

Due to the COVID 19 Pandemic, on August 5 and 6 IFTA held its first virtual Annual IFTA Business Meeting (ABM) utilizing Microsoft Teams. Overall, the virtual meeting went well and exceeded my expectations. I want to thank our Executive Director Carmen Martorana and the entire IFTA staff for a job well done with the ABM. I would also like to thank all the jurisdictional Commissioners and participants for following the meeting protocols and directions that enable everyone to communicate their opinions and comments effectively during the meeting.

I would also like to thank our sponsors ProMiles, Celtic and FAST for the bag, facemask and the hand sanitizer.

That being said, I thought I might provide a perspective of how COVID19 is affecting the operations at the NH Department of Safety, Road Toll Bureau. New Hampshire "road toll" refers to what most other states and provincial governments refer to as motor fuel taxes. The Bureau's primary function is motor fuel taxes including the administration of IFTA.

The COVID19 Pandemic has resulted in a significant reduction in motor fuel consumption and sales since March of this year because of less driving caused by stay at home recommendations to prevent the spread of the COVID19 virus. Due to this, fiscal year (FY) 2020 was down approximately 6.30% or \$8.4 million from FY 2019. When compared to the previous years' monthly revenues April was down 15.82%, May monthly revenue was down 35.49% and in June, revenue began turning around and was only down 24.53%. FY 2021 began on July 1, 2020. As of the close of the month of August, fuel consumption and revenues are down approximately 12%. While this trend is showing an increase in fuel consumption, revenue is still down significantly. This revenue shortfall has resulted in budget and spending reductions. Currently, we are unable to fill vacant positions until revenue returns to pre COVID19 Pandemic levels. Our department is already short on resources with a vacant tax processing position and three vacant auditor positions. One of these vacant positions is a full time IFTA/IRP auditor. Prior to COVID19, most audits were done at the licensee's office. During this COVID19, most of the auditors are working remotely from home and obtaining taxpayer records via Secure File Transfer Protocol (SFTP), mail, or a scheduled drop off appointment. The audit staff is working diligently toward attempting to meet our 3% IFTA audit requirement. I think this topic is a concern for many jurisdictions which is why it was addressed at the ABM. The solution presented and approved by membership at the ABM should provide a needed alternative to all jurisdictions which may be in a similar situation.

New Hampshire has just over 1,700 active IFTA accounts and issues approximately 10,000 decals per year. Approximately 67% of the licensees file their quarterly returns online while the remaining 33% still file a paper return. We anticipate the upcoming IFTA renewal period will provide some challenges and workarounds, but we will overcome these obstacles.

The IFTA Board of Trustees continues to listen to our membership and discuss ways in which we can help alleviate some of the challenges we all face during these trying times. The ABM was an excellent forum for us to communicate together and discuss ideas and concerns as we navigate forward through these uncertain times. However, I encourage all of our stakeholders to continue to communicate with your IFTA regional board liaisons anytime you have concerns, ideas on how we can address the challenges we may face from the ongoing affects of COVID-19, and/or comments on how we can better serve you.

In closing, I hope everyone in the IFTA community stays healthy and safe.

