

## Appendix

The first of two tables that follow summarizes responses provided by representatives in 22 of the 47 states. All of them indicated the IRP and IFTA functions in their states are combined into one unit.

<b>Yes, Combine IRP &amp; IFTA Functions</b>				
<b>Jurisdiction</b>	<b>Year</b>	<b>Reasons for Merging</b>	<b>Disadvantages and Transition Issues</b>	<b>Advantages and other Issues</b>
<b>Alabama</b>	1990's	Customer service	Minimal – already worked closely together prior to merger	Advantages: <ul style="list-style-type: none"> <li>• Operational efficiency</li> <li>• Information sharing</li> </ul>
<b>Delaware</b>	1994	Unknown	Unknown	Advantages: <ul style="list-style-type: none"> <li>• Information sharing</li> <li>• Cost effective</li> <li>• Customer benefit</li> </ul>
<b>Florida</b>	1980's	Customer service	Unknown	Advantages: <ul style="list-style-type: none"> <li>• Operational efficiency</li> <li>• Information sharing</li> </ul>
<b>Georgia</b>	2005	Unknown	Staff training required	
<b>Iowa</b>	May 1, 2011	<ul style="list-style-type: none"> <li>• Customer service</li> <li>• Could not replace retirees, so merged for efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Moved to “Celtic” system prior to merger</li> <li>• No statutory changes</li> <li>• Technicians already had same classification allowing for an easier transfer</li> </ul>	Merger just occurred
<b>Maine</b>	Early 1990's	<ul style="list-style-type: none"> <li>• Major re-organization of Bureau of Motor Vehicles</li> <li>• Customer service</li> </ul>	Required legislative changes	Advantages: <ul style="list-style-type: none"> <li>• Operational efficiency</li> <li>• Customer benefit</li> </ul> <p>Technicians specialize in IRP or IFTA....some on-going cross training</p>

**Yes, Combine IRP & IFTA Functions (continued)**

<b>Jurisdiction</b>	<b>Year</b>	<b>Reasons for Merging</b>	<b>Disadvantages and Transition Issues</b>	<b>Advantages and other Issues</b>
<b>Minnesota</b>	1984	Unknown	Staff training required	<u>Point of Interest:</u> 26% of time on IFTA, 74% on IRP
<b>Missouri</b>	2004	Governor's Executive Order	<ul style="list-style-type: none"> <li>Physical move of resources</li> <li>Each had separate system requiring combining after the consolidation</li> </ul>	<p>Note: IRP &amp; IFTA were already together in Dept of Revenue. Moved to Dept of Transportation.</p> <p>Advantages:</p> <ul style="list-style-type: none"> <li>Improved compliance (delinquency in one area stops all transactions)</li> <li>Operational efficiency</li> </ul>
<b>Montana</b>	Late 1980's	Unknown	Unknown	System is ACS (Xerox)
<b>Nebraska</b>	1996	Statewide overview forced change	<ul style="list-style-type: none"> <li>Re-write statute</li> <li>Four year process</li> <li>Old and new staff needed cross training</li> <li>For first two years used separate systems. Now use mutual in-house system</li> </ul>	<p>Advantages:</p> <ul style="list-style-type: none"> <li>Operational efficiency (Staffing reduced from 25 to 18 due to merger and primarily to automation)</li> <li>Auditor ability to use information for both IRP &amp; IFTA</li> </ul> <p>Staff transferred from Dept of Revenue and Dept of Roads to DMV</p>
<b>Nevada</b>	Early 1990's	Unknown	Unknown	<p>Although the two groups specialize in one process, they are cross trained</p> <p>Field offices offer full services</p> <p>Advantages:</p> <ul style="list-style-type: none"> <li>Customer benefit</li> <li>Auditor ability to use information for both IRP &amp; IFTA</li> <li>Operational efficiency</li> </ul>

**Yes, Combine IRP & IFTA Functions (continued)**

Jurisdiction	Year	Reasons for Merging	Disadvantages and Transition Issues	Advantages and other Issues
<b>North Dakota</b>	About 1990	Unknown	Unknown	Auditors work for Dept of Transportation, not IRP & IFTA section  5 years ago, created in-house web-based system for both functions
<b>Oklahoma</b>	1980's	Unknown	<ul style="list-style-type: none"> <li>• Currently still utilizing two separate systems, one tax related (IFTA) and one for Registration (IRP)</li> <li>• Working to combine system</li> </ul>	
<b>Oregon</b>	Early 1990's	Customer service	Unknown	Left Polk system and designed an in-house system  Offer full service in 4 Motor Carrier <u>field offices</u>  <u>Advantages:</u> <ul style="list-style-type: none"> <li>• Breaks down silo affect</li> <li>• Operational efficiency (Cross trained but specialize in IFTA or IRP)</li> </ul>
<b>South Carolina</b>	Early 1990's	Unknown	Unknown	Use "Celtic" system  Soon to accept paperwork electronically via web  <u>Advantage:</u> <ul style="list-style-type: none"> <li>• Cross trained employees are helpful</li> </ul>

**Yes, Combine IRP & IFTA Functions (continued)**

<b>Jurisdiction</b>	<b>Year</b>	<b>Reasons for Merging</b>	<b>Disadvantages and Transition Issues</b>	<b>Advantages and other Issues</b>
<b>South Dakota</b>	2010	Internal efficiency	Old system (Polk) expired on Dec 31 <sup>st</sup> creating pressure to replace	Use “Explore” system. Still cross training so not fully integrated Auditors also work for Dept of Revenue, but in different division Soon to accept paperwork electronically via web
<b>Tennessee</b>	About 1994	Pressure from legislature	Unknown	System is contracted with <u>ACS (Xerox)</u> Motor Carrier absorbed IFTA functions Advantages: <ul style="list-style-type: none"> <li>• Auditor ability to use information for both IRP &amp; IFTA</li> </ul>
<b>Utah</b>	2008	Internal efficiency	Required cross training	Auditors work for Tax Commission System changed to “Gentex” in May 2009 IRP function moved to IFTA (State Tax Commission)
<b>Vermont</b>	Late 1980’s	Unknown	Unknown	System is contracted with <u>ACS (Xerox)</u> Combined functions work well in small state where they know their customers very well

<b>Yes, Combine IRP &amp; IFTA Functions (continued)</b>				
<b>Jurisdiction</b>	<b>Year</b>	<b>Reasons for Merging</b>	<b>Disadvantages and Transition Issues</b>	<b>Advantages and other Issues</b>
<b>Virginia</b>	1995	DMV study convinced General Assembly of benefits for merging IFTA (State Corporations Commission) into DMV (IRP)	Statutory and political issues. However, process moved quickly	Advantages: <ul style="list-style-type: none"> <li>• Better collection of fees</li> <li>• Improved compliance (delinquency in one area stops all transactions)</li> <li>• Operational efficiency</li> <li>• Better teamwork with industry on legislative matters</li> </ul>
<b>Wisconsin</b>	Early 1990's	Unknown	Unknown	1999-2009 used Polk system 2009 used own proprietary system Advantages: <ul style="list-style-type: none"> <li>• Improved compliance (delinquency in one area stops all transactions)</li> <li>• "Can't imagine being without it"</li> </ul>
<b>Wyoming</b>	1995	Customer service	Merger easier since both used same Polk system	Currently use "TDI" system Advantages: <ul style="list-style-type: none"> <li>• Improved compliance (delinquency in one area stops all transactions)</li> </ul> All audits by Dept of Audits

**22 of the 47 (47%) states surveyed combine the IRP and IFTA functions into one unit**

The second table summarizes responses provided by 25 of the 47 states. All of them indicated the IRP and IFTA functions are processed by separate entities although many are located within the same department.

<b>No, Do Not Combine IRP &amp; IFTA Functions</b>		
<b>Jurisdiction</b>	<b>IRP and IFTA Alignment</b>	<b>Points of Interest</b>
<b>Arizona</b>	<p><u>Both</u> under Dept of Transportation ----- IRP = Motor Vehicle Div IFTA = Motor Vehicle Div and Revenue NOTE: both also function under Dept of Enforcement at Arizona points of Entry</p>	Recent reorganization elected not to consolidate all processes into one unit but rather spread processes such as registration, fuel tax use collections, auditing and inspections among several organizations based on specific areas of functionality.
<b>Arkansas</b>	<p><u>Both</u> under Dept of Finance ----- IRP = Motor Vehicle Div IFTA = Excise Tax Admin</p>	Both functions use <u>Celtic System</u>
<b>Colorado</b>	<p><u>Both</u> under Dept of Revenue ----- IRP = Motor Carrier Services IFTA = Division of Taxation</p>	Originally IFTA was under Taxation. In 1999 it moved to join IRP in Motor Carrier. About 5 years ago, they split because the taxation and registration functions were considered too different. IFTA moved back to Taxation.
<b>Connecticut</b>	<p>IRP = Dept of Motor Vehicles IFTA = Dept of Revenue</p>	
<b>Idaho</b>	<p>IRP = Dept of Motor Vehicles IFTA = State Tax Commission</p>	State Tax Commission <u>audits both</u>
<b>Illinois</b>	<p>IRP = Secretary of State IFTA = Dept of Revenue</p>	Interest in combining for the benefit of government and customers since 1991. After three years of logistical problems, discussions failed. In 1994 there was recognition of the future power offered by the internet to allow electronic submission which would make consolidation more realistic. After a number of years, a grant was secured to study a possible merger. The grant fell through in 2010 and the issue is off the table for now.

**No, Do Not Combine IRP & IFTA Functions (continued)**

Jurisdiction	IRP and IFTA Alignment	Points of Interest
<b>Indiana</b>	<p align="center"><u>Both</u> under Dept of Revenue, Motor Carrier Services ----- IRP = Special Tax &amp; Support Unit IFTA = Fuel Tax Section</p>	<p>After the electronic submission of IFTA records becomes activated, the two functions will consider merging.</p>
<b>Kansas</b>	<p align="center"><u>Both</u> under Dept of Revenue, Div of Motor Vehicles, Motor Carrier Services ----- IRP = IRP Unit IFTA = IFTA Unit</p>	
<b>Kentucky</b>	<p align="center"><u>Both</u> under Transportation Cabinet, Div of Motor Services ----- IRP = IRP section IFTA = IFTA section</p>	<p>IRP &amp; IFTA have separate management systems  They will possibly merge after consolidate the system</p>
<b>Louisiana</b>	<p align="center">IRP = fully contracted out (Overseen by Dept of Public Safety &amp; Corrections, Office of Motor Vehicles, IRP Unit) IFTA = (Overseen by Dept of Revenue)</p>	<p><b>All functions</b> <u>contracted</u> to <u>ACS</u> (Xerox)</p>
<b>Maryland</b>	<p align="center"><u>Both</u> under Dept of Transportation ----- IRP = Motor Vehicle Admin IFTA = Office of Comptroller</p>	
<b>Massachusetts</b>	<p align="center">IRP = Registry of Motor Vehicles IFTA = Dept of Revenue</p>	
<b>Michigan</b>	<p align="center">IRP = Dept of State IFTA = Dept of Treasury</p>	
<b>Mississippi</b>	<p align="center"><u>Both</u> under Dept of Revenue ----- IRP = Motor Vehicle Div IFTA = Petroleum Products Div</p>	

<b>No, Do Not Combine IRP &amp; IFTA Functions (continued)</b>		
<b>Jurisdiction</b>	<b>IRP and IFTA Alignment</b>	<b>Points of Interest</b>
<b>New Hampshire</b>	<u>Both</u> under Dept of Safety ----- IRP = Dept of Motor Vehicles IFTA = Division of Administration	Consolidation issue currently in discussion in Legislature to move IRP from Motor Vehicles to join IFTA in Division of Administration
<b>New Jersey</b>	<u>Both</u> under Motor Vehicle Carrier Services ----- IRP = IRP section IFTA = IFTA section	Two separate systems used
<b>New Mexico</b>	<u>Both</u> under Motor Vehicle Div, Taxation & Revenue, Commercial Vehicle Bureau ----- IRP = IRP Unit IFTA = IFTA Unit	Although separate, they consult with each other. No plans to merge functions.
<b>New York</b>	IRP = Dept of Motor Vehicles IFTA = Dept of Taxation and Finance	
<b>North Carolina</b>	IRP = Dept of Motor Vehicles IFTA = Dept of Revenue	Dept of Revenue <u>audits both</u>
<b>Ohio</b>	IRP = Dept of Public Safety IFTA = Dept of Taxation	Dept of Taxation <u>audits both</u>  Both use <u>ACS System (Xerox)</u>
<b>Pennsylvania</b>	IRP = Dept of Transportation IFTA = Dept of Revenue	
<b>Rhode Island</b>	IRP = contracted IFTA = Division of Taxation	<b>IRP functions only</b> are <u>contracted</u> to “CACI”
<b>Texas</b>	IRP = Dept of Motor Vehicles IFTA = Comptroller of Public Accounts	
<b>Washington</b>	<u>Both</u> under Dept of Licensing IRP & IFTA separate sections	Both use <u>ACS System (Xerox)</u>
<b>West Virginia</b>	IRP = Dept of Motor Vehicles IFTA = Tax and Revenue	Both use same <u>“Fast Tax”</u> system

**25 of the 47 (53%) states surveyed do not combine the IRP & IFTA functions into one unit**