



**IFTA FULL TRACK PRELIMINARY BALLOT PROPOSAL
FTPBP #1-2020**

Sponsor

Jurisdiction of Illinois

Date Submitted

February 25, 2020

Proposed Effective Date

January 1, 2021

Manual Sections to be Amended (Effective July 1, 1998 Last Revised July 2015)

IFTA Articles of Agreement:	R1555.400.015	R1625	R1650.400
	R1600	R1630	R1655
	R1610.200	R1635	R1720.100
	R1620.100	R1650.200	R1810.300
	R1620.200	R1650.300	R1820.100

Subject

The outcome of any vote on ballots to amend the Agreement, votes on accepting Consensus Board Interpretations (CBI's), or roll-call votes from the floor of the Annual Business Meeting (ABM) should not be influenced by those jurisdictions not eligible to vote.

Instances of not being eligible to vote are those jurisdictions:

- having sanctions imposed upon them through the Dispute Resolution Process, thereby having lost their voting privilege,
- not having a commissioner named, or;
- not naming a delegate when not attending the ABM (voting proxy).

This ballot ensures the base (i.e. "the denominator") on which the three-fourths affirmative votes necessary for passage is calculated upon only those jurisdictions eligible to vote.

History/Digest

This ballot diverts itself from previous ballots that attempted to shed light upon the varying voting requirements within the Agreement. Those ballots (3-2012, 05-2013-2, 03-2016), having similar iterations, failed to pass language that provided **only votes cast** would be considered as the base on which the three-fourths requirement would be tallied. This ballot does not have any language referring to "votes cast".

This ballot also recognizes and retains the original framers' concept of approval by three-fourths of

membership is needed in certain voting processes. What this ballot does, however, is recognize a needed change to accurately reflect a final vote's disposition based upon only those having an active status and recognized as eligible to vote at the time of the vote. Thus, the three-fourths majority is still required for passage but will be based on a denominator of only those active jurisdictions eligible to vote.

Example with current Agreement language:

- 58 member jurisdictions
- One jurisdiction is sanctioned
- One jurisdiction does not have a commissioner named
- Three jurisdictions are absent from the ABM without naming a voting delegate

Result: 58 is the base (denominator) for tallying the vote if this vote were to be taken at the ABM. The number of jurisdictions voting in the affirmative needed for passage would be 44 (three-fourths of the *total* membership of 58).

Same example with proposed Agreement language:

- 58 member jurisdictions
- One jurisdiction is sanctioned
- One jurisdiction does not have a commissioner named
- Three jurisdictions are absent from the ABM without naming a voting delegate

Result: 53 is the base (denominator) for tallying the vote if this vote were to be taken at the ABM. The number of jurisdictions voting in the affirmative needed for passage would be 40 (three-fourths of the *eligible* membership; in this example, 53).

While understanding the importance of a three-fourths majority, and in keeping with the original framers identifying such majority, it is justly important to ensure the outcome of a vote is not influenced by those jurisdictions under sanctions or those not having a commissioner or voting delegate recognized by IFTA, Inc.

This ballot continues to recognize that:

- jurisdictions are not required to vote (R1650.300).
- only jurisdictions with active member status are granted voting privileges (R1545).
- jurisdictions not casting a vote will continue to be assigned a vote of "NO" (R1650.400 and R1655).

Intent

The intent of this ballot is to provide a representative denominator on which a three-fourths vote of the IFTA membership needed for passage of ballots, CBI's, and roll-call votes at the annual meeting is based. This denominator will include only those jurisdictions whose status is active and considered eligible to vote.

1 **Interlining Indicates Deletion; Underlining Indicates Addition**

2
3 **ARTICLES OF AGREEMENT**

4
5 ***R1545 ACTIVE MEMBERSHIP STATUS**

6
7 To retain active membership status, the jurisdiction must:

8
9 .100 Collect and transfer fees for other jurisdictions in a timely manner;

10
11 .200 Pay membership fees in a timely manner; and

12
13 .300 Comply with all other provisions of the Agreement.

14
15 Voting privileges are granted only to members holding active status and are considered eligible to vote as
16 defined in R1600.

17
18 ***R1555 COMPLIANCE MATTERS**

19
20 .400 Expulsion Process

21
22 .015 A resolution expelling a member jurisdiction from the Agreement shall require the
23 affirmative vote in writing of three-fourths of the total eligible member jurisdictions,
24 excluding the jurisdiction which is the subject of the resolution. For purposes of this
25 section, a vote submitted electronically through a mechanism provided by the
26 International Fuel Tax Association, Inc. is deemed a vote in writing.

27
28 ***R1600 AMENDMENTS**

29
30 Proposals for amendment of the Articles of Agreement, Procedures Manual, or Audit Manual may be
31 made by any member jurisdiction, the Audit Committee, the Agreement Procedures Committee, the
32 Clearinghouse Advisory Committee, the Law Enforcement Committee, the Program Compliance Review
33 Committee, or the Board of Trustees of the Association. In all matters in which a vote to amend the
34 Articles of Agreement, Procedures Manual, or Audit Manual is taken, an affirmative vote of three-fourths
35 of eligible member jurisdictions is required at the time of the final vote. Eligible member jurisdictions is
36 defined as jurisdictions whose:

- 37 • voting privileges are recognized.
38 • commissioner is officially recognized by IFTA, Inc.
39 • voting delegate is officially recognized by IFTA, Inc.
40

41 **R1610 SUBMISSION OF PROPOSALS WITHOUT PRELIMINARY COMMENT**

42
43 A proposed amendment may also be submitted to the repository for consideration as a
44 Short Track Preliminary Ballot Proposal ("Short Track" Proposal). The preliminary comment period
45 requirement may be waived if:

46
47 ***[SUB-SECTION .100 REMAINS UNCHANGED]***

48
49 **.200** At the next meeting of the member jurisdictions, the proposed amendment receives
50 the affirmative vote of at least three-fourths of the total eligible member jurisdictions of
51 the Agreement.
52
53
54

55 **R1620 "SHORT TRACK" VOTING**

56
57 **.100** In the open meeting, the sponsor may request the member jurisdictions to vote for or
58 against placing a Full Track proposal on the Short Track ballot process described in
59 IFTA Articles of Agreement Section R1625. An affirmative vote of at least three-fourths
60 of the total eligible member jurisdictions is required to place a ballot on the Short Track
61 ballot process.

62
63 **.200** In the open meeting, a vote must be made by the member jurisdictions for or against
64 continuing each Short Track proposal on the Short Track ballot process described in
65 IFTA Articles of Agreement Section R1625. An affirmative vote of at least three-fourths
66 of the total eligible member jurisdictions is required for continuation of a ballot on the
67 Short Track ballot process.

68
69 **R1625 "SHORT TRACK" 30-DAY BALLOT PROCEDURES**

70
71 Proposals that receive the required three-fourths affirmative vote by eligible member jurisdictions at the
72 open meeting of the commissioners may proceed as follows:

73
74 **[SUB-SECTIONS .100, .200, AND .300 REMAIN UNCHANGED]**

75
76 ***R1630 "FULL TRACK" BALLOT PROCEDURES**

77
78 Full Track proposals that are not voted on at the open meeting or do not receive the three-fourths
79 affirmative vote by eligible member jurisdictions may still proceed as follows:

80
81 **[SUB-SECTIONS .100, .200, AND .300 REMAIN UNCHANGED]**

82
83 **R1635 VOIDED "SHORT TRACK" PROPOSALS**

84
85 Short Track proposals that do not receive the three-fourths affirmative vote by eligible member
86 jurisdictions are void. Sponsoring jurisdictions or committees may again submit the proposal through the
87 process outlined in IFTA Articles of Agreement Section R1605. However, the proposal is ineligible for the
88 expedited processes outlined in Sections R1610 or R1620.

89
90 **[SECTION R1640 REMAINS UNCHANGED]**

91
92 **R1650 ACCEPTANCE OF AMENDMENTS**

93
94 **[SUB-SECTION .100 REMAINS UNCHANGED]**

95
96 **.200** An affirmative vote in writing of three-fourths of the total eligible member jurisdictions
97 is required to amend the Articles of Agreement, Procedures Manual, or Audit Manual.
98 For purposes of this section, a vote submitted electronically through a mechanism
99 provided by the International Fuel Tax Association, Inc. is deemed a vote in writing.

100
101 **.300** Jurisdictions may abstain from voting, but a final ballot proposal may still not be
102 adopted without the affirmative vote of three-fourths of the total eligible member
103 jurisdictions.

104
105 **.400** ~~Jurisdictions~~ Eligible member jurisdictions that do not vote on an amendment within
106 the required time limits are considered to have voted in the negative, except as
107 provided in IFTA Articles of Agreement Section R1655.

110 ***R1655 EFFECTIVE DATE OF AMENDMENTS**

111
112 The effective date of all amendments, unless otherwise specified, is the first day of January or July,
113 whichever occurs first, following the completion of 12 complete months following the close of the voting
114 period. An alternate effective date may be allowed if it receives the support of three-fourths of the total
115 eligible member jurisdictions. If an alternate effective date is requested, it must be voted separately from
116 the amendment. ~~Jurisdictions~~ Eligible member jurisdictions that do not vote on an alternate effective date
117 within the required time limits are considered to have voted in the negative.

118
119 **R1700 ISSUE PAPERS AND CONSENSUS BOARD INTERPRETATIONS**

120
121 ***[SECTION R1710 REMAINS UNCHANGED]***

122
123 ***R1720 CONSENSUS BOARD INTERPRETATIONS**

124
125 **.100** The Board of Trustees of the Association shall issue Consensus Board
126 Interpretations in response to requests for clarification or notify the requesting party
127 why a Consensus Board Interpretation will not be issued. Consensus Board
128 Interpretations will be presented for consideration at the annual business meeting and
129 require an affirmative vote of three-fourths of the eligible member jurisdictions for
130 ratification and inclusion as commentary in the IFTA governing documents.

131
132 ***[SUB-SECTIONS .100 and .200 REMAIN UNCHANGED]***

133
134 **R1800 ADMINISTRATION**

135
136 ***R1810 INTERNATIONAL FUEL TAX ASSOCIATION, INC.**

137
138 There is established the International Fuel Tax Association, Inc. (hereinafter referred to as "the
139 Association") which is responsible for administering the Agreement. Entry into the Agreement constitutes
140 membership in the Association.

141
142 **.300 Membership Fees**

143
144 To cover administrative costs, a membership fee shall be levied on every member jurisdiction. The fee
145 shall be paid annually and be based upon a budget adopted by majority vote of the eligible member
146 jurisdictions at the annual IFTA meeting. The fee shall be equally prorated among current members. The
147 fees will be based upon a fiscal year of July 1 through June 30.

148
149 ***R1820 REPOSITORY**

150
151 **.100 Selection**

152
153 A repository shall be selected by majority vote of the eligible member jurisdictions.