

Streamlined Sales Tax Governing Board, Inc.
Executive Committee Meeting
July 25, 2014, 2:00 PM Central

- **Call to Order and Roll Call**

President Diane Hardt called the Executive Committee Meeting to order. The roll of the Committee was called and present were President Diane Hardt (WI), Richard Dobson (KY), Senator Wayne Harper (UT), Victoria Daniels (IA), Senator Luke Kenley (IN), and Representative David Drovdal (ND). Senator Deb Peters (SD), Senator Don Balfour (GA), Jerry Johnson (OK), and Michael Eschelbach (MI) were absent. A quorum was established.

- **Federal Legislative Update Report**

Randi Reid provided an update of the federal legislative activity. She indicated that Congressman Chaffetz's staff is continuing to work on significant changes to the Marketplace Fairness Act. Rep. Drovdal asked about the small business exemption and Randi indicated that continues to be discussed and there has been discussion of starting in out higher and phasing it down over time. Senator Kenly indicated that the Wall Street Journal recently ran an editorial against combining the Internet Tax Freedom Act and the MFA (MITFA). Randi indicated that is important to continue to respond to some of these types of concerns and we should be prepared to talk about them and continue to put out positive messages. She also stressed the importance of legislators to issue press releases supporting it and also to try to have legislators explain the importance of the issue and to get their Governors to support the effort and where possible reach out to their members of Congress.

- **Contract issues**

President Hardt said they are continuing to have discussions with the CSPs regarding the CSP contracts which expire at the end of 2014. She would like to have the contracts ready for approval at the October meeting if possible. Additional meeting with the CSPs will take place in August and possibly September.

- **Central Registration System**

Craig Johnson reported that the team responsible for reviewing the bids for the new central registration system have completed its work and is recommending that Azavar Technologies be awarded the work. President Hardt, Senator Peters and Craig will work with Azavar and the review team to negotiate a final contract with Azavar. Once the final contract is negotiated, the process of developing the new system will begin. The plan is to have the finalized contract in place by the end of next week. Once that is done, the process will move forward. Ideally, the new system will be completed and fully tested by the end of the year.

- **Reports of Committees**

- Compliance Review and Interpretations Committee – Myles Vosberg Chair

It was reported that a general schedule for the upcoming compliance reviews is available on the website. Once the first 12 states' initial review is completed, the dates of the specific state

review dates by CRIC will be scheduled and notices will be sent out so everyone knows who will be reviewed on which days. The same thing will happen once the second 12 states' reviews are completed as well.

- Certification Committee

Craig Johnson reported that the certification of Ship Compliant, the newest CSP applicant was continuing to move forward. If everything continues as planned and no problems are found with Ship Compliant that they could be recommended for approval as a CSP by the Governing Board at the October Governing Board meeting in Rapid City, South Dakota.

An additional company had also contacted the Executive Director about becoming a CSP near the end of June. The initial contact information and self-assessment questionnaire that the company's need to complete was provided to them by Tim Bennett, Certification Committee Chair. As of today, no additional information had been provided. If the self-assessment questionnaire is not received from the CSP applicant within the 30 calendar days allowed, a message will be sent to the applicant indicating they will need to re-apply if they are still interested in becoming a CSP.

A reminder was also provided about the upcoming Certification Committee meeting in Omaha, NE on August 5 and 6.

- Audit Committee, Bruce Christensen

Bruce Christensen provided an update on the status of the contract compliance audits and indicated that they are progressing. They are still on the timeline and anticipate having the final reports to the Executive Director in September.

Bruce also reminded everyone about the upcoming in-person Audit Committee meeting in Omaha, NE on August 7 and 8.

- State and Local Advisory Council – Tim Jennrich, Chair

Tim provided a summary of the issues that SLAC is working on and that will be addressed at the upcoming in-person meeting in Omaha, NE on August 4. The issues that will be discussed and continue to be developed in hopes that the proposed amendments will be ready for the Governing Board meeting in October are Substantial Compliance and Sanctions, Best Practices and Disclosure of Practices, Post Transaction Issues and the Exemptions and Taxable Services Matrix being developed by the Federal Legislation Implementation Workgroup.

Tim encouraged as many people to attend in-person as possible, but indicated that if you cannot attend in-person, to please try to get on the webinar that will be offered.

- Federal Legislation Implementation Committee – Richard Dobson, Chair

Richard Dobson provided an update regarding the Exemptions and Taxable Services matrix this his workgroup continues to develop. They have had several meetings to discuss it and will also discuss this at the SLAC meeting in Omaha. Diane Hardt indicated that another thing that she would like to see developed is some type of Tax Administrator's Guide that

addresses audit issues, the certification process and also common questions that state tax administrator's may have with respect to implementing Streamlined and the federal legislation in their states.

- **Executive Director Notes**

Craig reminded everyone that their recertification documents are due to him by August 1. In addition, the membership dues for the states are due by August 31.

The upcoming Governing Board Meeting is in Rapid City, South Dakota and that the hotel and registration information will be coming out shortly. Just finishing up on getting the necessary information to set the registration fees, etc.

Craig also indicated that the Nominating Committee will be meeting before too long to develop the slate of candidates for the officers and directors of the Governing Board for 2015 to be presented at the Governing Board meeting in October. In addition, he is also working on the budget proposal for FY 2016 that will be discussed at the GB meeting as well.

- **Old Business**

None

- **New Business**

None

- **Next Meeting**

- October 7, 2014, 10:00 AM Mountain, Hotel Alex Johnson, Rapid City, South Dakota

- **Adjournment**

With no further business, Richard Dobson motioned adjournment.