IRP, Inc. Update

AAMVA Motor Carrier Services Session
San Francisco, California
August 21, 2017

Tim Adams
CEO
IRP, Inc.
IRP, Inc. Financial Position

• IRP, Inc. continues to be in good shape financially
  • FY2016 Financial Audit complete and continues to show IRP, Inc. with a good financial status
  • Investments performing well in current economy
IRP, Inc. Board of Directors

Jurisdictional Representatives

Peter Hurst (Ontario) – Chair
Scott Greenawalt (Oklahoma – Vice Chair
Deann Williams (Kansas) – Past Chair
Jeff Hood (Indiana) – Treasurer
Dawn Lietz (Nevada) - Secretary
Region I:
Robert Ide (Vermont)
Garry Hinkley (Maine)
Region II:
John Poole (Texas)
Region III:
Jay Sween (Wisconsin)
Region IV:
Kevin Davis (Idaho
Duane Williams (Montana)
Canadian Representative:
Shaun Hammond (Alberta)

Board Advisors

Partner Organizations:
AAMVA
CVSA
CCMTA
UMA
IFTA
Federal Agencies:
FMCSA
Mexico SCT
Our Industry Partners
There are 5 openings effective January 1, 2018
- Region I (US)
- Region II (US)
- Region IV (US)
- Canadian: Two positions

Ballots are currently open for voting
In 2016, over $836 million dollars were exchanged through the IRP Clearinghouse.

- This represents only the funds netted and exchanged between the 56 IRP jurisdictions that currently participate in the Clearinghouse.

As of June 2017 there are 57 jurisdictions participating in the Clearinghouse.

- Estimated that over 2.8 billion dollars is generated by IRP registrations annually.

- There were over 365,900 fleets with over 2.6 million IRP vehicles registered in 2016.
Clearinghouse Partial Payment Trend

<table>
<thead>
<tr>
<th>US Dollar Partial Payment Instances</th>
<th>CA Dollar Partial Payment Instances</th>
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<tbody>
<tr>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>42%</td>
<td>25%</td>
</tr>
<tr>
<td>May 2015 - April 2016</td>
<td>May 2016 - April 2017</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
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<td>May 2015 - April 2016</td>
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Most jurisdictions have signed up to complete the project for a January 2018 go-live.

- The test environment was implemented in early April 2017
- Meetings with jurisdictions to discuss requirements/issues and testing, ongoing.
IRP Clearinghouse

• FY2016 SSAE 16 audit on the Clearinghouse showed good clean results of the operations of the system

• Clearinghouse Security Enhancements
  – Vulnerability Assessment was conducted and recommended application changes completed and implemented in the production environment.
  – The most obvious change for jurisdictions was the new password policy, strengthening passwords.
Open IRP Ballots

• Ballot # 412 – Electronic Image of Cab Card
  – The intent of this ballot is to amend the Plan to allow registrants and jurisdictions flexibility in issuing and presenting the IRP Cab Card.
  – Currently out for vote with the final date for voting October 4, 2017
Open IRP Ballots

• Ballot # 411 – Uncollectable Accounts

  – The purpose of this ballot is to provide relief to a jurisdiction when registration fees have been transmitted through the IRP Clearinghouse or sent to non-CH jurisdictions and subsequent to that, the fees are determined to be uncollectable from the registrant.

  – Currently out for vote with the final date for voting October 4, 2017
Open IRP Ballots

• Ballot # 410 – Inadequate Records; Unreported Jurisdictions’ Assessment

  – The purpose of this ballot is to provide a remedy when unreported jurisdictions are found in the course of record examination where the records are deemed to be inadequate to perform an audit.
  – Currently out for vote with the final date for voting October 4, 2017
The joint Electronic Credentials Task Force is still working on development of a plan for moving forward to establish electronic credentials or to move in the direction of making the electronic record the required credential.

Face to face meeting of the task force held August 1 & 2, 2017.
• VISION:
  – Replace IRP cab cards and IFTA licenses and decals with verifiable Electronic IRP and IFTA records that improve compliance and enforcement in North America.
Task Force Current Membership

- Jeff Hood – Chair (Indiana)
- Jay Sween – Vice Chair (Wisconsin)
- Scott Greenawalt (Oklahoma)
- Garry Hinkley (Maine)
- Deann Williams (Kansas)
- Brian Beaven (Kentucky)
- Peter Hurst (Ontario)
- Mark Bell (University of Kentucky)
- Steven Haywood (British Columbia)
- Rob Ide (Vermont)

- Lonette Turner (IFTA, Inc.)
- Anne Ferro (AAMVA)
- Collin Mooney (CVSA)
- Bob Pitcher (ATA)
- Allison Fradette (CCMTA)
- Richard Harris (Penske)
- Lanny Gower (XPO Logistics Freight)
- Tom Kelly (FMCSA)
- Tim Adams (IRP, Inc.)
- Ken Carey (IRP, Inc.)
Goals and Objectives

• Support IRP and IFTA enforcement
• Potential to eliminate paper (IRP cab card and IFTA license & decals)
• Improved compliance
• Positive revenue impact
• Reduced cost for both jurisdictions and industry overtime
• Leveling the playing field
Goals and Objectives

• Reduction in fraud
• Improved, complete data quality
• Improved accessibility to accurate data
• Improved efficiency
• Allow interfacing with existing systems
• Aid in enhancing roadside electronic inspections
• Flexible and scalable
• Inclusive
Solution Options

Jurisdiction holding the credentials is known:

Option 1
No Central Database

Option 2
Centralized Database

Jurisdiction holding the credentials is unknown:

Option 3
Pointer System
Summary of Options

Centralized Database
- NO real time data exchange
- Incurs data storage costs

No Central Database
- Real time data exchange
- *Does not* incur data storage costs
- Use if LE user knows the Jurisdiction holding the credentials

Pointer System
- Real time data exchange
- Incurs data storage costs
- Use if LE user *does not* know the Jurisdiction holding the credentials
Expertise Needed

• IT Technical (various expertise levels)
• Regulatory and Legal
• Plan and Agreement changes
• Jurisdictional legislative changes
• Roadside enforcement
• Deskside administrative
• Deskside audit
• Industry (national and jurisdictional)
Challenges

• Privacy
• Buy in / benefits, etc.
• Financial
• Political
• Time and resource justification
• Connectivity
Challenges (continued)

- Organizational support (financial, politically)
- Managing expectation
- Data quality
- Level/even playing field
- Getting multiple levels of industry involved
Fraud Detection & Remediation (FDR) Training

- IRP is working closely with AAMVA to determine how the current FDR training modules fit in with the IRP and motor carrier services community.
- Evaluating to determine what modules fit and/or if there is a need to create new modules to address the needs
- Have several jurisdictional volunteers to take the online training and provide feedback so we can determine what needs to be done
Partnership on Training

- IRP is working on a possible joint effort with IFTA for an online training program to provide education and training options to the membership.
- We are exploring what can work to meet both organizational needs.
- Thought is to provide a platform that looks and feels the same for both IRP and IFTA members.
Upcoming Events

• IFTA/IRP Managers and Law Enforcement Workshop – September 26-28, 2017, Salt Lake City, Utah
• IRP Board of Directors Fall Meeting – October 3-4, 2017, Victoria, British Columbia
• 2018 IRP Annual Meeting – April 30 – May 2, 2018, New Orleans, Louisiana
IRP Update

Questions?
Comments!

Thank you!