would require the full demographic data to be uploaded to the Clearinghouse each business day for accuracy and timely information. Following discussion of this ballot's language, membership voted in favor of moving ballot #4-2017 to the short track ballot process.

Membership then broke into the regional breakout sessions. These sessions permitted attendees from the five regions to meet in smaller groups and discuss issues relative to their region. Following the regional breakout sessions, membership reunited for the Town Hall discussion. Several issues were discussed during the Town Hall and included the following issues:

- Exchanging Reports
- Qualifying for IFTA
- Long Term Leases and Identifying the IFTA Licensee
- Tax Rate Matrix
- IFTA Temporary Decals
- Processing Systems
- Licensee Seminars
- Navigating the Future
- Incorrect Tax Rates on the Matrices
- Transmittal Discrepancies
- Uncollectable Accounts

Following the Town Hall discussions, the breakout session issues were presented by a Board member from the different regions. Below is a list of the issues each region addressed during their breakout.

Membership was then presented with a series of panel presentations outlining the IFTA Chronicles. These chronicles highlighted the beginning roots of the IFTA, how the IFTA grew into its current success, and speculated on what the future might hold for the organization, membership, and industry alike.

Following these presentations, special guest speaker, Mr. Mike Courtney, Aperio Insights, offered a presentation focusing on preparing for the long haul. He explained that looking into the future is like looking down a road you've never been on and it's foggy. While you can't see everything there are some signs of what's to come.

A panel discussion on the Program Compliance Review process was also held. It was explained that the prior process for conducting reviews was labor intensive for everyone including the review teams, jurisdictions, and the PCRC. With the adoption of the new process, the review teams would be using data which has already been uploaded into the IFTA Clearinghouse. While audit accountability will remain at a review every five years, it was noted that the review cycle is being changed to every three years. It is the opinion of the Working Group that this change will assist with becoming, and staying, compliant.

The panel reviewed the new process. It was explained that the new process does not change the basics of the review itself. It will continue to verify if a jurisdiction is in compliance by streamlining the review process without losing its integrity. Following the conclusion of the Annual IFTA Business Meeting, a new Review Guide will be distributed to membership which explains the new process. The PCRC will ask membership to review this guide for ratification.

A panel of committee chairs presented updates to the CAC, Attorneys' Steering Section Committee (ASSC), and the Audit Committee (AC). Mr. Ron Hester, Tax Administration Manager for the Ontario Ministry of Finance and CAC Chair, reported that the committee has a vacancy in the Midwest region. A demographic Best Practices Guide was drafted and is currently being reviewed by the Board. Once approved, this guide will be available on the website. A transmittal Best Practices Guide is currently being drafted by the committee. The CAC is also developing a contact list for jurisdictions that will be posted to the website on the CAC web page once completed.

Ms. Helen Varcoe, Assistant IFTA Commissioner for the Montana Department of Transportation and AC Chair, reported that there were no vacancies on the committee at this time. The committee is currently reviewing and updating their Best Practices Guide and planning for the February 2018 IFTA/IRP Audit Workshop.

Mr. Paul Nilsen, Attorney Supervisor with the Wisconsin Department of Transportation and ASSC Chair, informed membership that the committee currently has a vacancy in the southeast region. Membership was invited to attend and bring their questions forward to the February 2018 IFTA Attorneys' Meeting.

Mr. Tim Adams, CEO of IRP, Inc., offered this update. He announced that there were four openings on the IRP, Inc. Board of Directors effective January 1, 2018. Ballots are currently open for voting on these nominees. For Region I, Ms. Tammi Popp (PA), in Region II Ms. Portia Manley (NC), and in Region IV Ms. Dawn Lietz (NV) are running for election to the Board of Directors. The Canadian region has two nominees for election. These representatives available for vote are Mr. Alan Doddy (NL) and Mr. Paul Harbottle (ON). Votes for the Canadian representative must be submitted by October 1 and the votes for Regions I, II, and IV must be submitted by September 29.

IRP, Inc. has three other ballots open for vote. Ballot #410, which addresses inadequate records and unreported jurisdictions' assessments, Ballot #411 referencing uncollectable accounts, and Ballot #412 regarding electronic image of cab cards. Voting on these ballots must be submitted by October 4, 2017.

IRP is also working on a possible joint effort with IFTA for an online training program that would provide education and training options to membership. Currently they are exploring what could work that would meet both organizational needs.

Mr. Adams then spoke about the Electronic Records Task Force. This task force has twenty members including membership, industry, and partnership representation. Mr. Jeff Hood, Indiana Department of Revenue IFTA Commissioner, chairs this task force. The vision of this task force is to replace the IRP cab cards and IFTA licenses and decals with verifiable electronic records that improve both compliance and enforcement in North America.

Currently, the task force is reviewing a centralized database system, no centralized system, and a pointer based system. It was noted that a non-centralized database system could provide real time data without incurring data storage costs. It was further noted that the task force will face several challenges if the project is pursued, but that the vision is very beneficial to both roadside and membership for both IRP and IFTA.

A panel presentation was then offered regarding Electronic Logging Devices (ELD) by Ms. Beth Duda, Arizona Department of Transportation, Mr. David Gray of Glostone, and Mr. Mahlon Gragen, Director of Safety & Compliance for ATC Leasing. The ELD was a Map 21 FMCSA mandate that changes the way some drivers record their hours of service (HOS). While the driver and some office personnel are responsible for edits to the logs, carriers are required to maintain the original records for a period of six months. Once the data is forwarded a determination is made whether or not there is a violation and whether an alert should be sent to the roadside law enforcement personnel.

There are two types of ELD systems: an open and a closed system. The open system, while rudimentary, can work with various applications. The closed system is more proprietary and works with a select few applications. When questioned about the reliability of the ELD data for the purposes of IFTA, it was noted that it would depend upon the design of the ELD device itself.

An official ELD mandate deadline has been set for December 17, 2017. However, a process still needs to be identified for when such devices fail, creating gap miles in the records. While ELDs are a definite resource that will be mandated, it was opined that smaller carriers may be greatly affected and a rush to be in compliance may be felt as the deadline approaches. Currently, over 80% of larger companies are ELD compliant while less than 40% of the smaller companies are readily compliant.

Industry Advisory Committee (IAC) Chair, Mr. Vanderslice, presented this committee report. The committee has been discussing the ELD mandate and a subcommittee has drafted a report on this issue. Referencing e-Credentials, Mr. Vanderslice noted that there has been significant and great collaboration between membership and industry. Other issues addressed included un-receipted fuel and online reporting system problems, the North American Transportation Services Administration (NATSA) drafting a best practices guide, and a survey which was published to the IFTA, Inc. Guidebook application. This survey questioned whether or not jurisdictions will be discussing or performing any IFTA or IRP online processing enhancements within the next two years.

Following the conclusion of the business discussions, the 2017 Annual IFTA Business Meeting was adjourned.

IFTA Clearinghouse Corner

Contributor: Monique Williams - IFTA Clearinghouse Advisory Committee Member



United States Department of Transportation (USDOT) Numbers

This month's feature is on USDOT Numbers.

Do jurisdictions have to check USDOT numbers?

Obtaining a licensee's USDOT Number is not required for IFTA, however, if a jurisdiction chooses to collect the DOT number, it should be verified.


The USDOT number is useful in establishing proper identity and for matching to other records. If a licensee does not have a USDOT number, do not record a number. Recording an incorrect USDOT number may result in improper or unnecessary enforcement action. The USDOT number of the carrier responsible for safety is not required. If licensing an owner-operator, do not use their carrier's USDOT number.

USDOT numbers may be verified through your jurisdiction's Commercial Vehicle Information Exchange Window (CVIEW) or through a connection to FMCSA's SAFER system. If the IFTA administrative unit does not have access to these systems, access should be requested from your Commercial Vehicle Information System and Network (CVISN) coordinator. To view or verify company information, including USDOT number, go to <http://safer.fmcsa.dot.gov/CompanySnapshot.aspx>

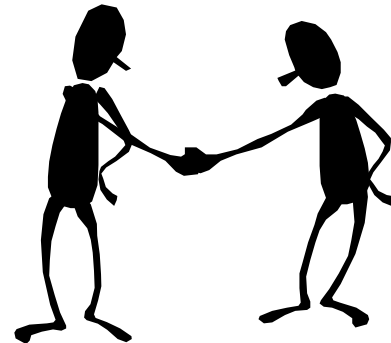
Please note: Canadian jurisdictions do not have access to the aforementioned applications (CVIEW and SAFER).



Found this tip helpful? These and more will be included in the Best Practices Guides that the CAC is currently working on. Stay tuned for further updates on this exciting initiative.



IFTA Comings and Goings



South Dakota

IFTA Commissioner:

Name: Lynne Jones

Phone: (405) 522-5285

Email: l.jones@occemail.com

Wisconsin

IFTA Commissioner:

Name: Jay Sween

Phone: (608) 267-4541

Email: jay.sween@dot.wi.gov

If your jurisdiction experiences any changes please be certain to visit the IFTA, Inc. website, login, and update your jurisdiction's communication list. If you need assistance with how to do this please contact Tom King at tking@iftach.org. The below jurisdictions have made changes to their Jurisdiction Communication Lists (JCL) since August 15, 2017:

Louisiana
South Dakota

New Hampshire
Wisconsin



IFTA, INC. WEBSITE

By: Tom King, webmaster (tking@iftach.org)

IFTA, Inc. Website

On 9/16/2017 the IFTA, Inc. website was moved to a new server. This server has more memory and I've already noticed a slight increase in speed on how it performs.

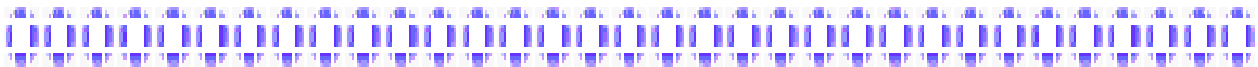
Meeting Materials

The 2017 Annual IFTA Business Meeting Materials should be posted right after the IFTA News comes online.

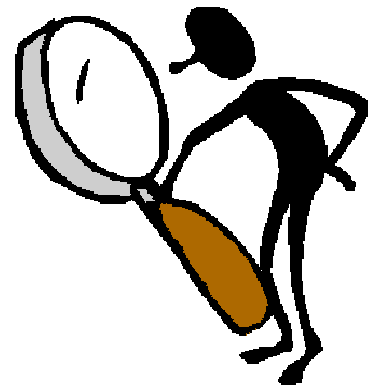
Travel Policy

At the very bottom of all the secure pages from level 1 to Commissioner level. There is a new file called 'Travel Policy'. This pdf file pertains to reimbursement of travel.

If you have any questions or issues email me at tking@iftach.org or call me at 480.226.0981.



2017 Annual IFTA Business Meeting



If you attended the August 9 – 10 Annual IFTA Business Meeting at the Sheraton Grand at Wild Horse Pass Resort in Chandler, AZ, please keep a look out for an email containing a link to a survey asking for your review of the business meeting topics. The IFTA, Inc. Board of Trustees and IFTA, Inc. are very interested in receiving your comments following this event. Only those who pre-registered for the event and provided a valid email will receive this email. If you attended the meeting and do not receive an email with the link please contact Tammy Trinker at tdtrinker@iftach.org. The link can then be forwarded to you.



EVENTS

2017

Motor Fuels Uniformity Meeting

September 21 - 23
Peoria, IL

Motor Fuels Annual Conference

September 24 - 27
Peoria, IL

IFTA/IRP Managers' and Law Enforcement Workshop

September 26 - 28
Salt Lake City, UT

IRP Board of Directors Fall Meeting

October 3 - 4
Victoria, British Columbia

4Q IFTA, Inc. Board Meeting

October 24 - 25
Chandler, Arizona

2018

1Q IFTA, Inc. Board Meeting

January 23 - 24
Chandler, Arizona

IFTA Attorneys' Meeting

February 13 - 14
Chandler, Arizona

IFTA/IRP Audit Workshop

February 13 - 15
Chandler, Arizona

CVSA Workshop

April 8 - 12
Portland, Oregon

2Q IFTA, Inc. Board Meeting

April 24 - 25
Chandler, Arizona

IRP Annual Meeting

April 30 - May 2
New Orleans, Louisiana

Annual IFTA Business Meeting

August 15 - 16
Tempe, Arizona

AAMVA Annual International Conference

August 21 - 23
Philadelphia, Pennsylvania

4Q IFTA, Inc. Board Meeting

October 23 - 24
Chandler, Arizona

2019

1Q IFTA, Inc. Board Meeting

January 29 - 30
Chandler, Arizona

2Q IFTA, Inc. Board Meeting

April 23 - 24
Chandler, Arizona

4Q IFTA, Inc. Board Meeting

October 22 - 23
Chandler, Arizona



At Legatus Solutions...Our mission is to improve business processes throughout the motor carrier ecosystem for continuous compliance at lower costs.

**UNIFY THE COMMUNITY TO MAKE
EVERYTHING EASIER FOR
EVERYONE**

A whole system provides a solid solution for jurisdictions and its public. The mCarrier Ecosystem design produces highly productive solutions for all stakeholders. We integrate business logic with professional program, project, and information management. Expert technology, certified qualifications, and decades of experience with dozens of governments and thousands of companies within the motor carrier sector.

The mCarrier Ecosystem is a comprehensive set of tools that ensures all records are accurate. It also provides readily accessible tools to rectify inconsistencies or errors across records. The mCarrier Ecosystem lowers costs for both industry and jurisdictions, saves time, improves data quality, encourages higher compliance, and optimizes business and safety decisions.

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- mServices *Commercial Vehicle Views* closes the gaps among SAFER, IFTA, and IRP
- mServices *Fees Calculator* provides accurate fees for both base and (IRP) foreign jurisdiction registration, fuel tax, and permits
- mServices *Fleet Book Information* provides accurate information among IRP, IFTA (including exemptions!), as well as operational constraints
- mServices *Secured Credentialing Cloud* provides a safe, archival method for exchanging information, including electronic credentials and operational records

Rigid regulatory program boundaries make it harder to comply, so Legatus Solutions works shoulder -to-shoulder with clients to unify the community.

**Thanks for your
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