

Strategic Blueprint for the International Fuel Tax Association, Inc.



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I. Executive Summary

The Internal International Fuel Tax Association (IFTA), Inc. administers the International Fuel Tax Agreement, a tax administration agreement that governs how motor carriers operating across multiple jurisdiction report fuel usage. Forty-eight US states and ten Canadian provinces are party to the agreement. In 2018 IFTA, Inc. published a strategic plan that would guide its operations over the medium term. Since this plan was issued, the transportation industry has been shaken by multiple disruptions, including the emergence of zero-emission vehicles (ZEVs) and connected and automated vehicle (CAV) technologies, evolving standards in the collection and distribution of fuel taxes, and rapidly evolving policy and regulatory landscapes. Recognizing the strategic plan would need to be updated in response to these changes, in 2024 IFTA, Inc. retained the Kentucky Transportation Center (KTC) to help develop a refreshed version of the plan.

The first step in the strategic planning process was collecting data on the most pressing issues confronting IFTA, Inc. and its member jurisdictions. Along with investigating industry trends, the latest academic research, and market forecasts, KTC researchers interviewed and surveyed key IFTA, Inc. stakeholders to document their perspectives. In addition to the disruptions noted above, stakeholders cited the impacts of artificial intelligence, alternative fueling infrastructure, universal electronic identifiers, and the potential adoption alternative fuel taxes as critical issues IFTA, Inc. will need to negotiate over the next 5 – 10 years. Once background research and data analysis were complete, the Center convened multiple facilitated workshops attended by IFTA, Inc. Strategic Planning Working Group (SPWG) members over several months to develop the new strategic plan. Before strategic planning commenced KTC briefed SPWG members on its research findings.

The updated strategic plan contains refreshed mission and vision statements six goals, six strategies, and 85 tactics, which are concrete activities IFTA, Inc. can pursue to enact individual strategies. Although space constraints prevent the inclusion of all 85 tactics in this executive summary, other elements of the strategic plan are reproduced in full below. As efforts to implement the strategic plan move forward, IFTA, Inc. and its stakeholders should explore grant opportunities from agencies such as FHWA, FMCSA, and TRB to subsidize research or promising technology-driven pilot projects. It is also critical to track the progress and performance of actions taken to implement the strategic plan. This monitoring can inform future revisions to the plan and foster a culture built on shared commitment and accountability.

Mission Statement

Support member jurisdictions in the collection and distribution of taxes administered under the International Fuel Tax Agreement while strategizing to ensure sustainability.

Vision

IFTA, Inc. facilitates equitable, efficient and uniform administration of the International Fuel Tax Agreement through collaboration, strategic innovation, education and responsiveness.

Goals

Foster Innovative Solutions

Review critical data/information resources, identify potential upgrades to IT systems, analyze data quality, and establish a program to facilitate large-scale changes and pilot projects within jurisdictions.

Maintain Operational Continuity

Systematically review governing documents, enhance and expand the learning management system, assess educational offerings, catalog jurisdictional approaches to International Fuel Tax Agreement governance, provide cross-training opportunities, and pursue succession planning.

Monitor and Convey Emerging Issues

Continually track legislative action that could impact IFTA, Inc. and its member jurisdictions and provide stakeholders updates on emerging trends (e.g., proposed changes in fuel tax collections).

Retain Uniformity While Allowing Optional Tax Methodologies

Propose International Fuel Tax Agreement modifications to accommodate alternative revenue structures, facilitate the development of model legislation, and advocate for the IFTA, Inc. platform to continue serving as the linchpin of fuel consumption reporting and management of tax collections.

Strengthen Stakeholder Engagement

Increase opportunities for stakeholders to attend conferences and summits, enhance participation across jurisdictions, and establish an external outreach program.

Maintain and Enhance Communication

Strengthen communications with all IFTA stakeholders, improve the transparency of board of trustee activities, and identify effective communication methods.

II. Strategic Planning for IFTA, Inc.

The Internal International Fuel Tax Association, Inc. is a nonprofit organization, created to administer the International Fuel Tax Agreement (IFTA). IFTA is a tax administration agreement that has been joined by 58 jurisdictions — the lower 48 U.S. states and 10 Canadian provinces. It was established to simplify the process of reporting of motor carrier fuel usage for carriers that operate across multiple jurisdictions.

Responding to the quickening pace of change in the collection and distribution of fuel tax revenues, in 2018, IFTA, Inc.'s Board of Trustees determined a new organizational strategic plan was needed. A clear strategic plan, board members hoped, would ensure that IFTA continued to operate with a robust mandate. Strategic planning leveraged surveys and interviews with internal staff and external stakeholders that had a strong relationship with IFTA, Inc. Based on these surveys, the Board of Trustees identified goals they wanted to accomplish over the ensuing five years.

As the 2018 strategic plan neared the end of its life cycle, IFTA, Inc. retained the Kentucky Transportation Center (KTC) to develop an updated strategic plan. KTC's proposed using facilitated workshops attended by the IFTA Strategic Planning Working Group (SPWG) to collect qualitative and quantitative data that would serve as the foundation for a new strategic plan. This report describes how data were collected and presents the new strategic plan.

Approach to Strategic Planning

KTC researchers based their approach to strategic planning on the Technology of Participation (TOP) concept to guide strategic planning. At the heart of the TOP concept is the collection of data through facilitated, participatory workshops. The KTC team structured workshops so that all attendees felt empowered to make their voices heard, from the most reserved participants to the most outgoing. Center researchers acted as neutral facilitators whose only goal was to ensure all ideas were heard, documented, and synthesized. Maintaining a neutral posture lets facilitators refrain from lending credibility to or endorsing particular ideas. Their presence can assist with answering procedural questions and for prompting conversations so participants can reach a consensus on multiple issues (e.g., mission, strategies, goals).

KTC convened a mix of virtual and in-person workshops, where participants received homework assignments via email so they would be ready to contribute to discussions during the sessions. At the beginning of each workshop KTC facilitators reviewed work accomplished to date, introduced the day's activities, and provided background to help participants brainstorm efficiently. After the introduction, participants were divided into small breakout groups of 3 — 4 people as small groups are more conducive to robust and honest dialogue and give participants a chance to fully express their views.

Accompanied by a KTC facilitator, groups discussed their assigned topics. Throughout these discussions facilitators documented ideas. Following breakout discussions, KTC's lead facilitator reconvened all meeting participants and each group presented their ideas. The goal of this exercise was for participants to identify core themes and arrive at a consensus on the question at hand.

To inform brainstorming during the strategic planning workshops, KTC surveyed IFTA membership and adjacent stakeholders on key issues facing IFTA, Inc. and identified existing and emerging issues that are or will impact IFTA and IFTA, Inc. over the next five years. Before the July 2024 strategic planning workshop, KTC distributed initial Survey Results and their top findings from a review of Existing and Emerging issues most likely to affect IFTA, Inc. in the next five years to attendees so they would have baseline information going into brainstorming.

III. Existing and Emerging Issues for IFTA Stakeholders

Kentucky Transportation Center (KTC) researchers worked with the International Fuel Tax Administration (IFTA), Inc. to identify emerging issues that will impact the commercial motor vehicle (CMV) industry and IFTA member jurisdictions over the next five years. To gather data, KTC participated in the 2024 IFTA Education Forum and conducted informal interviews with forum participants. Researchers also collected information through the IFTA Current Reality survey, and scans of industry-related news, conference presentations, market forecasts, and reports. Key areas emphasized in the report include emerging vehicle and infrastructure technologies, the changing policy and regulatory environment for CMV fuel tax collection, the future of highway infrastructure funding, and how trucking industry stakeholders and the general public are responding to these changes. This section of the report explores the major implications of five major existing and emerging issues facing IFTA, Inc. and member jurisdictions.

Top 5 Existing and Emerging Issues

- Development of zero-emission trucks (e.g., hybrid-, electric-, or hydrogen-based) along with connected and automated vehicle technologies will significantly transform the trucking industry over the next 5 – 10 years.
- Development of technologies such as artificial intelligence (AI), alternative fueling infrastructure, and unique electric identifiers that will impact CMVs that are applied on future infrastructure projects and within the motor carrier industry will increase productivity and potentially change some aspects of the motor carrier industry, law enforcement and regulation of commercial trucking.
- Adoption of alternative fuel taxes in the United States and Canada (e.g. flat fees, mileage-based user fees, electricity metering of EV charging stations) will determine how future infrastructure is funded and how tax agencies adapt to evolving technologies and policies.
- Ongoing modifications to the structural, regulatory, and organizational environments of IFTA, Inc.'s member jurisdictions will significantly impact the organization and the constituent organizations representing its member jurisdictions.
- The trucking industry and general public's response to emerging technological, policy, regulatory, and highway funding changes will shape the path forward for U.S. and Canadian highway transportation.

Zero-Emission Trucks

About 30,000 medium- and heavy-duty zero-emissions vehicles (ZEVs) were sold in the U.S. between 2017 and 2023. Cargo vans made up 86 percent of this total, while Class 7-8 heavy trucks accounted for just under 4 percent.¹ Over the same period, vehicle manufacturers sold 1.2 million electric vehicles (EVs) and 1.4 million hybrid vehicles (HVs) and plugin hybrid vehicles (PHEVs). The stark difference illustrates that ZEVs have not yet penetrated the truck market (Wayland, 2024).² Trucking industry stakeholders have expressed multiple concerns related to ZEVs, including:

- The effects of ZEV policy mandates, such as the California Air Resources Board's Advanced Clean Trucks Regulation and Advanced Clean Fleets Regulation (both of which are subject to ongoing federal litigation)
- Impacts of battery weight
- Limited range between charging
- Time required to recharge an electric heavy truck battery
- Demands placed on overstressed power grids
- Sustainability issues

Another ZEV option is hydrogen fuel cells. However, North America has just 61 hydrogen fueling stations, all of which are located in California, British Columbia, Quebec, and Hawaii. While ZEV heavy trucks remain under research and development, significant hurdles will need to be overcome, such as the limitations of battery technologies, which pose especially acute challenges for large, long-distance haulers.³

Connected Trucks

Connected vehicle technologies let trucks interface with infrastructure, other vehicles, and a variety of telemetry services. One estimate suggests 80% of new CMVs sold by 2030 globally will be equipped with connected vehicle technologies.⁴ That figure is expected to be higher in the U.S., which is a leader in this area. These technologies have the potential to improve the quality of fuel usage records and trip distances, which will have significant implications for IFTA, Inc.

¹ Al-Alawi, B., & Richard, J. (2024). *Zeroing in on Zero-Emission Trucks*. Calstart. Accessed 30 June 2024 at: https://calstart.org/wp-content/uploads/2024/05/ZIO-ZET-May-2024-Market-Update_Final.pdf

² Wayland, M. (2024). *EV euphoria is dead. Automakers are scaling back or delaying their electric vehicle plans*. CNBC. <https://www.cnbc.com/2024/03/13/ev-euphoria-is-dead-automakers-trumpet-consumer-choice-in-us.html#:~:text=GM%20said%20it%20would%20offer,in%20North%20America%20by%202040>

³ U.S. *Public and Private Alternative Fueling Stations by Fuel Type*. (2024). U.S. Department of Energy Alternative Fuels Data Center. Retrieved 2 July 2024 from <https://afdc.energy.gov/data?page=2>

⁴ Bauer, H., Schygge, J., Muhleisen, M., & Linder, P. (2023). *Three expert insights from under the hood of connected truck ecosystems*. Ericsson. Retrieved 30 June 2024 from <https://www.ericsson.com/en/blog/2023/5/connected-truck-ecosystems>

Autonomous Trucks

Trucking industry stakeholders are very interested in the development of driverless vehicles. Early industry projections anticipated trucks with Level 5 automation (i.e., full self-driving) on all public roads by 2030, but these forecasts are unlikely to materialize due to industry volatility.⁵ Nonetheless, firms are moving forward with testing of driverless trucks. For example, a 2024 test pilot spearheaded by Aurora and Uber Freight was successful, and now the companies planning to deploy a fleet of 10 Level 4 trucks in 2025 to complete terminal-to-terminal trips between Dallas and Houston along Interstate 45.⁶⁷ Long-term projections of market share for autonomous trucks vary. Forecasts suggest that by 2035 between 100,000 and 700,000 of these vehicles could be on U.S. roads, depending on the speed of technological progress and adoption rates.⁸

Issue 2: Development of Truck-Related Technologies

Artificial Intelligence (AI)

AI will likely bring disruptions to the trucking industry. Potential applications of AI in the industry include:

- Autonomous vehicles
- Advance Driver Assistance Systems (ADAS)
- Driver monitoring systems
- Predictive maintenance
- Virtual reality systems for driver training
- Efficiency and cost-saving measures
- Fleet management and utilization
- Fraud prevention
- Route management
- Worker efficiency
- Vehicle maintenance
- Business intelligence
- Financial management
- Financial and tax records management

⁵ Woodruff, G., & Loftus, J. (2022). *Automated Vehicle Technologies in CMV's* Southeast CMV Safety Research Summit, Tuscaloosa, AL. https://www.caps.ua.edu/wp-content/uploads/2022/05/WOODRUFF_LOFTUS-CMV-AV-lunch-session.pdf

⁶ Hawkins, Andrew J. 2024. "Uber and Aurora announce 'long-term' driverless truck deal after successful pilot." The Verge. Accessed 1 April 2025 at: <https://www.theverge.com/2024/6/25/24184973/uber-freight-aurora-driverless-truck-deal>

⁷ Bellan, Rebecca. 2024. "Aurora Innovation delays commercial autonomous truck launch to 2025." TechCrunch. Accessed 1 April 2025 at: <https://techcrunch.com/2024/10/30/aurora-innovation-delays-commercial-autonomous-truck-launch-to-2025/>

⁸ Woodruff, G., & Loftus, J. (2022).

In terms of tax processing, AI's impact on IFTA, Inc. member jurisdictions will vary. The IFTA tax processing systems that many states and provinces have are too antiquated to integrate AI (i.e. they lack the processing speed and storage capacity that AI applications require). Other logistical, financial and legal hurdles could also slow the adoption of AI. However, jurisdictions will likely begin to explore AI applicability within the next five years.

Alternative Fueling Infrastructure

The U.S. and Canada have over 76,000 public EV charging stations combined. 86 percent of these EV stations have Level 2 charging capability, which requires 4 – 10 hours to charge a EV from 0 to 80 percent; PHEVs can achieve an 80 percent charge at these stations in 1-2 hours.⁹ Most of the remaining EV stations utilize DC fast chargers, which can charge an EV to 80 percent in 20 minutes – 60 minutes depending on the vehicle make and model. The geographical distribution of charging stations remains uneven, although federal subsidies in the U.S. have helped grow the number of EV charging stations. One EV charging equipment manufacturer estimates the U.S. needs 1.2 million public and 28 million private charging stations by 2030.¹⁰ At the current pace of deployment, building this many stations is unlikely.

Universal Electronic Identifier

A 2022 FMCSA Advanced Notice of Proposed Rulemaking (ANOPR) requested public comments on amendments to the Federal Motor Carrier Safety Regulations that would require all CMVs to have an electronic device installed that can communicate a unique identification number when queried by a roadside system.¹¹ Currently law enforcement uses automated license plate readers (ALPRs) and USDOT number readers to decode identification devices designed for human eyes. But more accurate, cheaper solutions exist. A KTC pilot study found that radio frequency identification (RFID) and connected vehicle-to-everything (C-V2X) technologies are good candidates for unique electronic identification. RFID technology is used by preclearance services and tolling agencies and is currently installed on about 80 percent of CMVs.¹² RFID is very inexpensive and easy to install on vehicles as a sticker tag or transponder. However, it is transferrable and easier to manipulate than C-V2X, a technology that is more sophisticated and functionally versatile. The Commercial Vehicle Safety Alliance's (CVSA) position is that OEMs should adopt C-V2X technology as the standard unique electronic identifier. Full implementation would take many years, as older trucks would not be subject to retrofitting or alternative requirements. FMCSA has not taken action since issuing the ANOPR, and no next steps have been determined by the agency.

⁹ *Charger Types and Speeds*. (2023). U.S. Department of Transportation. Retrieved 2 July 2024 from <https://www.transportation.gov/rural/ev/toolkit/ev-basics/charging-speeds#:~:text=Level%20,PHEV%20in%201%2D2%20hours>.

¹⁰ *The US Needs 20 Times More EV Charging Stations by 2030... Or Else*. (2023). Blink. Retrieved 28 June 2024 from <https://blinkcharging.com/blog/the-us-needs-20-times-more-ev-charging-stations-by-2030-or-else>

¹¹ Federal Motor Carrier Safety Administration. 2022, (Vol. 87). "Advance notice of proposed rulemaking (ANPRM) and request for comments: Unique Electronic Identification of Commercial Motor Vehicles." pp. 58049-58053. Accessed 2 April 2025 at: <https://www.govinfo.gov/content/pkg/FR-2022-09-23/pdf/2022-20643.pdf>

¹² Crabtree, Joe, Andrew Martin, Jeeyen Koo and Brian Beaven. (2024). "Advancing Universal ID Through Demonstration of Enabling Technologies." Kentucky Transportation Center. KTC-24-22. Accessed 2 July 2024 at: https://uknowledge.uky.edu/ktc_researchreports/1805/

Motor Fuel Consumption and Tax Revenue Outlook

Fuel taxes are efficient and effective because they are easy to collect (revenue is collected from fuel wholesalers) while being difficult to avoid or evade. In the U.S., three primary sources are exerting downward pressure on fuel tax revenues^{13 14 15}:

- The federal excise tax on gasoline and diesel fuel tax have remained at 18.4 cents per gallon and 24.4 cents per gallon, respectively. At these levels, the tax does not generate adequate Highway Trust Fund revenues.
- Corporate Average Fuel Economy (CAFE) standards have increased, and newer vehicles are more fuel efficient. Further increases in MPG requirements are planned.
- In the light-duty vehicle market, the expanding market share of HVs, PHEVs, and EVs has reduced sales of internal combustion engine (ICE) vehicles.

U.S. fuel consumption is projected to fall between 21.4 percent and 34 percent by 2035, which will translate into significant declines in federal and state fuel tax revenues. One forecast anticipates a drop in revenues of roughly 17 percent both the state and federal level by 2030, increasing to roughly 28 percent by 2035.¹⁶

Motor Fuel Tax Alternatives — Flat Fees

Flat fees are the simplest alternative to a fuel tax. Fees are collected when a vehicle is initially registered or its registration renewed. As of 2025, 39 U.S. states had implemented flat fees ranging from \$50 to \$225 for HVs and EVs to compensate for lost fuel tax revenues.¹⁷ In most jurisdictions flat fees do not account for vehicle weight. At least eight states have fees based on gross vehicle registered weight; some states exempt commercial vehicles from the fees (e.g., Illinois, Missouri, Texas, Georgia). Other states have adopted policies that increase EV, PHEV, or HV fees on heavier weight classes (Arkansas, Michigan, Oklahoma, South Dakota). Alberta and Saskatchewan have implemented flat fees for EVs as well. Collecting revenue on these vehicles is somewhat in tension with environmental goals many jurisdictions are pursuing by subsidizing the purchase of EVs, HVs, and PHEVs through incentive programs.¹⁸

¹³ Federal Tax Rates on Motor Fuels and Lubricating Oil. (2023). Federal Highway Administration. Retrieved July 3 from <https://www.fhwa.dot.gov/policyinformation/statistics/2022/fe101a.cfm>

¹⁴ Regan, E. (2023a). The Gas Tax in America: An Updated Outlook Salt Lake City, National Conference of State Legislatures.

¹⁵ Regan, E. (2023b). Road User Charging: The End Game.

¹⁶ Regan, E. (2023b).

¹⁷ Shinkle, Doug and Matt Wicks. (2025). "Special Registration Fees for Electric and Hybrid Vehicles." National Conference of State Legislatures. Accessed 2 April 2025 at: <https://www.ncsl.org/transportation/special-registration-fees-for-electric-and-hybrid-vehicles>

¹⁸ Shinkle and Wicks. (2025).

Motor Fuel Tax Alternatives — kWh Taxes on EVs and EV Charging

Another method of offsetting lost fuel tax revenues is levying taxes on each kilowatt-hour (kWh) of energy consumed by EVs. While roughly 80 percent of EV owners charge their vehicles at home, public infrastructure is needed for motorists traveling long distances or individuals living in multi-unit housing who do not have access to a personal EV charger. Seven states tax electricity consumed at public EV charging stations¹⁹. Most have straightforward fee structures, with cost per kWh ranging from 2.6 cents to 3 cents. A major downside of this revenue model is that it excludes home charging stations. Some experts disagree about whether the U.S. electric grid can handle extra demand generated by EVs and whether EV charging stations should be allowed to resell their electricity to the grid.

Motor Carrier Alternatives — Mileage-Based User Fee (MBUF)

MBUFs charge motorists based on their distance traveled on public roads. These are also referred to as vehicle miles traveled (VMT) or road usage charge (RUC) fees. A primary advantage of MBUF policies is they tax actual road usage instead of proxies for road usage, as is the case with motor fuel taxes (fuel), flat fees (which generally approximate average mileage), or kWh (electricity). Five states — Connecticut, Kentucky, Oregon, New Mexico and New York — levy weight-distance taxes on commercial vehicles that exceed specified weight thresholds. Two significant drawbacks of MBUF policies are 1) administrative complexity and 2) privacy concerns expressed by the public (or intended tax base).

States have adopted multiple approaches to MBUFs. Four states — Hawaii, Oregon, Utah, Virginia — have voluntary programs for passenger vehicle operators that meet eligibility requirements. Oregon is the only state with an active program for passenger vehicles and heavy trucks. Sixteen states have MBUF pilot programs, while 20 others are researching MBUFs and/or participating in a regional coalition pilot program. Only nine states have no MBUF program, pilot, or active research initiative.²⁰

Most states with MBUFs are trying to negotiate tradeoffs between privacy and efficiency. Three of the four states mentioned above offer both a GPS-based device/application and a plug-in device that tracks vehicle distance traveled but not location. Utah is the only state that uses GPS-based equipment exclusively. The collection of most weight-distance taxes rely on low-tech, self-reporting methods that are more susceptible to error or fraud. When designing MBUF policies, jurisdictions need to address questions about:

- Apportionment
- Building public acceptance and support
- How much leeway states and provinces have to customize their approaches
- Whether GPS tracking will be required

¹⁹ *kWh Billing and New EV Charging Tax Policies: What You Need to Know*. (2023). Blink. <https://blinkcharging.com/blog/kwh-billing-and-new-ev-charging-tax-policies>

²⁰ Macumber-Rosin, J., & Hoffer, A. (2024). *Vehicle Miles Traveled Taxes Rollout across States*. Tax Foundation. Retrieved July 5 from <https://taxfoundation.org/blog/state-vmt-vehicle-miles-traveled-taxes/>

- Whether to bundle passenger and heavy truck tax administration
- Privacy protections
- Methods for handling internal combustion engine (ICE) vehicles during the transition
- Data retention
- MBUF return or payment frequency
- Audit policies
- Rate setting
- Exemptions

IFTA member jurisdictions and IFTA, Inc. need to explore if MBUFs are appropriate for IFTA. If those entities decide that MBUF's are appropriate for IFTA, they will need to:

- 1) determine how the program would look,
- 2) determine if IFTA's program structure would need to change,
- 3) determine a methodology for handling the transition from fuel taxes to a MBUF,
- 4) determine which vehicle classes to include,
- 5) determine strategies to lobby legislatures, and
- 6) address how IFTA Articles of Agreement would need to be amended.

Additionally, data requirements, privacy protections, audit requirements, and information technology requirements would also need to be addressed.

Issue 4: Organizational, Regulatory and Workforce Development Challenges

Structural Environments of Jurisdiction Agencies with IFTA-Related Functions

Three constraints impair the efficiency of public agencies: 1) they do not retain and devote organizational revenues to employees, 2) management is not always allowed to allocate resources in ways that maximize agency efficiency or effectiveness, and 3) they do not define their own goals or responsibilities.²¹

With highway transportation technology and policy poised to see their biggest changes in decades, these emerging issues will interact with jurisdictional structures in critical ways to determine how American and Canadian political subdivisions navigate them. Many IFTA commissioners and other jurisdiction-level professionals who interact most frequently with the organization will not have decision-making authority over how jurisdictions adapt to the shifting taxation and regulatory environment. Legislators, governor's offices, and cabinet secretaries will largely determine what the highway tax structure looks like in their respective jurisdictions. In other words, they will enact highway tax/fee policies to replace fuel tax revenues in their jurisdiction, and decide what government agency or agencies will collect the tax/fee. Thus, IFTA member jurisdiction commissioners and administrators, IFTA Inc. personnel, law enforcement and industry need to

²¹ Wilson, J. Q. (1989). *Bureaucracy: What Government Agencies Do and Why They Do It*. Basic Books.

identify and engage decision makers proactively, as they will be defining the future IFTA-related agency policy and agency structure at a time of great uncertainty.

Changes to Regulatory and Enforcement Environments

State legislatures have pushed to limit ALPR use. Most U.S. jurisdictions have used ALPRs over the last 15 – 20 years to enforce compliance with safety, credentialing, and taxation regulations. IFTA and IRP auditors frequently use ALPR records as evidence of operations when carriers attempt to evade fuel taxes or registration fees. License plate cameras are typically deployed on ramps at CMV inspection stations or virtual inspection states. Their operation at virtual locations is triggered by in-pavement loops. State law enforcement agencies used this technology without much controversy for several years. That has changed due to recent adoption of ALPRs by local law enforcement agencies nationwide, particularly cameras manufactured by Flock Safety.

Privacy and civil liberties advocates like the American Civil Liberties Union (ACLU) have strongly opposed Flock Safety equipment. The ACLU mainly objects to the firm's national database of vehicle records, which law enforcement agencies can use to search for sightings of vehicles in any jurisdiction. The ACLU suggests privacy advocates resist implementation of these cameras. But if this is not possible, the organization recommends negotiating to place restrictions on camera use by clearly specifying 1) data retention length, 2) data sharing practices, and 3) how data is used by law enforcement. The ACLU's concerns are shared by the public and elected officials in both political parties.²²

Since 2007, 16 states have implemented restrictions on ALPR data retention and use.²³ Other states have introduced bills, including Kentucky and Missouri.²⁴ ²⁵ Some statutes limit how long data collected with ALPRs can be retained. More research is needed to determine if these restrictions apply to trucking safety and revenue enforcement. If retention periods do apply, they are much shorter than what is required for IFTA and IRP auditing. Several laws limit the sharing of ALPR data unless it is between two law enforcement agencies, which creates challenges for state DOTs and partnering agencies or vendors.²⁶

²² Marlow, C., & Stanley, J. (2023). *How to Pump the Brakes on Your Police Department's Use of Flock's Mass Surveillance License Plate Readers*. American Civil Liberties Union. Retrieved 6 July 2024 from <https://www.aclu.org/news/privacy-technology/how-to-pump-the-brakes-on-your-police-departments-use-of-flocks-mass-surveillance-license-plate-readers>

²³ "Automated License Plate Readers: State Statutes." (2022). National Conference of State Legislatures. Retrieved 28 June 2024 from <https://www.ncsl.org/technology-and-communication/automated-license-plate-readers-state-statutes>

²⁴ Green, M. (2024). 'Nobody likes being spied on' | Kentucky bill would crack down on drones, police camera data. WDRB. Retrieved June 28 from https://www.wdrb.com/in-depth/nobody-likes-being-spied-on-kentucky-bill-would-crack-down-on-drones-police-camera-data/article_d8d2d27a-ab0c-11ee-9c33-db21a4b40920.html

²⁵ Morabith, A. (2024). Missouri senator aims to restrict automated license plate readers. Missouri.net. Retrieved June 28 from <https://www.missourinet.com/2024/03/04/missouri-bill-to-restrict-automated-license-plate-reader-systems/>

²⁶ *Automated License Plate Readers: State Statutes*. (2022). National Conference of State Legislatures. Retrieved June 28 from <https://www.ncsl.org/technology-and-communication/automated-license-plate-readers-state-statutes>

Jurisdiction Workforce Development

Public sector workforces face significant challenges in the U.S. State government agencies are chronically understaffed and public sector pay lags the private sector. The wage gap between private-sector and state and local government wage growth reached an all-time high in 2022.²⁷ Gender and racial pay gaps exist in the public sector, though they tend to be smaller than in the private sector.²⁸ Most state pension plans are underfunded, sometimes severely so. These dynamics have made it difficult for IFTA member jurisdictions to recruit and retain staff. A good illustration of this problem is the discrepancy between job openings and hires. In December 2022, there were 575,000 state and local government job openings but only 195,000 hires. The private sector has rebounded since the COVID-19 pandemic. But in January 2023, state and local governments employed 450,000 fewer people than in February 2020.²⁹

Some states have increased public sector salaries to attract more candidates and are experimenting with multiple strategies to boost recruitment, including eliminating nonessential hiring requirements, speeding up the application and hiring process, placing greater emphasis on diversity and equity, building employee engagement, and making data-driven decisions. Improving knowledge management and transfer is critical as well.³⁰

While IFTA, Inc. has no control over salary, benefits, hiring, and retention policies at member agencies, it can advocate for and support critical knowledge management and knowledge transfer strategies. The IFTA Education Forum, IFTA's knowledge management system, and other tools provide resources veteran employees can draw on to help new hires learn and master their jobs. Because fuel tax and apportionment laws, regulations, processes, and data are highly complex subject areas, investing in resources to help staff develop knowledge in these areas will yield beneficial results.

Issue 5: Policy Preferences of the Trucking Industry and the Public

Trucking Industry

Trucking industry stakeholders have expressed numerous concerns related to the economy, vehicle operating costs, safety, driver recruitment and retention, efficiency, and ZEVs. They oppose state mandates for ZEV truck manufacturers, want to estimate the costs of EV charging infrastructure and ZEV mandates, advocate for repeal of the federal excise tax on new CMVs, and are calling for additional research into the impacts of EV battery weight on transportation infrastructure, crash response, and first responder safety.³¹

²⁷ Chapman, J., & Maynard, M. (2022). Government Wage Growth Lags Private Sector by Largest Margin on Record. <https://www.pewtrusts.org/en/research-and-analysis/articles/2022/02/07/government-wage-growth-lags-private-sector-by-largest-margin-on-record>

²⁸ Morrissey, M., & Sherer, J. (2022). Unions can reduce the public-sector pay gap. <https://www.epi.org/publication/public-sector-pay-gap-co-va/>

²⁹ Lavigna, R. J. 2023. *A Road Map for Dealing With Government's Workforce Crisis*. *Governing*. Accessed 6 July 2024 from: <https://www.governing.com/work/a-road-map-for-dealing-with-governments-workforce-crisis>

³⁰ Lavigna, R.J. 2023.

³¹ *Critical Issues in the Trucking Industry - 2023*. (2023). Accessed 2 July 2024 at: <https://truckingresearch.org/wp-content/uploads/2023/10/ATRI-Top-Industry-Issues-2023.pdf>

Industry stakeholders are against existing state mandates for ZEV sales, contending that implementation timelines are too aggressive relative to current vehicle technology capabilities, regulatory headwinds, and infrastructure capacity. Despite rapid growth in the market for ZEV passenger vehicles, widespread adoption of ZEV CMVs remains distant.³²

While in the U.S. most new CMVs will have connected vehicle technologies, AVs are still being researched and developed. Although the recent shuttering of several start-up companies temporarily slowed the development of zero-emissions CMVs, new firms are coming on the scene.^{33 34 35 36} And multiple companies are planning experimental autonomous fleet deployments. Industry stakeholders have not signaled support for a specific fuel tax revenue replacement policy, but a contingent of the industry is participating in MBUF pilot projects.

Public Opinion and Behavior

American and Canadian vehicle buyers have expressed less interest in purchasing EVs due to concerns over costs, a perceived lack of charging infrastructure, and reliability.^{37 38} This has caused the market share of EVs to lag behind England, the European Union, and China. Without a shift in buyer attitudes, EV market share could plateau as the early adopter market is saturated. This would translate into the U.S. and Canada falling further behind in EV technology adoption rates.³⁹ Automakers — including Ford, General Motors, Mercedes-Benz, and Volkswagen — have responded to waning buyer interest by delaying or scaling back

³² Al-Alawi & Richard. (2024).

³³ Bhat, U., & Gaudet, A. (2024). Uber Freight will travel on self-driving truck company's Dallas-to-Houston route. *The Dallas Morning News*. <https://www.dallasnews.com/business/autos/2024/06/26/uber-freight-will-drive-on-self-driving-truck-companys-dallas-to-houston-route/>

³⁴ Clevenger, S. (2024a). A New Wave of AI Is Coming to Trucking. Accessed 2 July 2024 at: <https://www.ttnews.com/articles/new-wave-ai-coming-trucking>

³⁵ Clevenger, S. (2024b). Who's Still in Autonomous Trucking. *Transport Topics*. Accessed July 1 from <https://www.ttnews.com/articles/autonomous-trucking-development>

³⁶ Rodrigo, C. M. (2023). *Where are all the robot trucks?* The Verge. Accessed July 1 from <https://www.theverge.com/23981006/autonomous-truck-semi-driverless-aurora-kodiak-infrastructure>

³⁷ National Post Staff. (2024). "Interest in electric vehicles in Canada drops for second year: survey." *National Post*. Accessed 2 July 2024 at: <https://nationalpost.com/news/canada/electric-vehicle-interest-canada#:~:text=That%20number%20dipped%20to%2056,46%20per%20cent%20in%202024.&text=E2%80%9CAuto-Trader%20data%20shows%20a%20direct,a%20summary%20of%20the%20survey>.

³⁸ Tyson, A., & Kikuchi, E. (2024). *About 3 in 10 Americans would seriously consider buying an electric vehicle*. Pew Research Center. Retrieved July 2 from <https://www.pewresearch.org/short-reads/2024/06/27/about-3-in-10-americans-would-seriously-consider-buying-an-electric-vehicle/>

³⁹ Ritchie, H. (2024). *Tracking global data on electric vehicles*. Our World In Data. <https://ourworldindata.org/electric-car-sales>

EV production commitments in the U.S.⁴⁰ Compounding these issues, many people have also expressed skepticism of autonomous vehicles and AI in recent opinion polls.^{41 42}

Support for fuel tax alternatives has trended upward in recent years, but many people believe EVs should be taxed at lower rates than ICE vehicles because of their environmental benefits. Americans express the highest-level support for MBUFs on heavy trucks. Trucking industry stakeholders oppose levying MBUFs on heavy trucks alone, arguing that any program should also cover passenger vehicles. Public trust in government institutions is low in the U.S. and Canada, complicating technology and policy adoption in the transportation sector.

⁴⁰ Wayland, M. (2024).

⁴¹ Rainie, L., Funk, C., Anderson, M., & Tyson, A. (2022). *Americans cautious about the deployment of driverless cars*. <https://www.pewresearch.org/internet/2022/03/17/americans-cautious-about-the-deployment-of-driverless-cars/>

⁴² Tyson, A., & Kikuchi, E. (2023). *Growing public concern about the role of artificial intelligence in daily life*. <https://www.pewresearch.org/short-reads/2023/08/28/growing-public-concern-about-the-role-of-artificial-intelligence-in-daily-life/#:~:text=Overall%2C%2052%25%20of%20Americans%20say,equal%20mix%20of%20these%20emotions>

IV. Past, Present, and Future Survey of IFTA, Inc.

To inform the strategic planning process, KTC researchers surveyed multiple IFTA stakeholder groups. Stakeholders were asked to comment on what the organization should focus on over the next 3 – 5 years to ensure its mission, vision, and values align in such a way that IFTA can leverage emerging technological opportunities, serve and engage its community effectively, and plan for the organization’s evolution while shoring up its financial sustainability and building social capital. Individuals invited to complete the online survey fell into several groups:

- IFTA staff members in jurisdictions
- IFTA, Inc. staff
- Industry professionals
- Members of the IFTA Board of Trustees
- Members of the IFTA Strategic Planning Working Group
- Other stakeholders (e.g., law enforcement agencies)

KTC researchers used Qualtrics to administer the survey. Email invitations were distributed by the IFTA SPWG. Survey questions gave respondents the opportunity offer perspectives on IFTA, Inc., IFTA jurisdiction members, or non-jurisdictional stakeholders (e.g., industry, law enforcement). In cases where respondents belonged to more than one stakeholder group, they could fill out the survey multiple times, with each submission capturing the perspective of a unique stakeholder position they occupy.

Email invitations were distributed on May 9, 2024, and included a submission deadline of May 31, 2024. During this period 241 responses were submitted. Following internal discussions with IFTA SPWG members and IFTA, Inc. staff, KTC reopened the submission window during the IFTA Education Forum (June 3 – 7, 2024) and left it open until June 10, 2024. The survey consisted of nine questions — seven open-ended questions and two multiple-choice questions. The deliverables package includes all survey responses. Analysis of the open-ended question presented below focuses on the initial 241 responses because these were coded before the July 2024 IFTA SPWG first strategic planning session and thus represent what SPWG members had access to during their brainstorming.

Survey Results

As noted, the survey generated 241 responses during the first period it was open (i.e., Period 1). It elicited another 144 responses during the second submission window (i.e., Period 2), for a total of 385 (Table 1). Qualtrics computed survey completion percentage as the number of questions answered divided by the total number of questions in the survey. A total of 110 respondents (28.6%) completed every question. Just under half (n = 180) completed at least half of the survey questions. Table 1 summarizes response rates and the percentage of the survey finished by respondents during both periods. For example, during Period 1 the survey was completed by 75 people, which represented about 31% of all responses.

Table 1. IFTA Current Reality Survey Responses and Progress Demographics

Period	Responses		Percentage			
1	241		62.6			
2	144		37.4			
Total	385		100%			
Progress	Period 1 (n)	Period 1 (%)	Period 2 (n)	Period 2 (%)	Total (n)	Total (%)
8	85	35.3	65	45.1	150	39.0
17	3	1.2	3	2.1	6	1.6
25	6	2.5	4	2.8	10	2.6
33	10	4.2	8	5.6	18	4.7
42	16	6.6	5	3.5	21	5.5
50	3	1.2	4	2.8	7	1.8
58	8	3.3	5	3.5	13	3.4
67	1	0.4	1	0.7	2	0.5
75	0	0.0	1	0.7	1	0.3
83	15	6.2	8	5.6	23	6.0
92	19	7.9	5	3.5	24	6.2
100	75	31.1	35	24.3	110	28.6
Total	241	100.0	144	100.0	385	100.0

Qualtrics, because of the method it uses to determine response rates, tends to inflate the number of responses. Recognizing this, KTC manually evaluated the amount of input provided by each respondent in both periods for Questions 1 – 6 (Table 2). For each question, respondents could provide between 0 and 3 ideas. The percentage of respondents that input one or more idea ranged between 19.6 percent and 26.2 percent. Table 2 does not show data for Questions 7 – 9 because they were multiple-choice or open-ended.

Table 2. Distribution of Responses/Ideas by Survey Question

Question	1 Idea	2 Ideas	3 Ideas	N/A	% Respondents with Ideas	Total Respondents	Total Ideas
1	14	21	45	305	26.2%	80	191
2	20	11	46	308	25.0%	77	180
3	8	19	47	311	23.8%	74	187
4	15	12	43	315	22.2%	70	168
5	14	17	38	316	21.8%	69	162
6	11	15	37	322	19.6%	63	152
Total							1040

On most questions, just over half of responsive participants submitted three ideas. For example, of the respondents who offered input on Question 1, 45 gave three ideas, 21 submitted two, and 14 just one.

Despite the unevenness in responses, the survey generated more than 1,000 ideas for the strategic planning process, which was very helpful.

Low response rates may have stemmed from participants skipping questions, being short on time, or failing to wrap up a partially completed survey. Survey responses for each question were voluntary, meaning respondents could skip any question they did not know how to answer or did not want to answer. Open-ended questions also tend to produce higher nonresponse rates than multiple-choice questions.⁴³ Survey respondents find it less taxing to answer multiple-choice questions.⁴⁴ Indeed, despite being placed at the end of the survey, multiple-choice questions yielded higher response rates.

Other caveats should be mentioned. Some people who received the survey may have looked at the questions but declined to respond. It is also possible that a person submitted a partial survey only to retake the survey later. The survey was set up to allow multiple submissions from a common IP address because there are individuals who belong to multiple stakeholder groups that wanted to submit multiple surveys. Despite these issues, survey responses were differentiated in a way that KTC researchers felt confident the responses constitute a robust cross section of IFTA stakeholders.

Survey Respondent Professional Backgrounds

Table 3 reports on the professional backgrounds of survey respondents by survey period. Just 90 respondents listed their professional backgrounds. Most respondents who answered the question were from IFTA member jurisdictions (72.2%). IFTA, Inc. staff, industry professionals, and *Other* were the next most frequent responses. The low response rate could be attributed to nature of issues addressed by the survey and spirited disagreements about them within the IFTA community. With under 25 percent of respondents answering, it precluded analysis of whether these stakeholder groups vary in their attitudes or preferences.

⁴³ Asare-Marfo. 2021. “Why do some open-ended survey questions result in higher item non-response rates than others?” Pew Research Center. Washington, D.C. Accessed 30 March 2025 at: <https://www.pewresearch.org/de-coded/2021/10/14/why-do-some-open-ended-survey-questions-result-in-higher-item-nonresponse-rates-than-others/>

⁴⁴ Ibid.

Table 3. Respondent Professional Backgrounds

Stakeholder	Period 1 (n)	Period 1 (%)	Period 2 (n)	Period 2 (%)	Total (n)	Total (%)
IFTA Board Member	1	1.7	1	3.3	2	2.2
IFTA Member Jurisdiction	44	73.3	21	70.0	65	72.2
IFTA Staff	6	10.0	3	10.0	9	10.0
Industry Professional	4	6.7	4	13.3	8	8.9
Other	4	6.7	1	3.3	5	5.6
SPWG Member	1	1.7	0	0.0	1	1.1
Total	60	100	30	100	90	100

IFTA Survey Response Analytical Approach

Table 4 summarizes topics addressed in the survey. Open-ended questions asked participants to identify accomplishments, setbacks, strengths, weaknesses, risks, and opportunities for the IFTA community. Questions 7 and 8, on IFTA effectiveness and respondent background (see above), were multiple choice. The final question invited respondents to submit additional feedback that would go to IFTA SPWG members and the KTC team facilitating development of the new IFTA Strategic Plan.

Table 4. IFTA Current Reality Survey Topics by Question

Question	Subject
1	Accomplishments
2	Setbacks
3	Strengths
4	Weaknesses
5	Risks
6	Opportunities
7	Effectiveness
8	Professional Background
9	Additional Comments

To balance the need to keep the survey open to solicit as much survey input as possible with the need to efficiently provide information to IFTA SPWG members, KTC researchers adopted the following approach to analyze open-ended questions: (1) conduct a thorough textual and quantitative analysis of the Period 1 survey responses, which was provided to the IFTA SPWG ahead of the July 2024; and (2) continue collecting data that would be provided to IFTA, Inc. as part of the overall strategic planning initiative.

The following sections describe KTC’s approach to analysis. Researchers (1) developed word clouds that visualize and/or quantify survey input for all responses collected during both Period 1 and Period 2, and (2) performed textual analysis survey responses received during Period 1.

Word Clouds and Phrase Clouds — Approach

KTC used the Word Art data visualizer to generate two types of word clouds from the survey open-ended questions.⁴⁵ The first type of word cloud assigns a higher ranking to words that appear more frequently; the second type functions as a *phrase cloud* or *sentence cloud* that visualizes respondent input. The Word Art algorithm weights words, phrases, or sentences based on their rank order. This works well for individual words because there is a quantitative difference between the most common words (e.g., IFTA, fuel, jurisdiction) and less common words (e.g., compliance, documentation, tracking).

Phrase clouds differ in that each case each phrase is assigned the same value (of 1). However, the algorithm more heavily weights responses at the top of the list (i.e., those more prominently featured). To ensure phrase clouds did not overvalue early survey responses, each open-ended survey question response was assigned a randomized value in Stata (a statistical software package). Next, responses were sorted based on their randomly assigned values to ensure visualized word or phrase clouds captured a representative cross-section of respondents from Periods 1 and 2 and did not introduce bias.

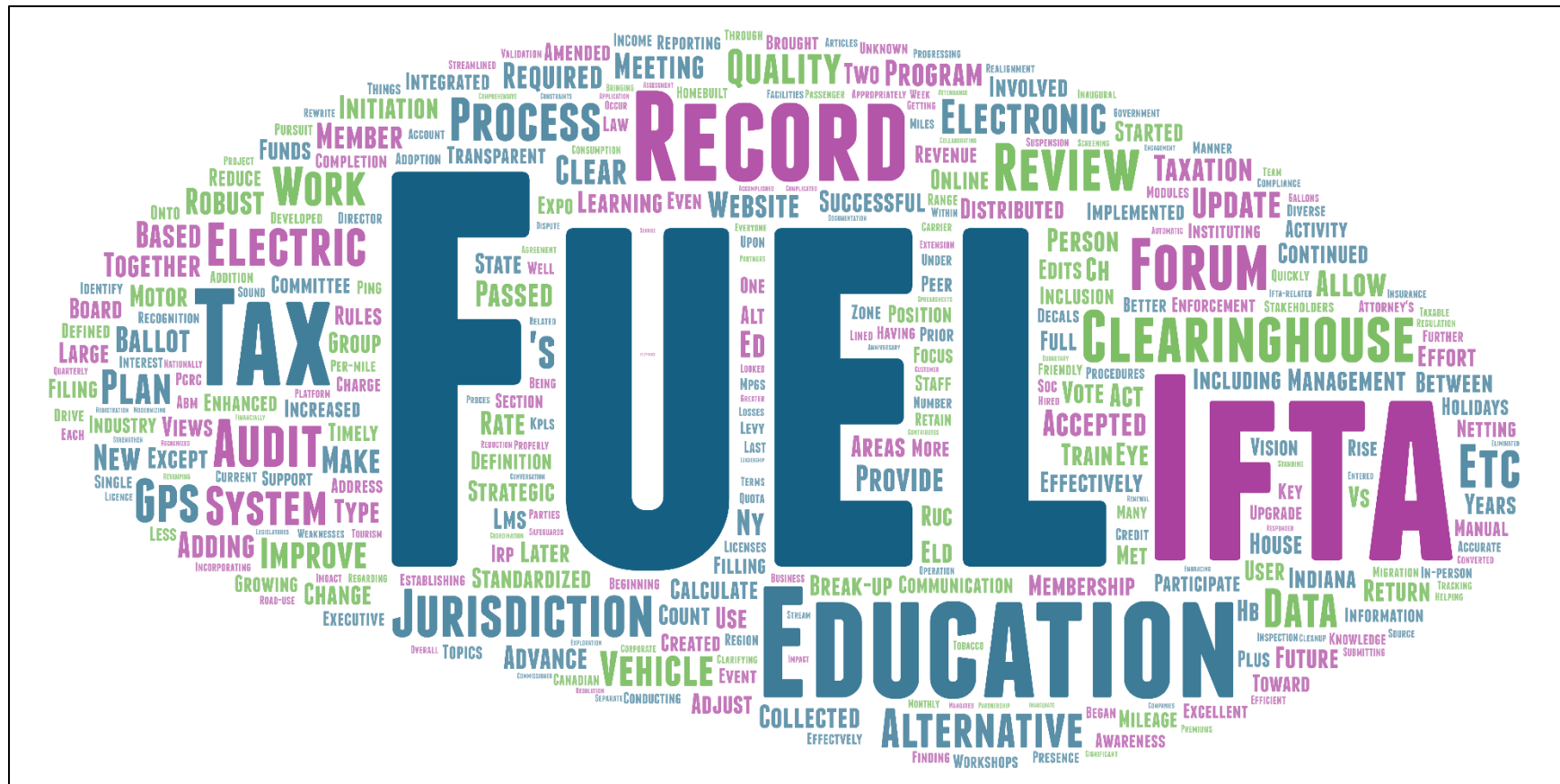
Textual Analysis of Phase 1 Responses — Approach

Despite their visual appeal, detecting patterns and trends in word clouds is challenging. To help IFTA SPWG members make sense of the data, KTC researchers combed through open-ended responses and categorized them based on the subject matter they addressed. Categorization schemas varied by question, however, researchers generally placed responses into 5 – 9 categories. Word and phrase clouds are presented on the following pages.

⁴⁵ Word Art Data Visualizer. 2009-2025. Accessed 3/25/25 at: <https://wordart.com/>.

Word Cloud for Question 1

What are three accomplishments of the organization over the last 3 – 5 years (important milestones, significant efforts, important areas of progress)?



What are three accomplishments of the organization over the last 3 – 5 years (important milestones, significant efforts, important areas of progress)?



Word Cloud for Question 2

What are 3 setbacks (things that have impeded progress, intruded on plans)?



What are 3 setbacks (things that have impeded progress, intruded on plans)?



Word Cloud for Question 3

What are 3 current strengths of the organization (where you see momentum, qualities that you don't want the organization to lose)?



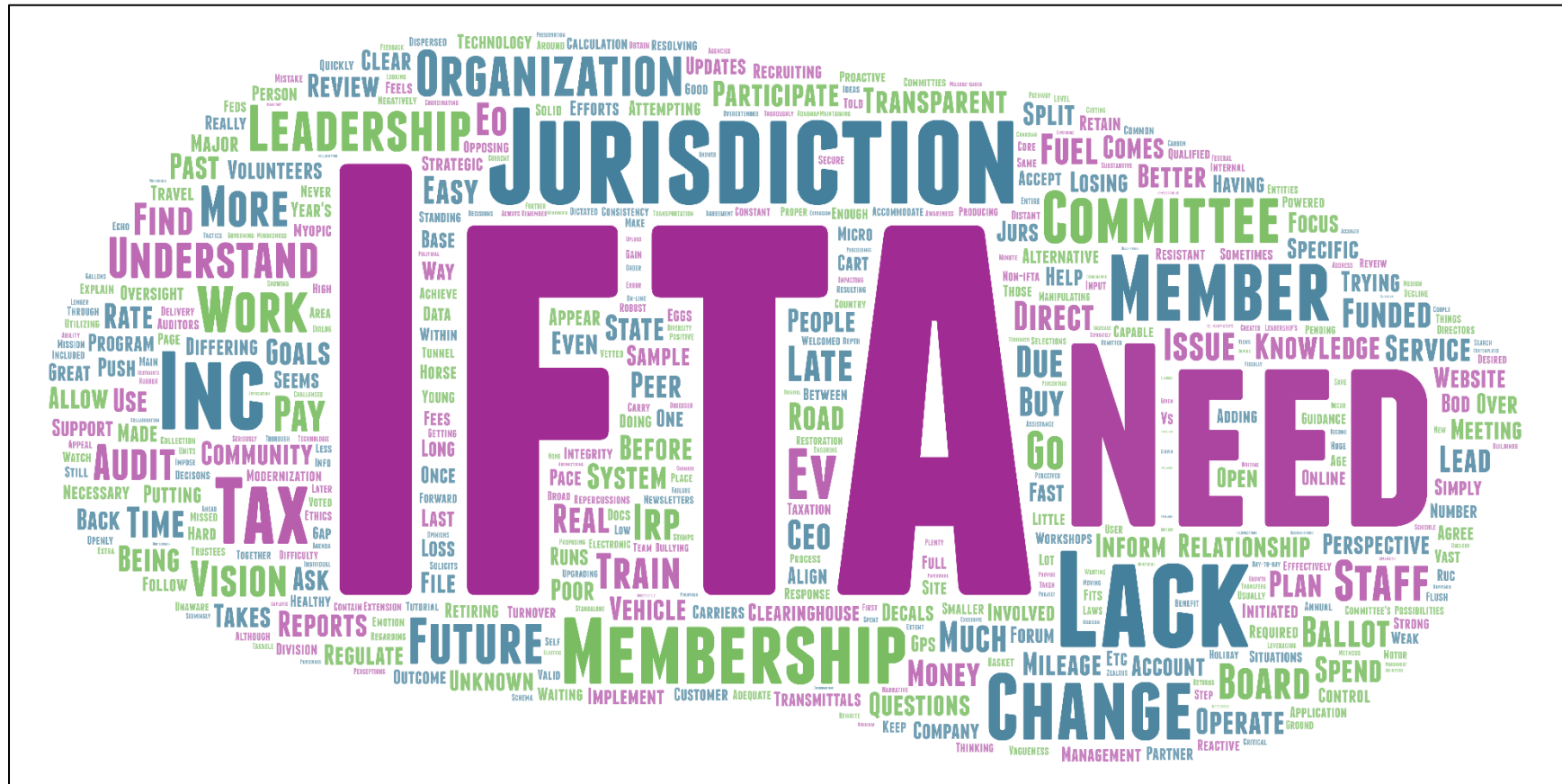
Phrase Cloud for Question 3

What are 3 current strengths of the organization (where you see momentum, qualities that you don't want the organization to lose)?



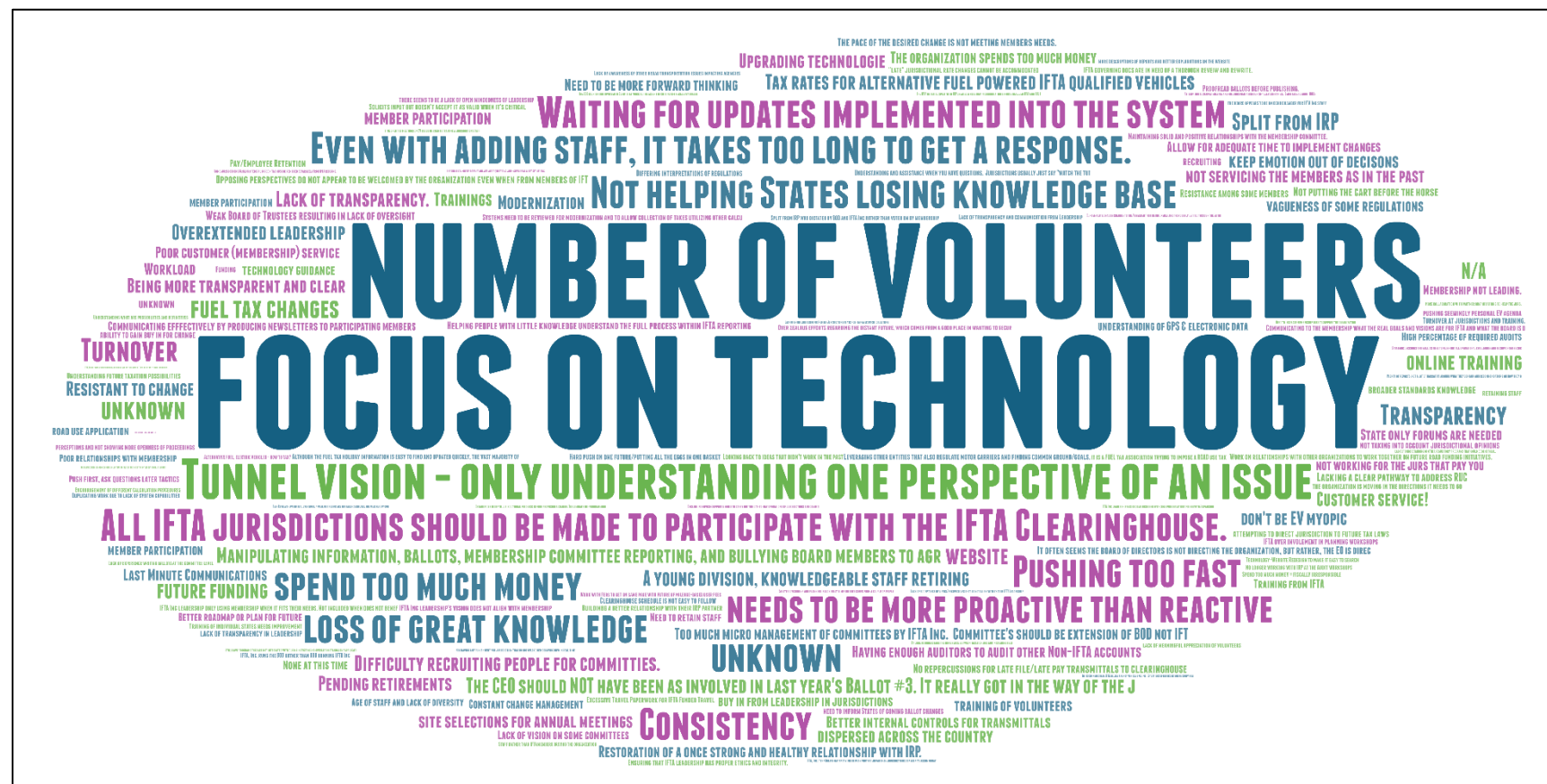
Word Cloud for Question 4

What are three areas of weakness of the organization (areas that need development, gaps in effectiveness, major issues)?



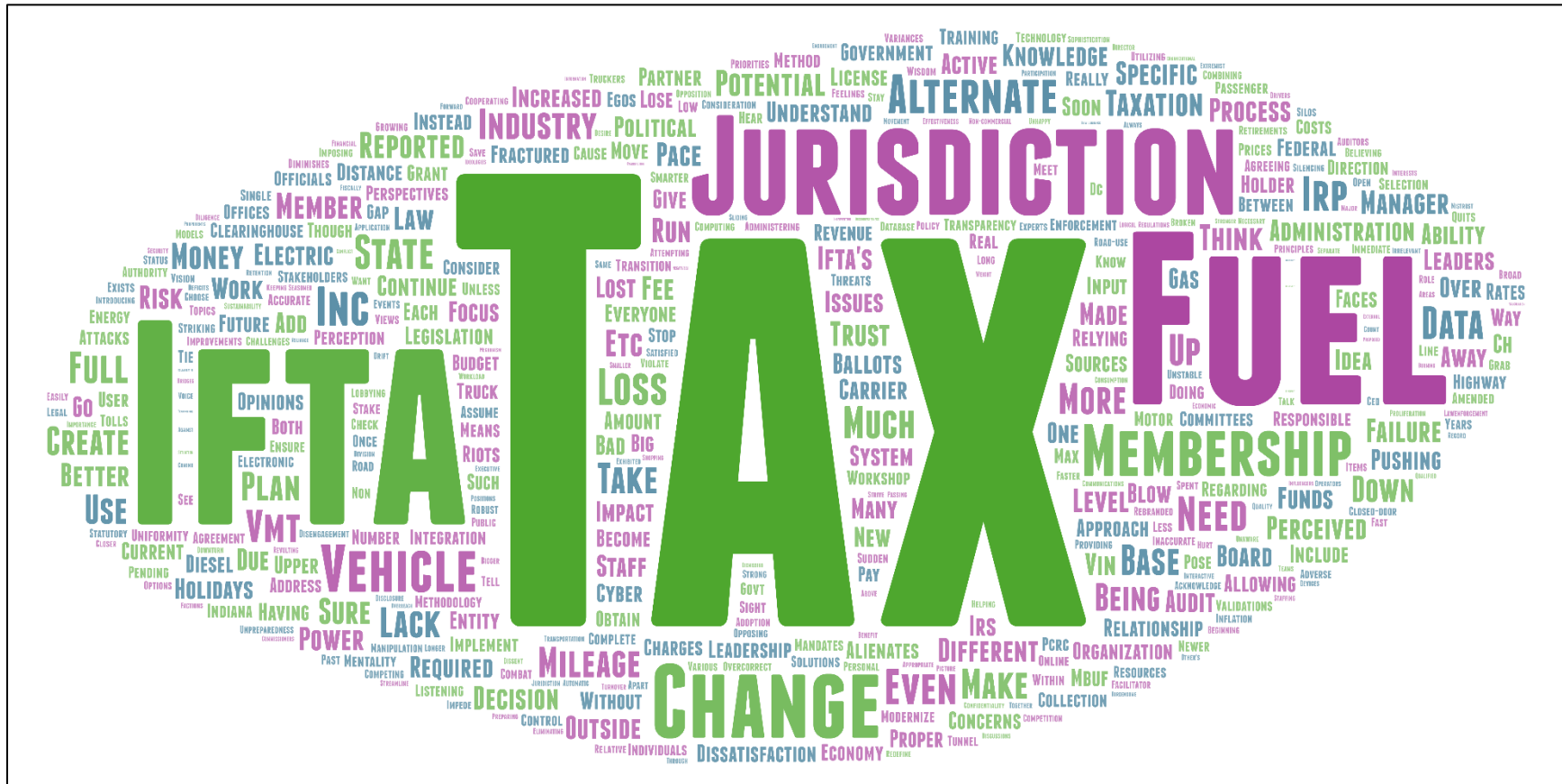
Phrase Cloud for Question 4

What are 3 areas of weakness of the organization (areas that need development, gaps in effectiveness, major issues)?



Word Cloud for Question 5

What are three risks the organization should be aware of moving forward (forces working against the organization, things that could "blow up", potential dangers)?

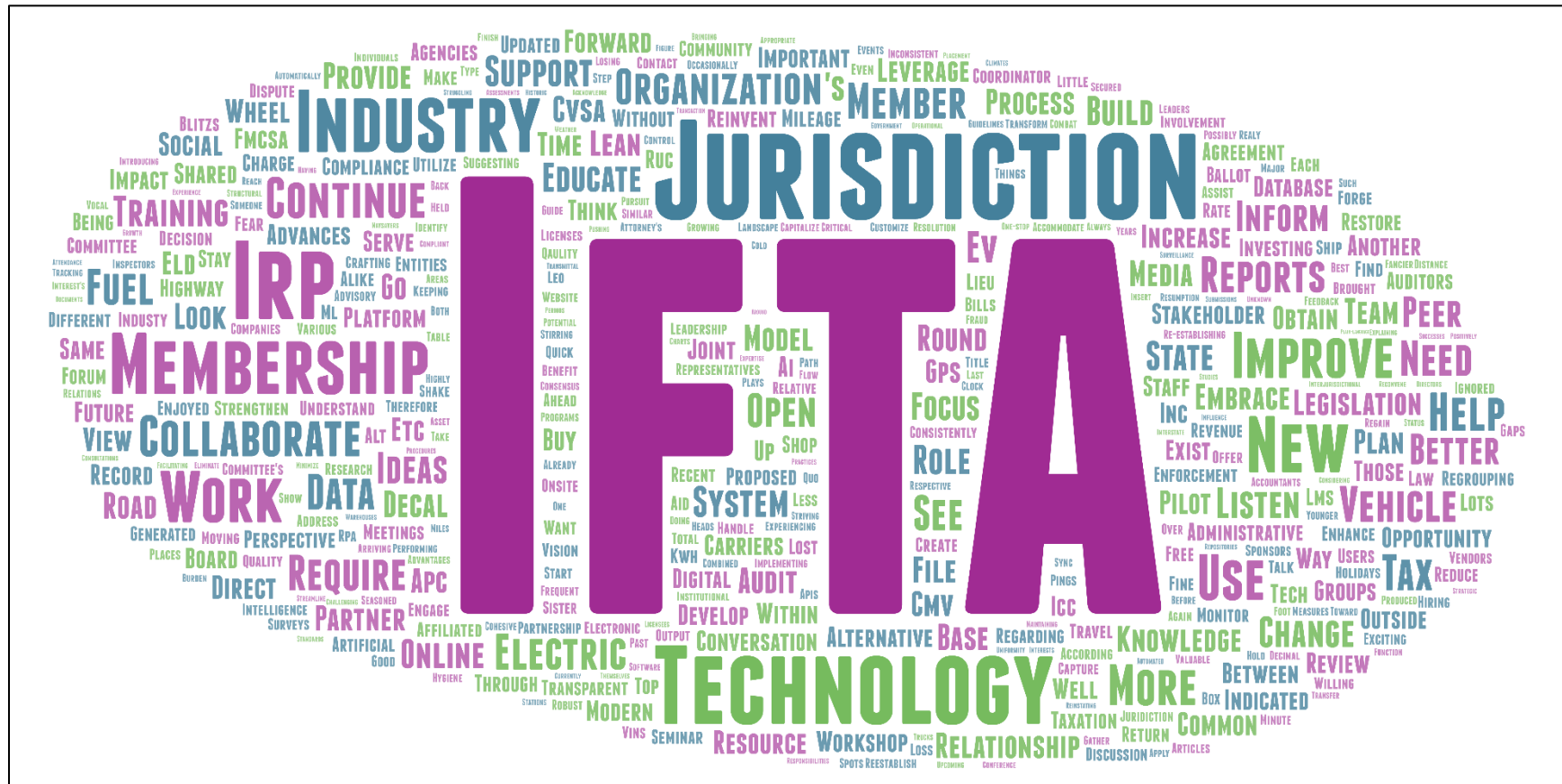


What are three risks the organization should be aware of moving forward (forces working against the organization, things that could "blow up", potential dangers)?



Word Cloud for Question 6

What are three opportunities the organization should lean into (forces working for the organization, doors opening up, new innovative or creative opportunities)?

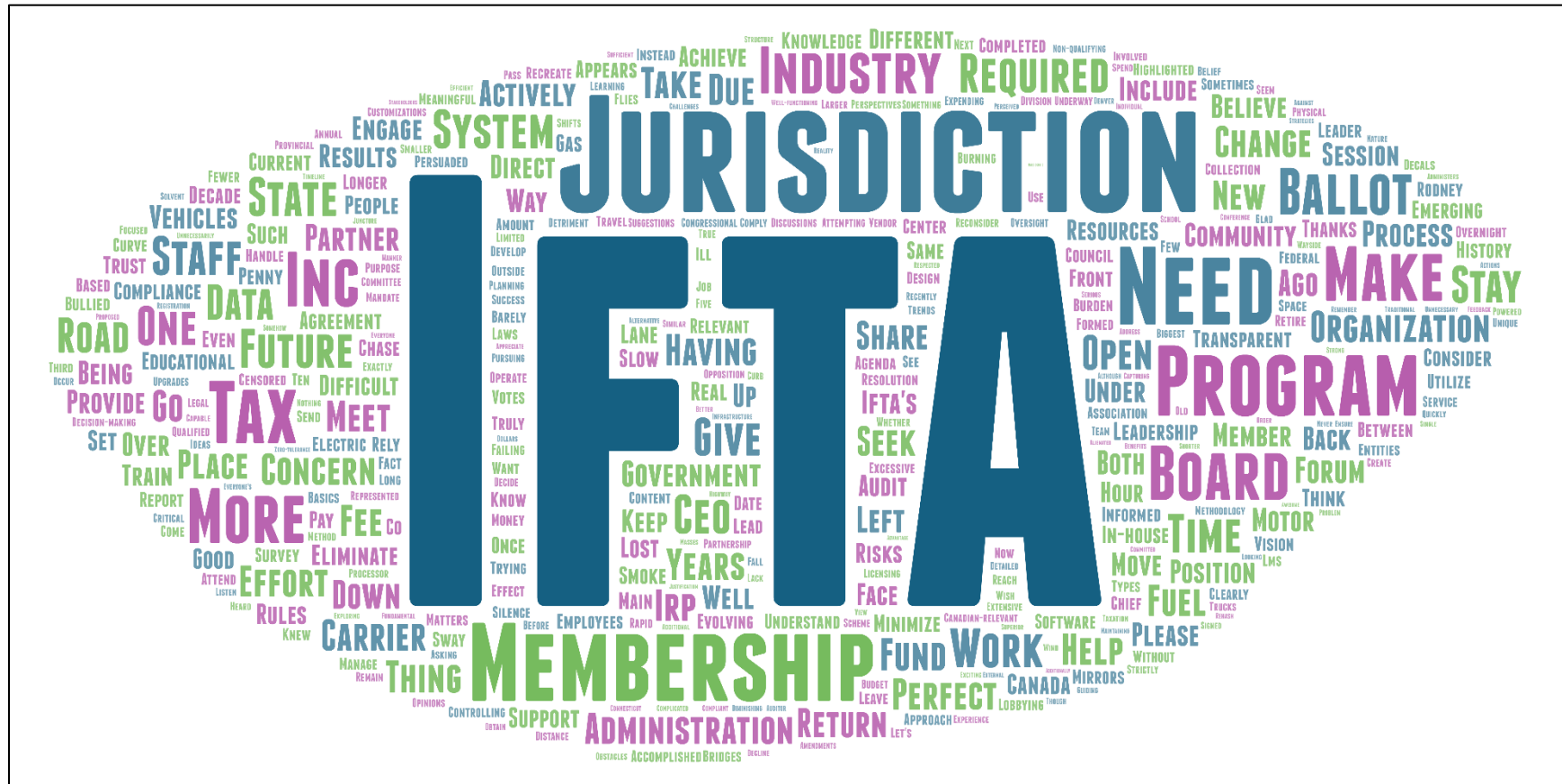


Phrase Cloud for Question 6

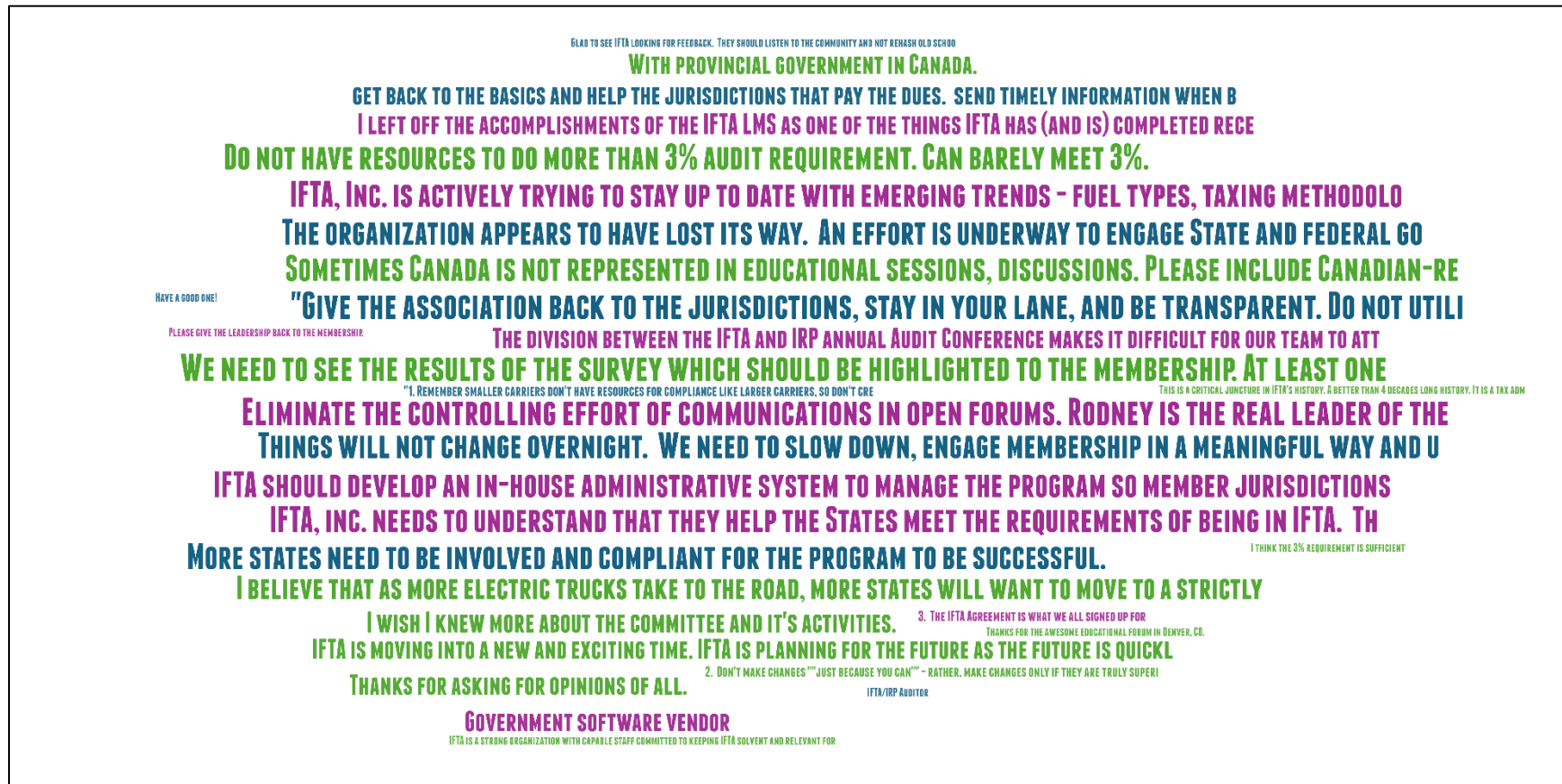
What are three opportunities the organization should lean into (forces working for the organization, doors opening up, new innovative or creative opportunities)?



Additional Comments



Phrase Cloud for Question 9
Additional Comments



Overall Effectiveness of IFTA

Respondents rated IFTA's effectiveness on a scale ranging from very ineffective to very effective (Table 5). The most common responses during Periods 1 and 2 were *effective* followed by *very effective* — about 78 percent total.

Table 5. Effectiveness of IFTA

Response	Period 1 (n)	Period 1 (%)	Period 2 (n)	Period 2 (%)	Total (n)	Total (%)
Very Ineffective	0	0.0	2	6.5	2	2.2
Ineffective	1	3.4	1	3.2	3	3.3
Neither Effective nor Ineffective	7	11.9	8	25.8	15	16.7
Effective	35	59.3	13	41.9	48	53.3
Very Effective	15	25.4	7	22.6	22	24.4
Totals	58	100.0	31	100.0	90	100.0

Because the question was worded broadly, (How Effective is IFTA?), respondents may have brought different interpretations to bear. Some respondents may have thought the question wanted them to comment on IFTA, Inc., while others may have believed it was more focused on member jurisdictions or other stakeholders. Nevertheless, respondents believe there is room for improvement.

Categorizing Survey Responses

Before the July 2024 strategic planning session, KTC researchers analyzed responses to open-ended questions and categorized them by subject matter to establish focal points for the strategic planning process. For most questions, responses were divided into 5 – 9 categories, with the most common categories and their definitions shown below.

1. IFTA, Inc. programmatic issues	2. Jurisdictional programmatic issues
<ul style="list-style-type: none">Administrative, fiscal, or operational realities identified by survey respondents (e.g., IFTA Education Forum, staff retention, loss of institutional knowledge in state government agencies administering IFTA)	
3. IFTA, Inc. policy issues	4. Jurisdictional policy issues
<ul style="list-style-type: none">Issues related to the International Fuel Tax Agreement, or federal/state law (e.g., changes to the records review process policy, jurisdictions' electronic filing requirements, or fuel tax holidays)	
5. IFTA, Inc. information technology issues	6. Jurisdictional information technology issues
<ul style="list-style-type: none">Improvements to critical databases and electronic systems (e.g., new jurisdictional databases, over IFTA data quality, or performance improvements to the IFTA Clearinghouse)	

7. Other issues as needed

- For example, Alternative Fuels/Tax Policy, IFTA Agreement enforcement

Question 1 – Accomplishments

KTC grouped recent IFTA accomplishments into seven categories (Table 6). Most responses (54 of 132) highlighted issues related to IFTA programmatic performance, adaptation, or improvement. IFTA information technology (IT) performance adaptation and upgrades and IFTA policy adaptation and improvement warranted 19 responses each. Alternative fuels/tax policy adaptations were another frequently cited accomplishment (e.g., allowing jurisdictions to allow alternative fuels as part of their IFTA policies). Jurisdictional accomplishments were less likely to be cited. One potential reason for the lack of jurisdictional accomplishments is that this process came on the heels of the COVID-19 pandemic, during which a large share of critical public- and private-sector activities were significantly curtailed or delayed.

Table 6. Survey Response Categorization — Accomplishments

Q1: What are 3 <u>accomplishments</u> of the organization over the last 3-5 years (important milestones, significant efforts, important areas of progress)?		
Category	Freq.	Percent
IFTA Programmatic Performance/Adaptation/Improvement	54	40.91
IFTA IT Performance/Upgrade	19	14.39
IFTA Policy Adaptation/Improvement	19	14.39
Alternative Fuels/Tax Policy Adaptation	18	13.64
Jurisdiction Policy Adaptation/Improvement	12	9.09
Jurisdiction Programmatic Performance/Adaptation/Improvement	7	5.3
Jurisdiction IT Performance/Upgrade	3	2.27
Totals	132	100

Question 2 — Setbacks

Nearly 60 percent of responses to the question about setbacks mentioned IFTA policy and programmatic improvements (Table 7). About 21 percent of responses brought up programmatic or policy obstacles at the jurisdiction level. IFTA IT obstacles, alternative fuels/tax policy obstacles, industry setbacks and other issues elicited fewer responses. While alternative fuels/tax policy could fall under the heading of jurisdiction policy obstacles, KTC researchers separated it out given the level of impact and interest expressed at the 2024 IFTA Education Forum.

Table 7. Survey Response Categorization — Setbacks

Q2: What are 3 <u>setbacks</u> (things that have impeded progress, intruded on plans)?		
Category	Freq.	
IFTA Policy Obstacle	37	29.84
IFTA Programmatic Obstacle	37	29.84
Jurisdiction Programmatic Obstacle	18	14.52
Jurisdiction Policy Obstacle	11	8.87
IFTA IT Obstacle	9	7.26
Alternative Fuels/Tax Policy Obstacle	7	5.65
Industry	3	2.42
Other	2	1.61
Totals	124	100

Question 3 — Strengths

Beginning with this question, KTC introduced slightly different categories to accommodate responses. Over 40 percent of responses cited communication, teamwork, or commitment; another 32 percent touched on IFTA's extensive knowledge base, experience, and learning resources. Both categories are related to the collaborative and information and knowledge-intensive requirements of IFTA, which pose challenges, but are also sources of strength.

Table 8. Survey Response Categorization — Strengths

Q3: What are 3 <u>current strengths</u> of the organization (where you see momentum, qualities that you don't want the organization to lose)?		
Category	Freq.	Percent
Communication/Teamwork/Commitment	54	41.22
Extensive Knowledge Base/Experience/Learning	42	32.06
Information Technology	13	9.92
Progressive/ Future Planning	11	8.4
Alternative Fuels/Tax Policy Adaptation	5	3.82
IFTA Policy	4	3.05
Jurisdictional Policy	2	1.53
Totals	131	100

Question 4 — Weaknesses

KTC's initial analysis grouped responses for this question into 16 categories so IFTA SPWG members could see fine-grained details on issues uncovered by the survey. Roughly 32 percent of responses pinpointed IFTA Inc./Jurisdiction leadership, transparency, responsiveness, and roles as weaknesses (Table 9). Responses in this category included those from two subcategories: (1) IFTA leadership transparency and responsiveness and (2) transparency and definition of roles for IFTA Inc./jurisdictions/ board of directors. About 23 percent of responses highlighted organizational stagnation, institutional knowledge loss, jurisdictional turnover and training gaps as weaknesses. This category combined three subcategories: (1)

knowledge loss from retiring staff/lack of diversity/tunnel vision, (2) member jurisdiction training/turnover, and (3) organizational stagnation. These categories were followed by IFTA, Inc. and jurisdiction programmatic weaknesses, policy weaknesses, and IT weaknesses.

Table 9. Survey Response Categorization — Weaknesses

Q4: What are 3 areas of <u>weakness</u> of the organization (areas that need development, gaps in effectiveness, major issues)?		
Category	Freq.	Percent
IFTA Inc./Jurisdiction Leadership, Transparency, Responsiveness and Roles	39	32.8%
Organizational Stagnation, Institutional Knowledge Loss, Jurisdictional Turnover and Training Gaps	27	22.7%
IFTA Inc. and Jurisdictional Programmatic Weakness	19	16.0%
IFTA Inc. Jurisdictional Policy Weaknesses	12	10.1%
IFTA Inc, Jurisdictional and Industry IT Weaknesses	10	8.4%
Alternative Fuels /Tax Policy Weakness	9	7.6%
Weak IFTA Agreement Enforcement	3	2.5%
Totals	119	100%

Question 5 — Risks

KTC researchers adjusted the coding scheme for the question on risks to achieve greater specificity. The three categories of risk mentioned most often were (1) conflicts or potential conflicts between IFTA, Inc. policies and policies in the jurisdictions; (2) alternative fuels/IFTA tax policy risks, and (3) membership distrust of IFTA, Inc. and the Board of Directors (Table 10). Collectively, these accounted for over 50 percent of responses. Risks mentioned less frequently included limited engagement/transition planning, risks for outside entities, MBUF rendering IFTA irrelevant, IFTA information technology weaknesses, issues with institutional knowledge transfer/loss, and industry risks. Some overlap between the categories of alternative fuels/IFTA tax policy risks and MBUF and possible IFTA irrelevance likely exists. However, conceptualization of those risks differed enough to warrant separate categories.

Table 10. Survey Response Categorization — Risks

Q5: What are 3 risks the organization should be aware of moving forward (forces working against the organization, things that could "blow up", potential dangers)?		
Category	Freq.	Percent
Jurisdictional Policy vs IFTA Policy	24	20.51
Alternative Fuels /Tax Policy Risk	19	16.24
Membership Distrust of IFTA, Inc./BOD	17	14.53
Limited Engagement/Transition Planning	13	11.11
Risks from Outside Entities	13	11.11
MBUF and IFTA: Risk of Irrelevance	11	9.4
IFTA IT Weakness	10	8.55
Risk of Knowledge Loss/No Knowledge Transfer	6	5.13
Industry Risk	4	3.42
Totals	117	100

Question 6 — Opportunities

As with Question 5, KTC employed a refined coding scheme for the question on opportunities. Accounting for just under 23 percent of responses, the most frequently cited opportunity was refine and innovate IFTA-related technology (e.g., IFTA Clearinghouse, artificial intelligence, technologies to improve data quality) (Table 11). Just behind this was *create more opportunities for collaboration* (e.g., partner with jurisdictions; invest in education of member jurisdictions; work with other organizations who have thrived in dynamic, challenging environments) at 18 percent. Restoring membership trust of IFTA, Inc. (16 percent) and alternative fuels /tax policy opportunities (12 percent) were recurrent themes as well.

Table 11. Survey Response Categorization — Opportunities

Q6: What are three opportunities the organization should lean into (forces working for the organization, doors opening, new innovative or creative opportunities)?		
Category	Freq.	Percent
Refine And Innovate IFTA-Related Technology	26	22.81
Create More Opportunities For Collaboration	21	18.42
Restoring Membership Trust Of IFTA, Inc.	18	15.79
Alternative Fuels /Tax Policy Opportunities	14	12.28
Increased Engagement/Transition Planning	12	10.53
IFTA Policy Improvement	9	7.89
Rebuild The Relationship With IRP	9	7.89
Integrate Robust IFTA Data Using APIs	3	2.63
Industry Opportunities	2	1.75
Totals	114	100

Survey Summary

The survey helped orient IFTA SPWG members and KTC researchers throughout the strategic planning process. Despite incomplete or blank surveys and limited information on the professional backgrounds of respondents, the IFTA community submitted over 1,000 unique answers to open-ended questions. Word clouds and phrase clouds generated by KTC visually distilled responses to open-ended survey questions and helped researchers identify keywords and themes mentioned most often by respondents. Recurring themes in responses clarified critical issues that could be addressed during strategic planning.

As evidenced by the coding schemes employed, a few trends stood out in the responses. On several questions, responses were grouped into six categories (1) IFTA, Inc. programmatic issue, (2) jurisdiction programmatic issue, (3) IFTA, Inc. policy issue, (4) jurisdiction policy issue, (5) IFTA, Inc. IT issue, (6) jurisdiction IT issue. However, in other cases KTC adjusted its coding methodology to bring key issues into starker relief. A final caveat to note is that events or issues some respondents perceived as accomplishments, strengths, or opportunities were viewed by others as setbacks, weaknesses, or risks (e.g., alternative fuels/MBUF, relationship between IFTA and IRP, several aspects of IT development).

V. Creating A Strategic Plan for IFTA, Inc.

Mission and Vision Statements

IFTA SPWG members and KTC facilitators held a two-day workshop in July 2024 to begin developing a responsive, forward-looking strategic plan. The first order of business was to craft refreshed mission and vision statements for IFTA, Inc. In advance of the workshop, KTC asked participants to draft sample mission and vision statements that could be shared to kick off in-person discussions. To ensure everyone was on the same page, researchers provided participants with the following definitions of mission and vision statements:

Mission Statement

A mission statement is the foundational actions of an organization. It is a short and simple statement that clearly communicates why an organization exists.

Vision Statement

A vision statement is an inspirational long-term desired change that an organization hopes to achieve.

During the workshop's first session, small groups discussed their mission and vision statements and developed collective statements that were presented to everyone. Following extensive discussions, participants deferred making a final decision on the mission and vision statements. However, both were finalized during an online workshop in September. Mission and Vision Statements created by the SPWG are presented below.

Mission

Support member jurisdictions in the collection and distribution of taxes administered under the International Fuel Tax Agreement while strategizing to ensure sustainability.

Vision

IFTA, Inc. facilitates equitable, efficient and uniform administration of the International Fuel Tax Agreement through collaboration, strategic innovation, education and responsiveness.

After drafting mission and vision statements, participants in the July 2024 workshop turned to developing goals and strategies. Participants were again divided into small groups and asked to discuss the following question: *What could or should be the Goals of IFTA, Inc.?* KTC researchers defined a goal as (1) a result or achievement toward which effort is directed and (2) an idea of the future or desired result that a person or a group of people envision, plan, and commit to achieve. Ideally, a goal should be a broad and temporarily enduring statement. SPWG members eventually settled on six goals. These are presented below along with short descriptive statements that elaborate on each goal.

Once goals had been established, workshop participants brainstormed strategies IFTA, Inc. would need to adopt to achieve those goals. When defining strategies, participants were asked to keep the following definition in mind: *a strategy is a plan of action or policy designed to achieve a major or overall aim.* IFTA SWPG members ultimately devised between three and six strategies for each goal. The Strategies section catalogues each strategy for the corresponding goal.

Figure 1: Strategic Planning Triangle



Foster Innovative Solutions

Review critical data/information resources, identify potential upgrades to IT systems, analyze data quality, and establish a program to facilitate large-scale changes and pilot projects within jurisdictions.

Maintain Operational Continuity

Systematically review governing documents, enhance and expand the learning management system, assess educational offerings, catalog jurisdictional approaches to International Fuel Tax Agreement governance, provide cross-training opportunities, and pursue succession planning.

Monitor and Convey Emerging Issues

Continually track legislative action that could impact IFTA, Inc. and its member jurisdictions and provide stakeholders updates on emerging trends (e.g., proposed changes in fuel tax collections).

Retain Uniformity While Allowing Optional Tax Methodologies

Propose International Fuel Tax Agreement modifications to accommodate alternative revenue structures, facilitate the development of model legislation, and advocate for the IFTA, Inc. platform to continue serving as the linchpin of fuel consumption reporting and management of tax collections.

Strengthen Stakeholder Engagement

Increase opportunities for stakeholders to attend conferences and summits, enhance participation across jurisdictions, and establish an external outreach program.

Maintain and Enhance Communication

Strengthen communications with all IFTA stakeholders, improve the transparency of board of trustee activities, and identify effective communication methods.

Foster Innovative Solutions

- Scheduled Review of all Information Resources
- Develop Program for Jurisdictional Pilot Projects/Large Scale Changes
- Investigate Data Quality
- Investigate and Propose Advancements to IT Systems

Maintain Operational Continuity

- Systematic Review of Governance Documents
- Learning Management System Enhancement and Expansion
- Periodically Catalog how Jurisdictions Govern IFTA
- Review of Educational Offerings
- Cross-Training and Succession Planning (IFTA and Jurisdiction Support)

Monitor and Convey Emerging Issues

- Continue and enhance our presence in outside organizations on road use funding methodology
- Conduct Perpetual Research on Legislative Action
- Systematic Updates on Emerging Trends

Retain Uniformity while Allowing Optional Tax Methodologies

- Propose modifications to the Agreement to enable flexibility in adapting to additional revenue structures
- Advocate for the IFTA platform to serve as the solution for alternative revenue structures
- Support the creation and adoption of model legislation for alternative road funding methodologies
- Collaborate with stakeholders to maintain a federal mandate requiring continued compliance with the IFTA Agreement as revenue methodologies evolve

Strengthen Stakeholder Engagement

- Maintain and Enhance our Tech Summit
- Develop an Outreach Program and Tools
- Encourage Involvement from all Stakeholders
- Develop Participation Enhancement Plan
- Encourage IFTA Event Attendance

Maintain and Enhance Communication

- Enhanced LEO related communication
- Investigate communication methods
- Increase transparency of Board of Trustees

Tactics and Strategic Plan Implementation

Tactics are the concrete steps an organization takes to implement strategies. If an organization does not define tactics, strategies are of little use. Once SPWG members identified goals and strategies at the July 2024 workshop, they moved on to consider tactics. Because time was limited, there was only enough time to develop tactics for one strategy. Tactics for the remaining strategies were defined through a series of monthly online workshops held between August and December.

The subsections below present tactics for each strategy. Each tactic is a tangible action, the responsibility for which can be assigned to individuals or groups. Progress on implementation can be measured so that it is possible to determine when an action is complete. Some tactics may appear simple and their inclusion could raise questions. However, simple and basic actions establish the foundations that underwrite work on more challenging and complex tactics. Accordingly, they must be formally documented to ensure they are executed.

The following pages provide a visual of each Goal, Strategy, and Tactic developed by the IFTA, Inc. SPWG. Goals are located at the top in blue, the strategies for the goals are located in the green part of the box, and the purple color of the box contains all the tactics that were developed for that strategy. For implementation of this strategic plan, the Board of Trustees is responsible for selecting which goals and strategies are most needed to propel or assist IFTA, Inc. in fulfilling its mission and vision.

Foster Innovative Solutions

Scheduled Review of all Information Resources

- 1.) Examine potential to connect with other partner organizations or agencies (FMCSA, UCR)
- 2.) Maintain current member list: Do email addresses match state? Kick back from defunct emails?
- 3.) Analyze user reports to LMS training modules to prioritize key vs static information
- 4.) Analyze other parts of IFTA website to prioritize key information

Investigate and Propose Advancements to IT Systems

- 1.) Review user security protocols for IFTA
- 2.) Modernize IFTA Clearinghouse for possible system upgrades and enhancements
- 3.) Monitor and evaluate partner organizations' IT enhancements for modifications that could benefit membership
- 4.) Evaluate the need for additional IT resources to adapt to changes in transportation funding methodologies

Goal

Strategy

Tactic

Foster Innovative Solutions

Investigate Data Quality

- 1.) Review data to identify who needs intervention before program compliance review
- 2.) Conduct periodic systematic review of IFTA Clearinghouse data quality
- 3.) Provide timely feedback to jurisdictions on data quality
- 4.) Provide quarterly updates of data issues to the IFTA Board
- 5.) Enhance mechanisms for membership to analyze data

Develop Program for Jurisdictional Pilot Projects/Large Scale Changes

- 1.) Create mechanism to evaluate Cost/Benefit of participation
- 2.) Devote segment of IFTA newsletter to pilot project information
- 3.) Publish pilot project information on IFTA website
- 4.) Create a process to request IFTA participation in pilot projects
- 5.) Create a subcommittee to identify potential pilot project opportunities

Goal

Strategy

Tactic

Maintain Operational Continuity

Cross-Training and Succession Planning (IFTA and Jurisdiction Support)

- 1.) Update/develop all job descriptions for IFTA, Inc.
- 2.) Establish written procedurals for each IFTA, Inc./BoT/Committee Chair position and review them periodically
- 3.) Identify cross-training or back-up procedures for IFTA Staff
- 4.) Develop general onboarding for new IFTA Commissioners, new committee members, and new general members

Review of Educational Offerings

- 1.) Create a schedule to periodically review the catalog of offerings to remove any outdated classes
- 2.) Survey stakeholders to see if there are topics needed and not currently offered
- 3.) Draft a ballot to create/establish an educational committee that would work with LMS and Educational Forum curriculum development

Goal

Strategy

Tactic

Maintain Operational Continuity

Learning Management System Enhancement and Expansion

- 1.) Determine modules to update and then prioritization order
- 2.) Determine modules to create and then prioritization order
- 3.) Create a cadence for review of all modules for accuracy and timeliness

Systematic Review of Governance Documents

- 1.) Review committee composition, roles, responsibilities, and expectations

Periodically Catalog How Jurisdictions Govern IFTA

- 1.) Annual survey conducted to confirm/update how jurisdictions administer IFTA activities
- 2.) Create electronic repository for survey results

Goal

Strategy

Tactic

Monitor and Convey Emerging Issues

Continue and Enhance our Presence in Outside Organizations on Road Use Funding Methodologies

- 1.) Partner with ATA and state trucking associations for uniformity
- 2.) Investigate associate membership opportunities
- 3.) Develop marketing campaign to reach out to other agencies about IFTA activities and capabilities
- 4.) Selectively and intentionally invite outside organizations to IFTA meetings

Conduct Perpetual Research of Legislative Action

- 1.) Create an electronic database of jurisdictional legislative proposals
- 2.) Provide jurisdictions with periodic legislative summaries created by the Attorney Advisory Committee

Systematic Updates on Emerging Trends

- 1.) Explore various methods to communicate more frequently with stakeholders
- 2.) Utilize mass communication for emerging issues
- 3.) Determine frequency of communication about emerging trends

Goal

Strategy

Tactic

Retain Uniformity While Allowing Optional Tax Methodologies

Propose Modifications to the Agreement to Enable Flexibility in Adapting to Additional Revenue Structures

- 1.) Develop a charge for the alternative fuels committee to identify IFTA Agreement elements that need modification to allow flexibility
- 2.) Provide education to jurisdictions on modifications needed in the IFTA Agreement
- 3.) Proactively meet with jurisdictions to identify statutory or regulatory impacts to compliance with modified Agreement allowing alternative revenue structures
- 4.) Incorporate identified jurisdictional impacts into proposed ballot language

Support the Creation and Adoption of Model Legislation for Alternative Road Funding Methodologies

- 1.) Develop a best practice guide for using an IFTA platform for alternative road funding methods
- 2.) Identify a list of resources to assist with the education surrounding necessary legislative changes for alternative road funding methods
- 3.) Position IFTA, INC. as an expert on alternative roads funding methods
- 4.) Establish a committee to review jurisdictional legislation and analyze adjustments to allow for alternative road funding methods

Goal

Strategy

Tactic

Retain Uniformity While Allowing Optional Tax Methodologies

Advocate for the IFTA Platform to serve as The Solution for Alternative Revenue Structures

- 1.) Provide a pilot/software for IFTA and non-IFTA to file alternative fuel taxes
- 2.) Develop a plan for public education campaigns
- 3.) Enhance collaboration efforts

Collaborate with Stakeholders to maintain a Federal Mandate requiring continued Compliance with the IFTA Agreement as Revenue Methods Evolve

- 1.) Collaborate with other transportation associations to maintain ISTEA Federal mandate
- 2.) Maintain participation in Federal System Alternative Advisory Board
- 3.) Show how IFTA can work in/with a mileage-based system
- 4.) Create awareness to keep ISTEA a Federal mandate

Goal

Strategy

Tactic

Strengthen Stakeholder Engagement

Maintain and Enhance our Tech Summit

- 1.) Move to a quarterly meeting format (three virtual and one in-person)
- 2.) Review working items and analyze changes to the mission and composition of the tech summit
- 3.) Ensure action items from meetings are assigned and addressed

Develop an Outreach Program and Tools

- 1.) Conference buddy program
- 2.) Develop 1:1 mentor program for new commissioners across jurisdictions
- 3.) Develop 1:1 Mentor programs for staff positions across jurisdictions

Develop Participation Enhancement Plan

- 1.) Develop descriptions for volunteer positions
- 2.) Create friend of the committee role (introductory participation)
- 3.) Develop and maintain a list of "Rising Stars" to fill future roles
- 4.) Survey stakeholders about volunteering

Goal

Strategy

Tactic

Strengthen Stakeholder Engagement

Encourage IFTA Event Attendance

- 1.) Adjust event planning to expand capacity
- 2.) Make meetings more active and interactive
- 3.) Increase and expand publicity for events
- 4.) Continue to utilize a group for event planning with multiple content creators

Encourage Involvement from all Stakeholders (Jurisdiction, Industry, Roles, Experience)

- 1.) Define value, parameters, and expectations of roles
- 2.) Utilize regular survey of stakeholders to determine interest in involvement
- 3.) Maintain database of interested stakeholders to tap as volunteers

Goal

Strategy

Tactic

Maintain and Enhance Communication

Enhance LEO Related Communication

- 1.) Create One-Stop-Shop data sharing for law enforcement
- 2.) Develop means for LEO feedback and input
- 3.) Develop law enforcement impact report
- 4.) Devote IFTA newsletter section to LEO stakeholders

Increase Transparency of Board of Trustees

- 1.) Limit topics for closed session BOT (Ex. HR discussions)
- 2.) Actively encourage attendance at open BOT meetings
- 3.) Post BOT meeting minutes for non-Board members within 60 days of meetings
- 4.) Actively encourage interaction with BOT members

Goal

Strategy

Tactic

Maintain and Enhance Communication

Investigate Communication Methods

- 1.) Use analytics when available to help determine effective communications (SEO, etc.)
- 2.) Survey membership for preferred communication options/methods
- 3.) Research to see if specific roles (admin, audit, etc.) need additional or specialized communication
- 4.) Measure attendance of external stakeholders at IFTA events year-over-year

Goal

Strategy

Tactic

VI. Federal Grant Opportunities

The last issue the IFTA, Inc. Strategic Planning Team and IFTA organizational stakeholders may want to explore is the pursuit of federal grant opportunities. There are federal grants to subsidize the expenses associated with conducting research or technology pilot projects relevant to IFTA, Inc., member jurisdictions, and other stakeholders. There are many transportation-related grant programs that solicit applications from non-profits, universities, and other entities in addition to state and local transportation agencies. Eligibility requirements vary by specific grant programs. Even in cases where only state DOT agencies can apply, it is usually possible if not preferable for states to form partnerships with other states or organizations when the project or initiative makes sense.

Agencies Offering Relevant Grant Opportunities

- Federal Highway Administration
- Federal Motor Carrier Safety Administration
- Transportation Research Board

Grant Programs

FHWA's Strategic Innovation for Revenue Collection (SIRC)

The Strategic Innovation for Revenue Collection (SIRC) program was enacted under the Infrastructure Investment and Jobs Act (IIJA) or the Bipartisan Infrastructure Law (BIL). It replaced the Surface Transportation Systems Funding Alternatives (STSFA) Program, which was part of the FAST Act in 2015.⁴⁶

- According to FHWA, “[t]he BIL establishes the SIRC program to provide discretionary grants to test the feasibility of a road usage fee and other user-based alternative revenue mechanisms (referred to in section 13001 as “user-based alternative revenue mechanisms”) to help maintain the long-term solvency of the Highway Trust Fund through pilot projects at the State, local, and regional level.”⁴⁷
- SIRC was initially funded at \$15 million annually from FY 2022-FY2026.⁴⁸
- This program allows the federal government to fund 80% of a project if the recipient has not received a prior grant under the program and 70% of a project for past recipients of the grant.

⁴⁶ FHWA. 2025(1). “Infrastructure Investment and Jobs Act (IIJA) under the Federal Highway Administration Office of Operations.” Accessed 31 March 2025 at: https://ops.fhwa.dot.gov/infrastructure-investment-and-jobs-act/index.htm?_gl=1*12qmhp*_ga*ODg4NTE-wODE3LjE3NDQwNDY2Mzk.*_ga_VW1SFWJKBB*MTc0NDA1NjgzNi4zLjEuMTc0NDA1NjkzNS4wLjAuMA.

⁴⁷ FHWA. 2025(2). “Fact Sheets: Strategic Innovation for Revenue Collection (SIRC).” Accessed 31 March 2025 at: https://www.fhwa.dot.gov/infrastructure-investment-and-jobs-act/sirc_fact_sheet.cfm?_gl=1*1teps0v*_ga*ODg4NTE-wODE3LjE3NDQwNDY2Mzk.*_ga_VW1SFWJKBB*MTc0NDA2MDI1NC40LjAuMTc0NDA2MDI1Ni4wLjAuMA.

⁴⁸ Ibid.

- Eligible entities include a state or a group of states; a local government or group of local governments; or a metropolitan planning organization (MPO) or group of MPOs.⁴⁹ However, there is no reason why IFTA could not partner with one of its member jurisdictions. The Eastern Transportation Coalition (TETC) is doing a major MBUF pilot project under this grant and is doing a major MBUF pilot with lots of pilots, including the Delaware DOT.⁵⁰
- Recipients of a SIRC grant must use the grant to carry out a pilot project to address 1 or more of the following objectives according to FHWA⁵¹:
 - *To test the design, acceptance, equity, and implementation of user-based alternative revenue mechanisms, including among—*
 - *differing income groups; and*
 - *rural and urban drivers, as applicable.*
 - *To provide recommendations regarding adoption and implementation of user-based alternative revenue mechanisms.*
 - *To quantify and minimize the administrative costs of any potential user-based alternative revenue mechanisms.*
 - *To test a variety of solutions, including the use of independent and private third-party vendors, for the collection of data and fees from user-based alternative revenue mechanisms, including the reliability and security of those solutions and vendors.*
 - *To test solutions to ensure the privacy and security of data collected for the purpose of implementing a user-based alternative revenue mechanism.*
 - *To conduct public education and outreach to increase public awareness regarding the need for user-based alternative revenue mechanisms for surface transportation programs.*
 - *To evaluate the ease of compliance and enforcement of a variety of implementation approaches for different users of the surface transportation system.*
 - *To ensure, to the greatest extent practicable, the use of innovation.*
 - *To consider, to the greatest extent practicable, the potential for revenue collection along a network of alternative fueling stations.*
 - *To evaluate the impacts of the imposition of a user-based alternative revenue mechanism on—*
 - *transportation revenues;*
 - *personal mobility, driving patterns, congestion, and transportation costs; and*
 - *freight movement and costs.*
 - *To evaluate options for the integration of a user-based alternative revenue mechanism with—*
 - *nationwide transportation revenue collections and regulations;*
 - *toll revenue collection platforms;*
 - *transportation network company fees; and*
 - *any other relevant transportation revenue mechanisms.*

⁴⁹ Ibid.

⁵⁰ FHWA. 2025. "Strategic Innovation for Revenue Collection Awards (FY 2022 – FY2 2023). Accessed 31 March 2025 at: <https://ops.fhwa.dot.gov/infrastructure-investment-and-jobs-act/SIRC/2022-23/awards/index.htm>

⁵¹ FHWA. 2025(2). "Fact Sheets: Strategic Innovation for Revenue Collection (SIRC)."

FMCSA's High Priority-Commercial Motor Vehicle (HP-CMV) Grant Program

- FMCSA administers two High Priority grant programs – High Priority-Innovative Technology Deployment (HP-ITD) and High Priority-Commercial Motor Vehicle (HP-CMV).
- HP-CMV is an FMCSA discretionary grant program that provides financial assistance to recipients looking to enhance CMV safety through utilization of safety-related activities, including safety data improvement, demonstrations of new technologies that improve CMV safety, and targeting unsafe driving in high-risk crash corridors.⁵²
- HP-CMV is different from HP-ITD in eligibility criteria. HP-ITD awards are only available to states and U.S. territories. However, HP-CMV grants are available to states, local governments, federally recognized Native American tribal government, institutions of higher education and non-profit organizations with a 501(c)(3) status.⁵³
- According to our research, the International Fuel Tax Association, Inc. is a 501(c)(6) nonprofit.⁵⁴ That may impact IFTA's eligibility as a direct HP-CMV grant recipient.
- This grant may not seem like a natural fit for IFTA given the emphasis on safety and technology. This is where some creative insights are needed. One thought: KTC did a study where we found evidence that CMV safety and compliance (IFTA,IRP, weight-distance tax, etc.) are correlated.⁵⁵ For example, IFTA could look at deploying/testing technologies that enhance its data quality efforts but also evaluating how that technology yields potential safety benefits.
- FMCSA made 43 HP-CMV grant awards totaling \$54.1 million during FY2024.⁵⁶
- HP-CMV projects have a current fiscal year +2 years performance period. For example, FY2024 projects must be awarded by 9/30/2024 but can be awarded sooner. The performance period begins immediately upon award and that performance period lasts until 9/30/2026. HP-ITD projects have a current fiscal year +4 years performance period. HP-ITD projects awarded during the FY2024 cycle have a performance period that lasts until 9/30/2028.
- FMCSA's *initial* national priorities for HP-CMV were as follows⁵⁷:
 - *Enforcement and Compliance with Safety Regulations*
 - *Traffic enforcement in high-crash areas*
 - *CMV safety on rural roads*
 - *Passenger safety initiatives*

⁵² FMCSA. 2024. "High Priority Commercial Motor Vehicle (HP-CMV) FY2024 Award Summary." Accessed 31 March 2025 at: https://ai.fmcsa.dot.gov/downloadFile.axd?file=508_HP-CMVListDocument.pdf

⁵³ FMCSA. 2025. "Notice of Funding Opportunity Basic Information." Accessed 8 January 2025 at: <https://www.fmcsa.dot.gov/fy25grantfundingopportunities> (Note: This NOFO has subsequently been removed by USDOT for internal review.)

⁵⁴ ProPublica. 2024. "International Fuel Tax Association Inc." Nonprofit Explorer. Accessed 2 April 2025 at: <https://projects.propublica.org/nonprofits/organizations/860640757>

⁵⁵ Martin et al. 2022. "Linking Bad Credentials to Safety Issues." Kentucky Transportation Center. Accessed 31 March 2025 at: https://uknowledge.uky.edu/ktc_researchreports/1758/

⁵⁶ FMCSA. 2024.

⁵⁷ FMCSA. 2025. "Notice of Funding Opportunity Basic Information: High Priority – Commercial Motor Vehicle." FMCSA: Washington, D.C. (Note: Subject to change given USDOT's internal review of all federal transportation grants).

- *Human trafficking*
- *Drug and Alcohol Clearinghouse violations*
- *Drug Interdiction*
- *Assistance Program (DIAP) training*
- *Increased State Investigations*
- *Technologies to Improve CMV Safety Through Enforcement*
- *Lead MCSAP State Agencies' Compatibility*
- *Skill Performance Evaluation*
- *Performance and Registration Information Systems Management (PRISM)*
- *State Safety Data Quality*
- *Tire Pressure Monitoring System (TPMS)*

Transportation Research Board (TRB) – National Highway Cooperative Research Program (NCHRP)

- Transportation Research Board (TRB) is part of the National Academy of Sciences (NAS), an organization that was established by Congress in 1863.⁵⁸
- There are several Cooperative Research Panels under the umbrella of NSA, including the National Cooperative Highway Research Program (NCHRP).
- The NCHRP
- In 1962, officials in the American Association of State Highway and Transportation Officials (AASHTO) organized NCHRP and entrusted TRB with its administration.⁵⁹
- The 2025 NCHRP program was initially funded at \$40.2 million, including \$31.5 million in new projects.⁶⁰
- Project panels are chosen from various TRB committees.
- There are six NHRP subprograms, with additional research projects chosen by various committees/panels. There were 63 research projects chosen in 2024.⁶¹
- Projects are selected from one of 25 current NCHRP problem areas.⁶²
- Research Field 19 – Finance has six active projects with topics that frequently concern revenues or distribution of revenues⁶³:
 - NCHRP 19 – 20: Interdependence of Federal, State, and Local Transportation Funding and Ownership
 - NCHRP 19-21: Selecting Revenue Models for Electric Vehicle Charging
 - NCHRP 19-23: Revenue-Related Strategies for New Mobility Options

⁵⁸ Peterson, Sarah Joe. 20202. "Everyone Interested Is Invited: A Short History of TRB." Transportation Research Board: Washington, D.C. Accessed 3 April 2025 at: [trnews324HistoryofTRB.pdf](#)

⁵⁹ Transportation Research Board. 2024. "National Cooperative Highway Research Program – 2024 Annual Report." Accessed 4 April 2025 at: [Front Matter | NCHRP 2024 Annual Report | The National Academies Press](#)

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² Ibid.

⁶³ NCHRP. 2025. "NCHRP Projects." Accessed 5 April 2025 at: [All Projects | NCHRP](#)

- NCHRP 19-24: A Guide for Implementing Price Adjustment Clauses to Balance Risk Sharing in Construction Projects
- NCHRP 19-25: Funding Needs for Maintenance and Preservation of Transportation Assets
- NCHRP 19-26: Modernizing Fuel Tax Revenue Forecasting
- TRB Standing Committees with potential interest to IFTA
 - AJE50: Standing Committee on Economics and Finance
 - AEP10: Standing Committee on Transportation Planning Policy and Processes
 - ACS60: Standing Committee on Truck and Bus Safety
 - ATO60: Standing Committee on Trucking Industry Research
 - AED70: Committee on Freight Transportation Data
 - ACS30: Standing Committee on Traffic Law Enforcement
 - ACP15: Standing Committee on Intelligent Transportation Systems
 - AED10: Standing Committee on Statewide/National Transportation Data and Information Management
 - AED50: Standing Committee on Artificial Intelligence and Advanced Computing Applications
 - AEP25: Standing Committee on Travel Survey Methods
 - AJE40: Standing Committee on Public Engagement and Communications
- Project selections vary from year to year, but the committees are instrumental in coordinating with TRB and other stakeholders to solicit research idea recommendations and to release RFPs for chosen projects.
- Several of the identified committees (possibly others) would be receptive to ideas that might further the research interests of the International Fuel Tax Association/Agreement.