Dispute Resolution Committee Hearing

August 26, 2026

Omni Hotel Downtown Austin

Austin, Texas

8:00 a.m. – The meeting was called to order by Chair Mr. Tom McDaniel.

Introductions were made, and roll call was taken.

A Quorum was established.

DRC Members Present

- Mr. Tom McDaniel, Chair (KY)
- Mr. Patrick Harrison, Vice-Chair (VA)
- Mr. David Perry, Parliamentarian (IN)
- Ms. Tracy Voegele (ND)
- Ms. Joni St. John (NS)
- Mr. Addam Effinger (NY)
- Ms. Dominque McDaniel (AR)
- Mr. Jason Baker (OK)
- Mr. Mark Williams (AZ)
- Mr. Dennis Vanderslice (Holman)

Not in Attendance

- Ms. Jackie Polk (Lee Trans)

Others in Attendance

- Mr. Carmen Martorana, Jr., Executive Director, IFTA, Inc.
- Mr. Rick LaRose, Deputy Director, IFTA, Inc.
- Mr. Kelly Heaton, Director of Finance, IFTA, Inc.
- Ms. Marisa Elliott, Director of Regulatory Compliance, IFTA, Inc.
- Ms. Maria Coronado, Program Compliance Facilitator, IFTA, Inc.
- Ms. Nicole Alvey, Executive Assistant, IFTA, Inc.
- Ms. Jody Isaak, Chair PCRC.

Note taker: Ms. BethAnne Dehler, Administrative Assistant, IFTA, Inc.

The first hearing was called.

Case: PCRC v. State of Vermont

Case Number 2026-0001

The PCRC issued a Final Determination Finding of Non-Compliance (FDFNC) against the State of Vermont, for matters related to Sections R970, R1210, R1260, R1270, R1370, R1380, P1040, A250, or A260, alleging matters advanced beyond the compliance review phase.

Parties

PCRC: Ms. Jody Isaak, Chair

State of Vermont in person: Ms. Brandy Robillard, Compliance Director, and Ms. Renee Cota, Finance and Logistics Director.

The DRC determined the PCRC submission was complete and that notice and jurisdiction were proper and uncontested.

PCRC Presentation

Ms. Isaak summarized:

- R1230 – Interest: 19 of 20 audits were incorrectly calculated in the original 2024 review. Of the five follow-up audits, one had fees due; interest reported for NH was $26.45, compared to a recalculated amount of $49.19.

- R1370 – Audit Reports: Audit reports were not uploaded to the IFTA Clearinghouse timely. The five follow-up audits were completed in early October 2025 but not uploaded until November 17, 2025.

- A250/A260 – Audit Requirements: Vermont did not meet the 3% audit requirement and completed only 37% of the audits required for the review period. Audit counts reported on annual reports did not match Clearinghouse records. Vermont also did not meet the required 25% high-distance or 15% low-distance audit requirements and could not provide the supporting mileage data.

- A330 – Sampling/Projection: Projection was not used in any of the five follow-up audits.

- A460 – Audit Reports: Some required audit-report elements were improved in the follow-up audits; however, significant deficiencies remain, including missing trends and variances, accounting procedure changes, sampling methodology, source-document information, record evaluations, and required billing-summary details.

- No-Change Audits: A significant increase was noted in no-change audits submitted in 2025. 48 of 79 audits (61%) resulted in no change, compared with 5 of 51 (10%) prior to 2025. This raised concerns regarding audit selection, scope, and execution and whether audits are being conducted consistently with IFTA Audit Manual standards.

- P1110 – Annual Reporting: Compliance is a condition of membership, not subject to referral according to R1555. Vermont incorrectly reported audit counts for 2019, 2021, 2022, and 2023 and failed to submit the required 2024 Annual Report. Without the correct 2024 report, the required audit count cannot be determined.

The PCRC issued a FDFNC in January 2026.

DRC Questions to the PCRC Chair

- Mr. Harrison – 'Please explain why all 2019 audits were omitted as they were all completed and dated for 2018.'

- Ms. Issak - 'Audit reports that were submitted in 2019 had dates of 2018 and were not uploaded until 2019 and the period on the review was 2019-2023.'

Vermont Response

Vermont did not contest the findings.

Ms. Robillard provided an overview of corrective actions being implemented and stated that Vermont is committed to returning to full compliance.

- R1230 – Interest: Corrective actions and several SQRs are in place, including system-generated billing documents. All audits will receive a second-level quality control review by Ms. Robillard to verify calculations. A best-practices guide has also been developed.

- R1370- Audit Reports: Vermont acknowledged delays in uploading audit reports, although transmittals were timely. Training is underway, and a standardized audit report template has been developed. Vermont requested IFTA/DRC review and approval of the template.

- A250 & A260 Audit Counts**:** Vermont has implemented procedures to identify duplicate audits, management monitoring, a structured audit plan, procedures, and checklists. Managers will review reports, and SQRs will be used to verify annual report accuracy. High- and low-distance audits will be tracked using distance reports.

- P1110 - Annual Reporting: Vermont is implementing procedures to pull and cross-check annual reporting data for accuracy.

- A330 – Sampling/Projection: Audit narratives have been expanded to provide greater detail regarding methodology and how final results were determined. Vermont would like to provide sample audit reports to the PCRC for review.

- A460 – Audit Reports**:** Vermont has strengthened audit documentation to include opening and closing conferences, internal controls, sampling, audit procedures, MPG analysis, trends and variances, accounting procedure changes, discrepancies, projections, billing summaries, and post-audit review surveys. Vermont reported receiving positive feedback from carriers.

- No-change Audits: Vermont has implemented preliminary internal closings before the carrier closing conference to verify accuracy. Standardized formats, internal controls, best-practice guidance, and checklists are now in place to provide consistency throughout the audit process.

- Training: Additional training is being provided, including training on audit conferences and procedures. Ms. Robillard noted that both she and Ms. Cota are new to the department. Vermont requested onsite training from IFTA and reiterated its commitment to achieving full compliance.

DRC Questions

- Ms. Voegele – 'For this current year how many audits are you required to do?'

- Ms. Robillard – 'I would need my computer to have that count.'

- Ms. Voegele – 'Have you started working towards making up the audits that you are short?'

- Ms. Robillard - 'Yes.'

- Ms. Voegele – 'How many of those have you completed so far?'

- Ms. Robillard – ' I will email those numbers to Mr. McDaniel after we recess. We provide a weekly update to our Commissioner.'

- Mr. Harrison – 'Do you have a timeframe to complete the deficiencies?'

- Ms. Robillard – 'No we do not. Our expectation was we thought the Board gives a timeframe. A seasoned auditor just left and put Vermont in a deficit.'

- Mr. Harrison – 'What is the full number of staff?'

- Ms. Robillard – 'Three auditors are full staff and four admin staff with one out on military leave. I only have two right now and it will take 6 months from hiring to training.'

- Ms. McDaniel - With your new process how long does it take to complete an audit?'

- Ms. Robillard - 'It all depends on the size of the carrier. Smaller carriers are about 25 - 40 hours.'

- Ms. St. John – 'Do you do audits yourself ?'

- Ms. Robillard - 'No, that would be a conflict of interest as I am the manager of the audit and admin team.'

- Mr. McDaniel – ‘Can someone else review the work like your manager?’
- Ms. Robillard – ‘Will I be allowed to do audits now that I am on the board.’
- Mr. McDaniel – ‘I do not think that is a Board decision, that is an internal control.’
- Mr. Martorana – ‘Has nothing to do with the Board.’
- Ms. Voegele - ‘Your auditors physically go out to the site to do the audit?’
- Ms. Robillard – ‘Yes.’
- Ms. Voegele – ‘Have you thought about having the carrier submit the paperwork to the office to help free up some time viruses traveling?’
- Ms. Robillard – ‘They do both onsite and offsite audits. Notice of audit goes out to the carrier and they can request onsite before 30-days. We do 80% electronically, 20% manual. Smaller mom and pop companies are manual records.’
- Ms. Voegele – ‘Do you strictly do audits or do you do record reviews also?’
- Ms. Robillard – ‘We do both as of recent.’

Mr. McDaniel opened the floor for any additional comments.

- Ms. Issak – ‘Recommends going through the governing documents to assure all is being covered.’

Vermont’s hearing completed at 8:30 am – to reconvene open session at 3:00 pm.

Case: PCRC v. State of Wisconsin

Case Number 2026-0002

The PCRC issued a Final Determination Finding of Non-Compliance (FDFNC) against the State of Wisconsin, alleging failure to meet the A250 (3% audit requirement) and the A260 high/low audit requirement.

Parties

PCRC: Ms. Jody Isaak, Chair

State of Wisconsin in person: Mr. Justin Litscher, Section Chief, Motor Carrier Services and Mr. Nate Bett, Audit Supervisor.

The DRC determined the PCRC submission was complete and that notice and jurisdiction were proper and uncontested.

PCRC Presentation

Ms. Isaak summarized:

- (2020- 2024 cycle): A250 — Wisconsin failed to meet the 3% audit requirement and was short 141 audits**.** Wisconsin did not process record reviews during this review cycle.

- (2020–2024 cycle): A260 — Wisconsin failed to meet the 15% low-distance requirement and was short 88 high-distance audits.

- (2015–2019 cycle): A250 Wisconsin failed to meet the 3% audit requirement, short 5 audits.

- (2015–2019 cycle): A250 — Wisconsin failed to meet the 25% high-distance requirement and was short 8 audits, achieving an average of 24.05%.

- Combined across both review periods, Wisconsin's total audit shortage is 146, including 96 high-distance audits. These additional audits must be completed to address the deficiencies identified in both review cycles.

The PCRC issued a FDFNC in February 2026.

DRC Questions to the PCRC Chair

- Mr. Vanderslice – ' How many audits are they short, is the high and low apart of the 146?'

- Ms. Isaak - 'Yes, 146 total with 96 of them high and low.'

Wisconsin Response

Wisconsin did not contest the findings.

Mr. Litscher provided an overview of the corrective actions that Wisconsin has undertaken and implemented. He stated that Wisconsin is committed to addressing the identified deficiencies and returning to full compliance.

- Mr. Litscher explained that when he joined the program in 2022, he identified several areas requiring improvement. Mr. Bett, a supervisor and member of the PCRC, is involved in overseeing the audit process. Wisconsin currently has a total of six auditors.

- Wisconsin completed 94 audits in 2023, and staff members were placed on improvement plans where necessary. Progress meetings were implemented to monitor performance and address areas needing improvement. Beginning in 2023, Mr. Bett began supervising the audit selection process and initiating audits before assigning them to individual auditors and has saved a lot of time.

- In 2024, Wisconsin completed 166 audits, three short of its annual requirement, while still operating with two auditor vacancies. Wisconsin continued to face staffing challenges and conducted a survey of other jurisdictions to learn about their audit practices and identify successful approaches. Wisconsin determined that one area for improvement was the length of its audits, as the jurisdiction had traditionally conducted two-year audits.

- For the 2024–2025 period, Wisconsin assigned a team of three to five staff members to assist with data entry. The jurisdiction also introduced peer reviews, allowing auditors to review one another's reports and share knowledge. Wisconsin uses the Educational Forum as an additional training resource and sends auditors to participate in those opportunities.

- Wisconsin has conducted on-site audits during two of the past three years and has used these opportunities as training experiences for staff. The jurisdiction also utilizes resources available through the IFTA and IRP websites.

- In 2026, Wisconsin plans to focus on improving how audits are assigned and distributed among staff. The jurisdiction is also in the testing phase of implementing a case management system. At 106 audits thus far this year, 22 being large.

DRC Questions

- Ms. Voegele - 'How many audits are you still short and how many are high distances?'

- Mr. Bett – '100 behind at the close of 2025. Completed 106 this year and close of 2025 130 large audits behind. If they are able to catch up this year, they would need 254 total audits with 154 being large.'

- Mr. Litscher - ' Realistically we will hit 200 audits this year. Our goal is to be in compliance by 2Q2027.'

- Mr. Harrison – 'Are you fully staffed?'

- Mr. Litscher – 'Yes, finally fully staffed, since 2022.'

- Mr. Bett – 'The longest tenure auditor is 4 years and 3 of them have less then 1.5 years but are solidly trained.'

Mr. McDaniel opened the floor for any additional comments. No additional comments were heard.

Wisconsin's hearing completed at 9:30 am – to reconvene open session at 3:00 pm.

Case: PCRC v. Providence of British Columbia

Case Number 2026-0003

The PCRC issued a Final Determination Finding of Non-Compliance (FDFNC) against the Providence of British Columbia alleging failure to meet the A250 (3% audit requirement) and the A260 high/low audit requirement.

Parties

PCRC: Ms. Jody Isaak, Chair

Providence of British Columbia: in person Mr. Kevin Harrison, Deputy Commissioner (via teams) Ms. Michelle, Executive Director, and Mr. Harp Virk, Team Lead, Consumer Taxation Audit Branch

The DRC determined the PCRC submission was complete and that notice and jurisdiction were proper and uncontested.

PCRC Presentation

Ms. Isaak summarized:

- (2021-2025 cycle): A 250 - British Columbia failed to meet the 3% audit requirement, short by 2 audits and did not process record reviews for this review cycle.

- (2021-2025 cycle): A 260 - Failed to meet the high-distance 25% requirement, short by 2 high distance audits. Repeat findings from the 2022 cycle.

- (2016-2020 cycle): A 250 - British Columbia failed to meet the 3% audit requirement, short by 4 audits for an average of 2.93%.

- (2016-2020 cycle): A 260 - Failed to meet the high-distance 25% requirement, short by 3 high distance audits for an average of 24.3%.

The PCRC issued a FDFNC in May 2026.

No questions from the DRC to the PCRC.

British Columbia Response

British Columbia did not contest the findings.

- Mr. Harrison explained that circumstances outside of the jurisdiction's control, including the COVID-19 pandemic, contributed to the shortfall. In 2021, the jurisdiction resumed audits and completed seven months of audit activity. In 2022, the jurisdiction began addressing the accumulated shortfall and continued working to make up the deficiency through 2025. The jurisdiction also experienced a two-month strike in 2025, which further impacted its ability to complete audits.

- Mr. Harrison stated that the jurisdiction is committed to meeting its audit obligations. The jurisdiction has completed 40 audits this year, including 14 high-distance audits, and has established a target of completing 50 audits this year. The jurisdiction anticipates having the remaining shortfall fully addressed by 2027 and may be able to eliminate the shortfall by the end of the current year. If the shortfall cannot be fully addressed this year, the jurisdiction expects to have it resolved by the end of 2027.

- Going forward, the jurisdiction is exploring the implementation of record reviews as an additional compliance measure. Mr. Harrison also noted that the jurisdiction has undergone several system upgrades over the past few years, which have affected its audit operations.

DRC Questions

- Mr. Vanderslice - 'How many hours to complete a high distance carrier audit?'
- Mr. K. Harrison – 'Not an auditor can get that information from his audit staff.'
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- Ms. Voegele – 'Are you fully staffed right now?'
- Mr. K. Harrison – 'Yes, does not see that as an issue, has the resources to meet the target.'
- Ms. Voegele – 'Did you have staff shortage during any of these time periods you were deficient?'
- Ms. Voegele – 'How many auditors do you currently have?
- Mr. K. Harrison – 'Three auditors.'
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- Mr. Baker – 'What is your projection on how long it will take to make up the additional audits?'
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- Mr. K. Harrison – 'Make up the two plus the four from the previous period possibly by the end of 2026, if not by 2027.'
- Mr. P. Harrison – 'None of these shortfalls was a result of the rounding error we have talked about in general session?'
- Mr. K. Harrison – 'No it was not.'
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- Mr. McDaniel – 'Do you do samplings for your audits? Virtually, onsite or combination?'
- Mr. K. Harrison – 'Yes we do and it is a combination.'

Mr. McDaniel opened the floor for any additional comments. No additional comments were heard.

British Columbia hearing completed at 9:45 am – to reconvene open session at 3:00 pm.

Executive Session

9:46 a.m. – Motion to enter deliberations by Ms. Voegele seconded by Mr. Effinger. Passed unanimously.

Mr. McDaniel instructed participants to rejoin for open session once notified. Ms. Alvey to notify via email.

Reconvened Session

2:30 p.m. – Meeting readjourned. Readings of the proposed draft orders

A Quorum was established.

Case: PCRC v. State of Vermont

Case Number 2026-0001

Mr. Baker presented the proposed draft order (visually and aloud) for Vermont. (See attachment for complete order)

Mr. McDaniel Chair announced that the draft order was open for discussion.

Discussion

- Ms. Robillard – 'The correction action plan please re read that.'
- Ms. Cota – 'How many audits are you expecting two people to do by March 2027?'
- Mr. Baker – 'March 2027 is the deadline for audit plan due to the PCRC.'
- Ms. Cota – 'One year is not enough time to complete the deficit of audits it is not possible. Vermont needs more time and is requesting an extension to December 31, 2028.'
- Mr. McDaniel – 'The deadline of December 2028 is not an option.'
- Ms. Cota – 'Why, why is not an option? We had one auditor for multiple years, you removed actual 2019 audits, they happened in 2018 but posted in 2019 so they are 2019 audits.'

- Mr. McDaniel – 'Honestly it is difficult to determine how many audits you have performed due to the missing data. There is a missing report. I can understand the concern.'

- Ms. Cota – 'We can provide the spreadsheet of all the reports that have been uploaded It Audits were completed in 2018 but not signed until 2019. We did not get credit for them in 2018, why would we not get credit for them in 2019.'

- Ms. Isaak – 'Very difficult to determine what when were because nothing reconciled. The annual report did not reconcile with what was uploaded to the Clearinghouse and the audit accountability report.'

- Mr. Martorana – 'The numbers were not disputed right; DRC is just looking for a plan.'

- Ms. Cota – 'We have not received the numbers from the DRC.'

- Mr. Martorana – 'You did in the final findings it stated the numbers of deficiencies.'

- Ms. Cota – 'Not per year. The numbers per year do matter. How can we dispute the total if we do not know where the total numbers come from.'

- Mr. Martorana – 'But you did not dispute the total numbers.'

- Ms. Cota – 'Not per year. The numbers per year do matter. How can we dispute the total if we do not know where the total numbers come from.'

- Ms. Cota – 'We did not know what to dispute, this has been difficult. Ms. Robillard, being new, was trying to learn through this process and there were more things they learned this morning, and if we knew those things this morning, we would have given more information long before now.'

- Mr. Martorana – 'It is entirely up to the committee you still have appeal rights as long as you meet one of the criteria for an appeal.'

- Mr. McDaniel – 'We are going with the order. The FDNC outlines the deficit. When did you receive the FDNC?'

- Ms. Robillard – 'January 19, 2026. I think what Ms. Cota is saying is we did not have an itemized report. We have worked with FAST and now have a completed audit report.'

- Mr. McDaniel - 'DRC will move forward with the proposed order, and you can appeal the final order.'

Mr. McDaniel Chair announced that the Draft Order was open for discussion. Seeing none a motion to adopt the draft order was requested.

Motion *to adopt the draft order by Ms. McDaniel, seconded by Ms. St. John. There was no discussion.*

Vote: 7 'Yes,' 1 'No.' Motion carries.

Case: PCRC v. State of Wisconsin

Case Number 2026-0002

Mr. Baker presented the proposed draft order (visually and aloud) for Wisconsin. (See attachment for complete order)

Mr. McDaniel Chair announced that the draft order was open for discussion. Seeing none a motion to adopt the draft order was requested.

Motion *to adopt the draft order by Mr. Williams, seconded by Ms. Voegele. There was no discussion*.

Vote: 7 'Yes,' 1 'No.' Motion carries.

Case: PCRC v. British Columbia

Case Number 2026-0003

Mr. Baker presented the proposed draft order (visually and aloud) for British Columbia. (See attachment for complete order)

Mr. McDaniel Chair announced that the draft order was open for discussion. Seeing none a motion to adopt the draft order was requested.

Motion to *adopt the draft order by Mr. Baker, seconded by Mr. Effinger. There was no discussion*.

Vote: 7 'Yes,' 1 'No.' Motion carries.

Adjournment

Motion to adjourn by Mr. Baker, seconded by Ms. St. John. Passed without discussion.

Meeting adjourned.

Attachment: Proposed Draft Orders for Vermont, Wisconsin, and British Columbia

INTERNATIONAL FUEL TAX ASSOCIATION
DISPUTE RESOLUTION COMMITTEE

PROGRAM COMPLIANCE REVIEW COMMITTEE	)	
	)	
VS.	)	DRC 2026-0001
	)	
STATE OF VERMONT	)	

PROPOSED ORDER

THE DRC ORDERS that the findings of the Program Compliance Review Committee (PCRC), which are not disputed by the Respondent, are hereby adopted as the findings of the Dispute Resolution Committee.

THE DRC FURTHER ORDERS the Respondent to provide an accurate 2024 Annual Report to the PCRC by December 31, 2026.

THE DRC FURTHER ORDERS the Respondent to provide the PCRC with a satisfactory audit plan for 2027 that includes a minimum number of audits, number of accounts by category, count of Licensees, budgeted hours, and a plan of action to address prior deficit of audits no later than March 1, 2027.

THE DRC FURTHER ORDERS the Respondent to provide the PCRC by June 30, 2027, with sufficient and accurate data showing all audits during the review period resulting in a change with correctly calculated interest and transmit said audits to the IFTA Clearinghouse as directed by the PCRC.

THE DRC FURTHER ORDERS the Respondent to complete its deficit of 81 audits, plus any additional deficit of audits from 2024, as detailed in the Final Determination Finding of Non-Compliance (FDFNC) by December 31, 2027, in addition to meeting the other audit requirements contained in the Agreement.

THE DRC FURTHER ORDERS the Respondent to complete its deficit of high-distance audits for the review period to meet its 25 percent high-distance audit requirement pursuant to Section A260 by December 31, 2027.

THE DRC FURTHER ORDERS the Respondent to complete its deficit of low-distance audits for the review period to meet its 15 percent low-distance audit requirement pursuant to Section A260 by December 31, 2027.

THE DRC FURTHER ORDERS the Respondent to provide the PCRC with its procedures to address the administrative issues described in the FDFNC including any and all deficiencies related to Sections R1370, A330, and A460 by December 31, 2027.

THE DRC FURTHER ORDERS the Respondent to follow a compliance plan, to be developed by the PCRC, which includes providing quarterly audit production reports, including the high/low distance requirements found in Section A260, to the PCRC until they are compliant with this Order. The PCRC will report progress to the DRC concerning the Respondent's compliance plan.

THE DRC FURTHER ORDERS that if the Respondent fails to comply with the orders above by December 31, 2027, it shall suffer immediate loss of voting power, standing committee membership, and Board positions until the Respondent comes into compliance with this Order.

THE DRC FURTHER ORDERS that if the Respondent fails to comply by March 1, 2028, then for Fiscal 2029, its Membership Dues shall be doubled and its Plus One Person (POP) Funding shall be lost.

THE DRC FURTHER ORDERS that if the Respondent fails to comply by December 31, 2028, the DRC shall request a Resolution to Expel the Jurisdiction as required pursuant to Section R1555.300.005.

THE DRC FURTHER ORDERS that if the Respondent fails to comply by March 1, 2029, then for Fiscal 2030, its Membership Dues shall be tripled and its POP Funding shall be lost.

Issued this 27th day of August, 2026, by:

Tom McDaniel, Chair

INTERNATIONAL FUEL TAX ASSOCIATION
DISPUTE RESOLUTION COMMITTEE

PROGRAM COMPLIANCE REVIEW COMMITTEE	)	
	)	
VS.	)	DRC 2026-0002
	)	
STATE OF WISCONSIN	)	

PROPOSED ORDER

THE DRC ORDERS that the findings of the Program Compliance Review Committee (PCRC), which are not disputed by the Respondent, are hereby adopted as the findings of the Dispute Resolution Committee.

THE DRC FURTHER ORDERS the Respondent to complete its deficit of audits for the two review periods as detailed in the Final Determination Finding of Non-Compliance (FDFNC) by December 31, 2027, in addition to meeting the other audit requirements contained in the Agreement.

THE DRC FURTHER ORDERS the Respondent to complete its deficit of high-distance audits for the two review periods to meet its 25 percent high-distance audit requirement pursuant to Section A260 by December 31, 2027.

THE DRC FURTHER ORDERS the Respondent to follow a compliance plan, to be developed by the PCRC, which includes providing quarterly audit production reports, including the high/low distance requirements found in Section A260, to the PCRC until they are compliant with this Order. The PCRC will report progress to the DRC concerning the Respondent's compliance plan.

THE DRC FURTHER ORDERS that if the Respondent fails to comply with the orders above by December 31, 2027, it shall suffer immediate loss of voting power, standing committee membership, and Board positions until the Respondent comes into compliance with this Order.

THE DRC FURTHER ORDERS that if the Respondent fails to comply by March 1, 2028, then for Fiscal 2029, its Membership Dues shall be doubled and its Plus One Person (POP) Funding shall be lost.

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THE DRC FURTHER ORDERS that if the Respondent fails to comply by March 1, 2029, then for Fiscal 2030, its Membership Dues shall be tripled and its POP Funding shall be lost.

Issued this 27th day of August, 2026, by:

Tom McDaniel, Chair

INTERNATIONAL FUEL TAX ASSOCIATION
DISPUTE RESOLUTION COMMITTEE

PROGRAM COMPLIANCE REVIEW COMMITTEE	)	
	)	
VS.	)	DRC 2026-0003
	)	
PROVINCE OF BRITISH COLUMBIA	)	

PROPOSED ORDER

THE DRC ORDERS that the findings of the Program Compliance Review Committee (PCRC), which are not disputed by the Respondent, are hereby adopted as the findings of the Dispute Resolution Committee.

THE DRC FURTHER ORDERS the Respondent to complete its deficit of audits for the two review periods as detailed in the Final Determination Finding of Non-Compliance (FDFNC) by December 31, 2027, in addition to meeting the other audit requirements contained in the Agreement.

THE DRC FURTHER ORDERS the Respondent to complete its deficit of high-distance audits for the two review periods to meet its 25 percent high-distance audit requirement pursuant to Section A260 by December 31, 2027.

THE DRC FURTHER ORDERS the Respondent to follow a compliance plan, to be developed by the PCRC, which includes providing quarterly audit production reports, including the high/low distance requirements found in Section A260, to the PCRC until they are compliant with this Order. The PCRC will report progress to the DRC concerning the Respondent's compliance plan.

THE DRC FURTHER ORDERS that if the Respondent fails to comply with the orders above by December 31, 2027, it shall suffer immediate loss of voting power, standing committee membership, and Board positions until the Respondent comes into compliance with this Order.

THE DRC FURTHER ORDERS that if the Respondent fails to comply by March 1, 2028, then for Fiscal 2029, its Membership Dues shall be doubled and its Plus One Person (POP) Funding shall be lost.

THE DRC FURTHER ORDERS that if the Respondent fails to comply by December 31, 2028, the DRC shall request a Resolution to Expel the Jurisdiction as required pursuant to Section R1555.300.005.

THE DRC FURTHER ORDERS that if the Respondent fails to comply by March 1, 2029, then for Fiscal 2030, its Membership Dues shall be tripled and its POP Funding shall be lost.

Issued this 27th day of August, 2026, by:

Tom McDaniel, Chair