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State of New Hampshire

DEPARTMENT OF SAFETY
OFFICE OF THE COMMISSIONER

33 HAZEN DR. CONCORD, NH 03305

603/271-2791

JOHN J. BARTHELMES
COMMISSIONER

April 1, 2017

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, NH 03301

Requested Action

Authorize the Department of Safety, Division of Administration, to pay annual membership dues of \$17,000.00 to the International Fuel Tax Agreement, Inc. (IFTA) (VC# 173137-B001), 912 W. Chandler Blvd., Chandler, AZ, for membership as authorized by RSA 260:65b for SFY2018. Effective upon Governor and Council approval for the period of July 1, 2017 through June 30, 2018. Funding source: 100% Agency Income (Cost of Collection).

Funds are anticipated to be available in the SFY 2018 operating budget as follows.

02-23-23-232010-31100000	Dept. of Safety – Div. of Administration – Road Toll Administration	<u>SFY 2018</u>
026-500251	Membership Fees – Organization Dues	\$17,000.00

Explanation

RSA 260:65-b states, in part, that the Commissioner is authorized to execute all documents and perform all other acts necessary to enter into and carry out the provisions of a multi-jurisdictional fuel tax agreement. New Hampshire is one of the 48 states that belong to IFTA along with 10 provinces of Canada. It is this organization that establishes uniform fuel tax collection and auditing provisions which allow truckers who register under these provisions to pay their tax due in only one state and for that tax to be apportioned to the other states in which that truck travels.

The current cost of membership dues covers the cost for running the IFTA clearinghouse, the operational costs for the organization, and includes the travel expenses of the IFTA commissioner or the voting delegate from each jurisdiction in order to encourage attendance at the annual business meeting since all changes to the Agreement and the governing documents must be presented to and voted on by the membership's voting delegates.

Listed below are answers to standard questions required for Governor and Council organization dues and membership approval submissions:

- How long has this organization been in existence and how long has this agency been a member of this organization?* The organization was founded in 1983. New Hampshire became a member in 1997.
- Is there any other organization which provides the same or similar benefits which your agency belongs to?* No, this is the only organization that manages the International Fuel Tax Agreement.
- How many other states belong to this organization and is your agency the sole New Hampshire state agency that is a member?* The membership includes the 48 continental states and 10 Canadian provinces. The Department of Safety is the sole state agency member.
- How is the dues structure established? (Standard fee for all states, based on population, based on other criteria, etc)?* The dues structure is proposed by the IFTA Inc. Board of Trustees and ratified by the member jurisdictions at the annual business meeting. It is a standard fee for all member jurisdictions.

5. *What benefit does the state receive from participating in this membership?* It is the purpose of this Organization to promote and encourage the fullest and most efficient possible use of the highway system by making uniform the administration of motor fuels use taxation laws with respect to motor vehicles operated in multiple member jurisdictions.

6. *Are training or educational/research materials included in the membership? If so, is the cost included? Explain in detail.* There is training available through IFTA conferences and workshops which are offered on an annual basis. There are three such workshops:

- IFTA/IRP Audit Workshop
- IFTA Managers Workshop
- Law Enforcement Seminar and the Attorney's Section Meeting

The costs associated to attend these workshops are not included in the membership fee.

7. *Is the membership required to receive any federal grants or required in order to receive or participate in licensing or certification exams? Explain.* There is federal legislation that requires us to belong to IFTA called the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) Section § 4008 Participation in IRP and IFTA (g).

“(g) Fuel Use Tax –

(1) Reporting requirements – After September 30, 1996, no State shall establish, maintain, or enforce any law or regulation which has fuel use tax reporting requirements (including tax reporting forms) which are not in conformity with the International Fuel Tax Agreement.

(2) Payment – After September 30, 1996, no State shall establish, maintain, or enforce any law or regulation which provides for the payment of a fuel use tax unless such law or regulation is in conformity with the International Fuel Tax Agreement with respect to collection of such a tax by a single base State and proportional sharing of such taxes charged among the States . . .

8. *Is there any travel included with this membership fee? Explain in detail any travel to include the number of employees involved, the number of trips, destination if known and purposes of membership supported trips.* The IFTA Annual Business Meeting is held annually, usually during the month of July, and the membership fee includes registration fee, airfare, hotel, and federal per diem for the jurisdiction's voting commissioner or designated voting delegate.


Currently, we have three employees that are involved with various IFTA committees, i.e., the Audit Committee, Law Enforcement Committee, and the Dispute Resolution Committee. Most of the committee work is done through teleconferences and email. However, once a year these committees will meet during a corresponding workshop or seminar. In these instances, the organization will reimburse said committee member's travel cost associated with the committee meeting.

9. *Which state agency employees are directly involved with this organization? (Indicate if they are members, voting members, committee members, and/or officers of the organization.*

- Scott Bryer, Administrator III, is currently the IFTA Commissioner (voting delegate for the State of New Hampshire) and a member of the Dispute Resolution Committee.
- Kristie Zanis, Road Toll Auditor III, is a member of the IFTA Audit Committee.
- William Hayes, Captain, with the State Police, is a member of the IFTA Law Enforcement Committee.

10. *Explain in detail any negative impact to the State if the Agency did not belong to this organization.* If we did not belong to IFTA, we would be in non-compliance with the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) Section § 4008 Participation in IRP and IFTA (g). It would have detrimental effects on how we currently administer fuel use taxes.

Respectfully submitted,


John J. Barthelmes
Commissioner of Safety

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USA



Invoice
NH2017
April 1, 2017

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TO:

Chief, Road Toll Operations
NH Department of Safety
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33 Hazen Drive
Concord, NH 03305
Scott.Bryer@dos.nh.gov

Due Date	IFTA Inc. Federal Tax ID
July 31, 2017	86-0640757

Description	Amount
International Fuel Tax Association Annual Membership Dues for the Period of July 1, 2017 - June 30, 2018.	\$ 17,000.00

Total Invoice Amount: \$ 17,000.00

Payment Received:

AMOUNT DUE: \$ 17,000.00

Any dues paid more than 90 days past the due date shall incur a 1% per month interest charge, and that member shall lose their voting privileges (R1545) until the account is paid in full and/or brought into active status.

*Please contact Amanda Koeller with any questions regarding payment of this invoice.
akoeller@iftach.org -or- 480-839-4382 x-2.*