



NORTH CAROLINA

Department of Transportation



DMV STUDY STREAMLINING IFTA AND IRP PROCESSES

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Session Law 2017-57

DMV/STUDY STREAMLINING IFTA AND IRP PROCESSES

SECTION 34.33.(a) Study. – The Division of Motor Vehicles of the Department of Transportation, in consultation with the Department of Revenue, shall study streamlining the processes motor carriers must follow to comply with the requirements of the International Fuel Tax Agreement and the International Registration Plan to receive registration plates, motor carrier licenses, and motor carrier decals. The study shall include an examination of the feasibility of consolidating the processes within the Division of Motor Vehicles.

SECTION 34.33.(b) Report. – The Division of Motor Vehicles shall submit its findings under subsection (a) of this section, including any legislative recommendations, to the Joint Legislative Transportation Oversight Committee by March 1, 2018.

TASKS

- Research streamlining the processes for motor carriers to comply with the International Fuel Tax Agreement (IFTA) and the International Registration Plan (IRP) requirements for plates, licenses, and decals.
- Examine the feasibility of co-locating Department of Revenue (DOR) employees within the Division of Motor Vehicles (DMV) Charlotte State IRP Office to process motor carrier licenses and decals.

Definitions

- **IRP** The International Registration Plan (or IRP) is a registration reciprocity agreement between the contiguous United States and Canadian provinces, which provides apportioned payments of registration fees, based on the total distance operated in participating jurisdictions.
 - Independent organization initially developed by American Association of Motor Vehicle Administrators (AAMVA) to govern reciprocity for apportioned vehicles
 - Regulates how each state registers apportioned vehicles
 - Each carrier is registered in their home state but can legally operate in other states
 - Fees paid to the home state but sent to a clearinghouse to be distributed

DMV FINDINGS

Existing Locations

Division of Motor Vehicles IRP office

- 1425 Rock Quarry Road Suite 100, Raleigh
- 6016 Brookshire Blvd, Charlotte

Recent Process Improvements

- Statewide online services for renewals
- Electronic image of cab cards authorized
- Full reciprocity with plan states & jurisdictions

DMV FINDINGS

Process Improvements under Review

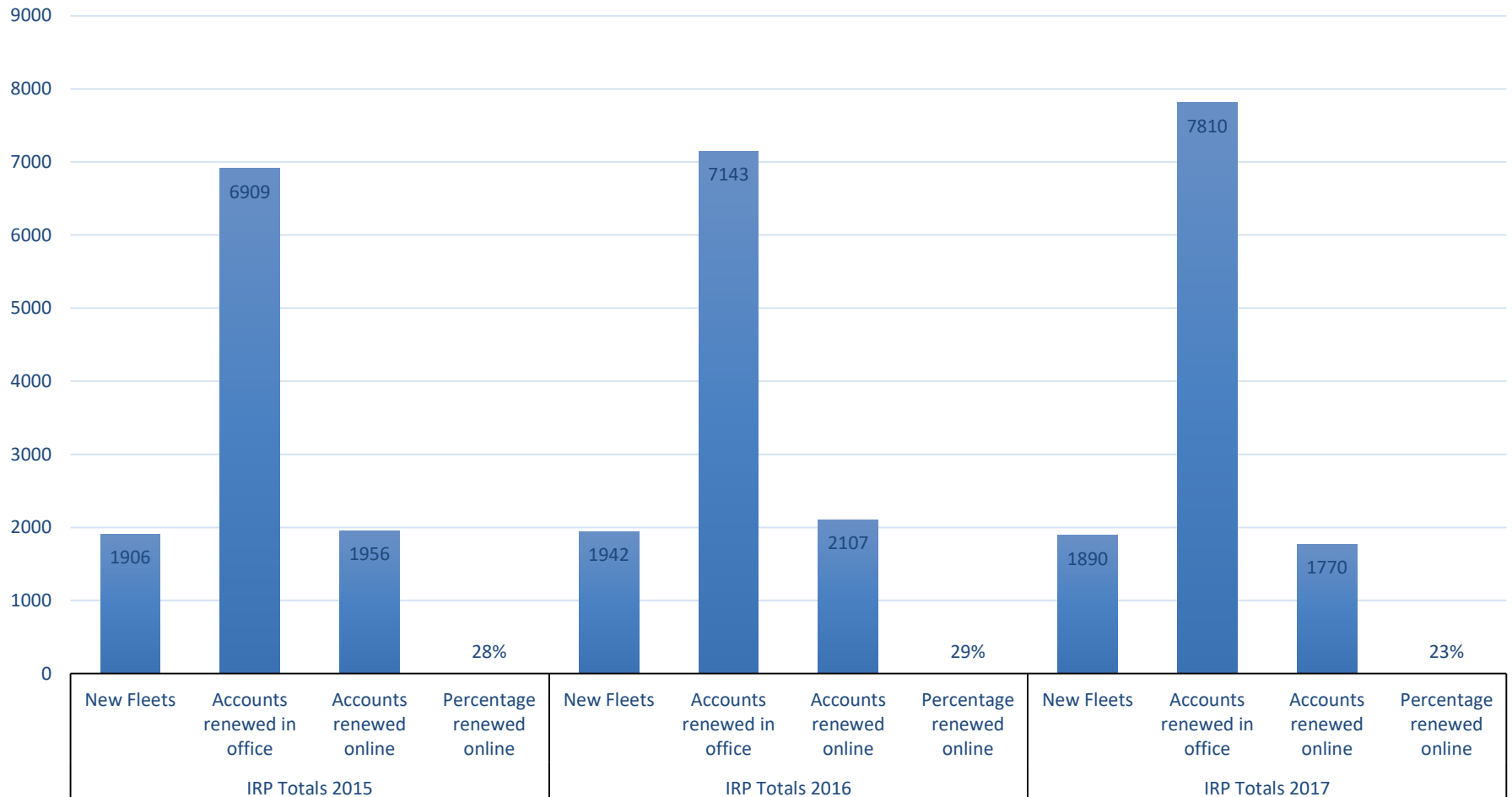
- Enhance statewide service for initial applicants
- Electronic credentials
- Accept electronic documents for renewals
- Re-vamping DOT web service portal

Communications Improvements planned

- YouTube video detailing step by step online services
- Utilize social media platforms to provide the videos and instructional material
- Provide educational packets to truck dealerships on the licensing process

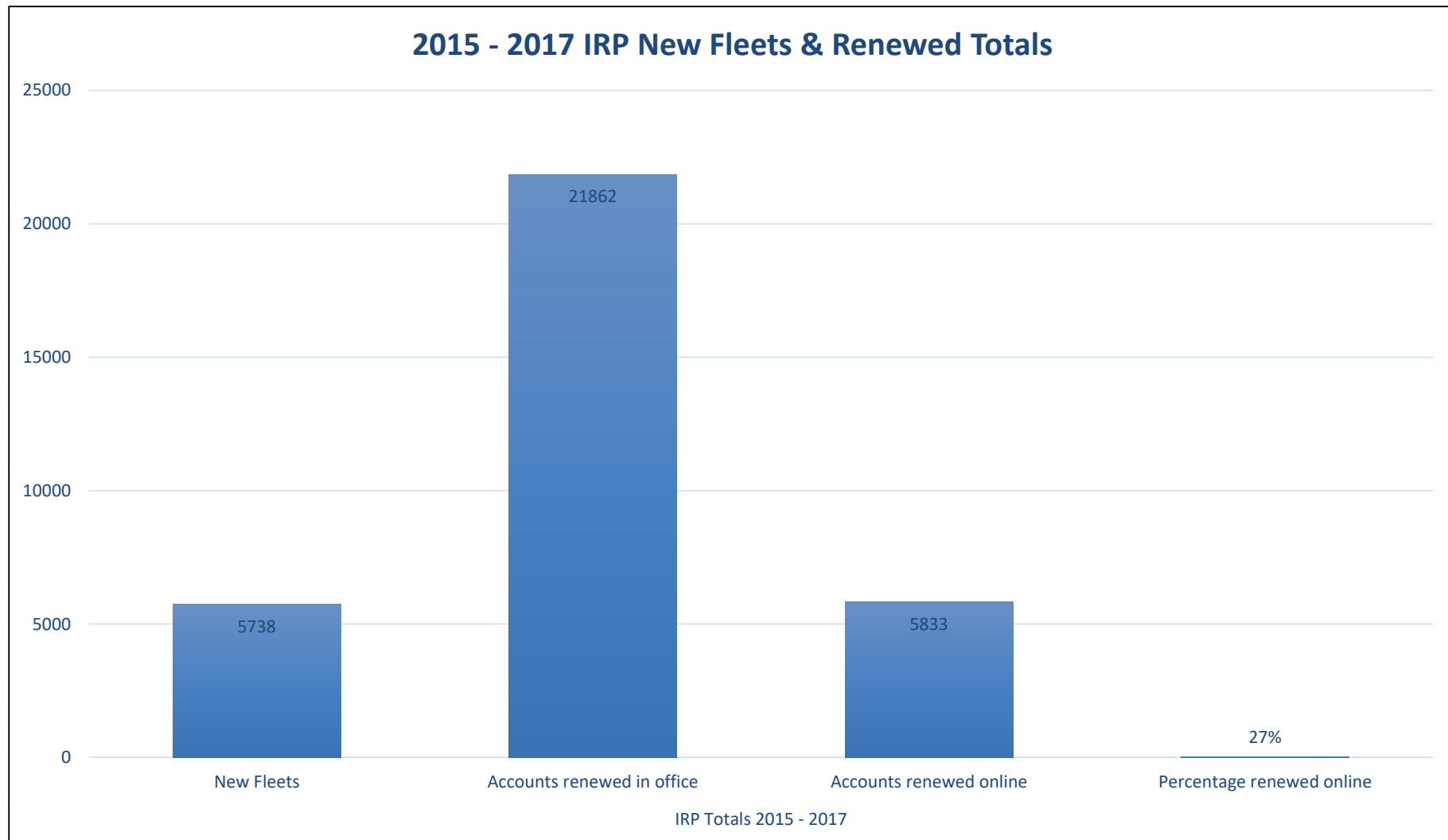
IRP Workload

2015 - 2017 IRP New Fleets & Renewed by Year



IRP Workload

2015 - 2017 IRP New Fleets & Renewed Totals



Definitions

- **IFTA** The International Fuel Tax Agreement (or IFTA) is an agreement between the 48 contiguous states of the United States and the 10 Canadian provinces to simplify the reporting of fuel use by motor carriers that operate in more than one jurisdiction.

DOR FINDINGS

Existing Locations

Department of Revenue IFTA Office

- 1429 Rock Quarry Road Suite 105, Raleigh

Former Location until 2011

Department of Revenue IFTA Office

- 6016 Brookshire Blvd, Charlotte

(Services offered online and in Raleigh)

Recent Process Improvements

- Online license renewals and quarterly tax submissions
- Resumed annual motor carrier seminars (2014)
- New statewide enhanced call services
- Electronic image of IFTA licenses authorized
- Faxing temporary IFTA decals for active plan participants

DOR FINDINGS

Process Improvements under review

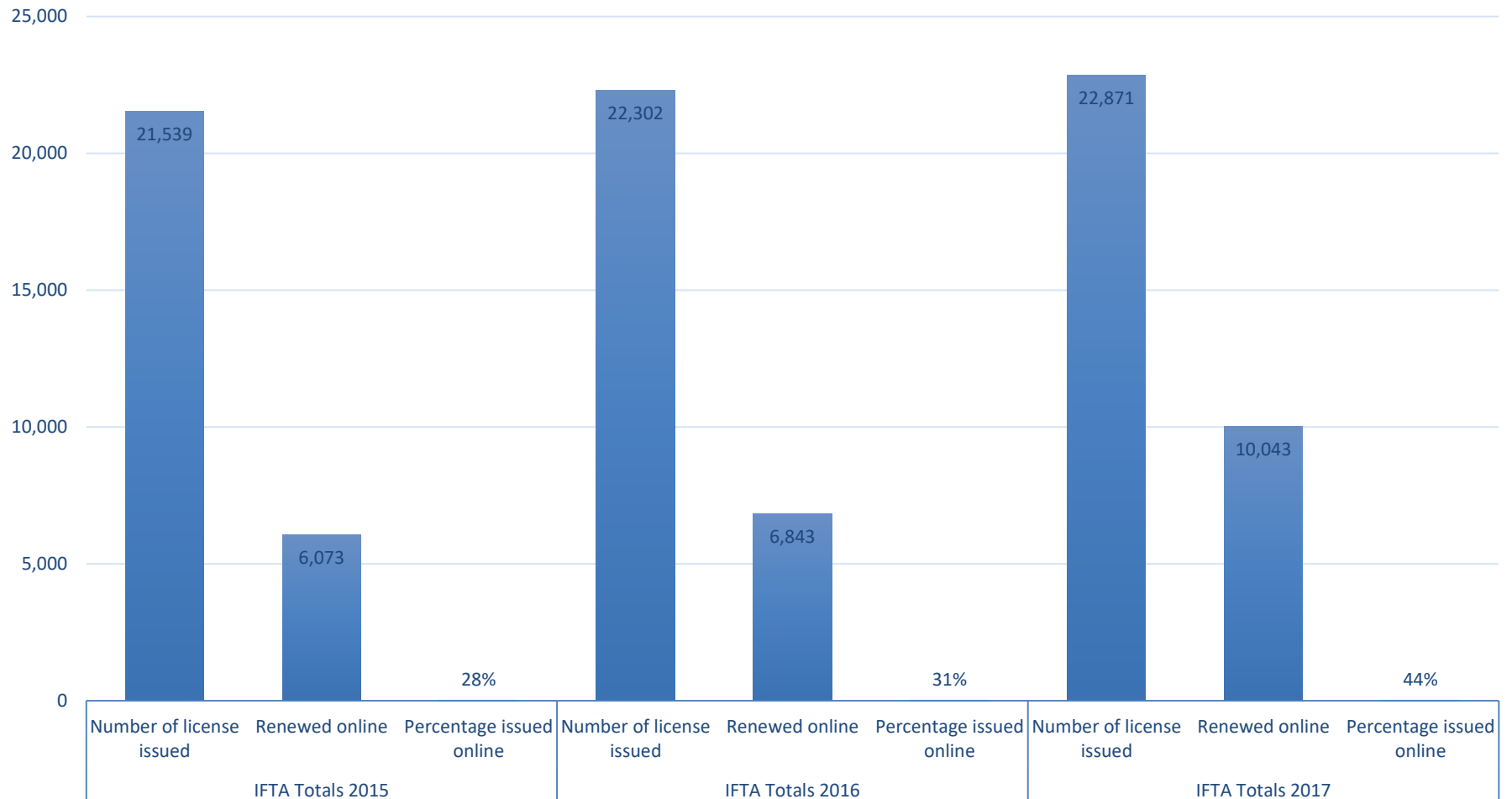
- Re-vamping web service portal
- Submit initial application online
- Electronic credentials

Communications Improvements planned

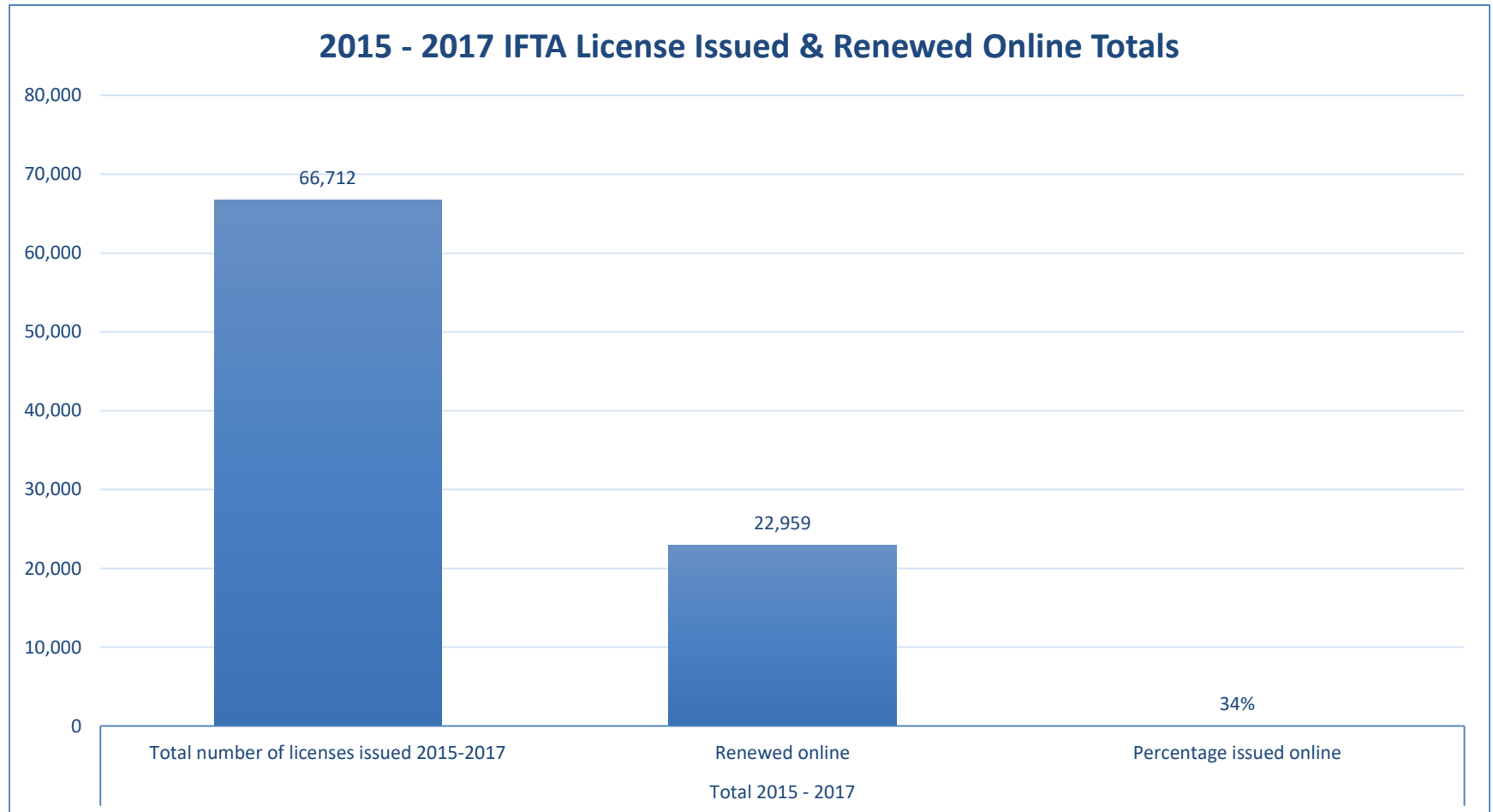
- YouTube video detailing step by step online services
- Utilize social media platforms to provide the videos and instructional material
- Provide educational packets to truck dealerships on the licensing process

IFTA Workload

2015 - 2017 IFTA License Issued & Renewed Online by Year



IFTA Workload



Cost Estimate to House DOR Employees in Charlotte DMV

- Start up first year = \$198,477
(Supplies, telephones, furniture, computers, software, maintenance agreements, training, total: 27,140)
 - Employee costs \$171,337
 - 2x Information Processing Technicians, grade 63
 - 1x Supervisor, grade 67
- Recurring annual expense = \$179,146

Risks

- IFTA renewals are seasonal (Sept. 1st – Dec. 31st)
- Unknown Charlotte IFTA customers
- Timeline for hiring and training of new DOR Charlotte staff
- DOR computer system requires modifications
- Truck parking limited
- >1 year lead time for expansion

Conclusion

- DOR and DMV recommend DOR continue to issue IFTA licenses and decals at the Raleigh office and online
- DOR and DMV recommend not co-locating in Charlotte DMV office
- DOR and DMV recommend each agency continue process and educational opportunity improvements

QUESTIONS ?