

Streamlined Sales Tax Governing Board Meeting Minutes

Thursday, October 13, 2016, 1:00 pm – 5:00 pm eastern

Hilton Garden Inn, Atlanta, GA

- **Welcome and roll call of member states and Introductions**

President Richard Dobson welcomed everyone to the meeting and called the meeting to order at 1:03 pm eastern. The roll of the states was called, 21-full member states were participating and the quorum was established. Absent were the states of New Jersey, Tennessee and Kansas.

- **Opening Remarks**

Senator Judson Hill (GA) welcomed the attendees to Atlanta. He discussed the state of Georgia's revenue. He also introduced Commissioner Lynne Riley (GA).

Commissioner Riley said it is a pleasure to serve as the Commissioner of the Georgia Department of Revenue, having formerly served in the House of Representatives and that she appreciated the work being done by Streamlined in the sales tax policy area.

- **Approval of May 3-4, 2016 Governing Board Meeting Minutes – MM16001**

President Dobson asked the attendees to review the minutes of the prior meeting. Craig Johnson informed the attendees that the computer upon which the minutes were taken at the last meeting was stolen and therefore the minutes were prepared based upon our best recollection and asked the attendees if they would like to recommend corrections to the minutes. There were no comments. Senator Dwight Cook motioned the adoption of the May 3-4, 2016 Governing Board Meeting Minutes. The roll of the states was called and with 21 yes votes and the motion passed on a voice vote. New Jersey, Tennessee and Kansas were absent.

- **Reports of Committees**

- Executive Committee – Richard Dobson (KY), President
 - Federal Legislative Affairs Update – Randi Reid, Kountoupe's Denham

Randi Reid started by indicating she has been working on behalf of the Governing Board for over 2-years in DC, advocating to get a Federal solution done on the e-fairness policy.

Federal e-fairness legislation continues to be discussed as a possible policy issue for consideration this year. However, there are many atmospheric hurdles in Washington, DC right now that need to be jumped over before seeing a bill enacted into public law.

This election year has been a tumultuous one. No matter your personal political leanings, the uncertainty of the presidential and congressional elections are affecting the legislative focus and ultimately the outcomes of the current Congress.

After the elections are over, the newly elected president will continue the transition to the White House. Disruption will abound as a new Administration (whether Democrat or Republican) will require extensive staff and principal turnover. The Congress will return

to Washington the week of November 14th, potentially with a number of new Senators and House members and a possible shift in party control of the Senate chamber.

Because this is a presidential election year, the congressional priorities remain focused on macro policies affecting the country. Policy priorities for the November/December session that are viewed as must-pass bills are focused on the annual appropriations bills (either via small minibuses or one omnibus bill), defense authorization bill, and additional tax extenders. Whereas e-fairness federal legislation remains a priority policy issue for all of us, it is not viewed as a must-pass legislative bill this year by many in the Congress. This will make it extremely difficult in securing its inclusion in a must-pass bill this year given the uncertainty of the political climate in Washington and its impacts on policymaking for the remainder of the year.

We are fortunate to have strong House and Senate champions of e-fairness that remain committed and focused on finding a solution this year. These sponsors as well as many others agree e-fairness needs to be addressed now – Congress needs to have a voice on the policy before the Supreme Court chooses to act again.

Randi provided an update on the House and Senate e-fairness activities since the last meeting in May.

HOUSE UPDATE

At this time, there are two legislative bills formally introduced and one legislative draft bill/concept currently being discussed in the U.S. House of Representatives.

The most significant movement since May was the release of House Judiciary Committee Chairman Bob Goodlatte's discussion draft of the Online Sales Simplification Act on August 25, 2016. The original draft bill included only an origin sourcing model. Earlier this year, Chairman Goodlatte modified his discussion draft bill to include a destination rate and an origin tax base. The bill has not been officially introduced to date. It remains a discussion draft and Chairman Goodlatte continues to meet with some external stakeholders to determine if there is a path forward with his bill.

Even though the Chairman and his staff have not reached out to the Governing Board for input on the various proposals, the Governing Board continues to request meetings and discuss with Chairman Goodlatte's staff the SSTGB's concerns and inability to support an origin sourcing bill.

Congressman Jason Chaffetz (R-UT) and Congressman Steve Womack (R-AR) introduced H.R. 2775, The Remote Transaction Parity Act on June 15, 2015. The bill currently has 67 additional bipartisan cosponsors. The bill pursues a destination sourcing model for remote sales tax collection. I want to state very clearly here today that the bill is not identical to the Senate's Marketplace Fairness Act. The Chaffetz-Womack bill addresses several issues of concern raised after the Senate passage of the Marketplace Fairness Act in May 2013, focusing changes to the small business exemption, audit procedures, software costs and integration, and liability issues. The

Governing Board remains very supportive of Congressman Chaffetz's efforts and continues to provide technical guidance and input based on the experience and knowledge it has gained over the last 15+ years in developing the Streamlined Sales and Use Tax Agreement.

Also, several Governing Board representatives participated in over 65+ House meetings, including House leadership staff, in April, May, and September to educate House congressional members about e-fairness and strongly encourage final passage of e-fairness legislation this year. These meetings were critical in bringing on additional cosponsors, information gathering about the various House legislative proposals, and assisting Congressman Chaffetz and Congressman Womack with their personal outreach and education of their congressional colleagues.

On July 14, 2016, Congressman Jim Sensenbrenner (R-WI) introduced H.R. 5893, The [No Regulation Without Representation Act of 2016](#). The bill would codify the physical presence requirement established by the US Supreme Court in *Quill*. The bill would specifically define physical presence, creating a *de minimis* threshold, and would significantly affect existing state efforts to obtain remote seller collection authority and overturn *Quill*. It would likely halt the South Dakota and Alabama litigation (and other state litigation) specifically designed to overturn *Quill*. It would also move all future litigation on this issue to federal courts.

The bill was referred to the House Judiciary Committee, which Rep. Sensenbrenner is a sitting member and also the former Chairman. The bill's introduction was unexpected and it occurred on the last day before the 7-week congressional recess period this summer. It is our understanding that the bill establishes a marker outlining what Congressman Sensenbrenner supports, but most likely it will not factor into the larger ongoing remote seller collection authority discussions on Capitol Hill.

The Governing Board remains committed to securing a destination-based approach and solution. The Board will not support an origin-based approach. An origin sourcing regime is a non-starter - the SSTGB has nearly 3,200 active registrants collecting and remitting the tax so we know the process works.

The Governing Board will continue to work with House Speaker Paul Ryan (R-WI), Chairman Goodlatte, and Congressman Chaffetz to find a solution that is fair to all parties involved – sellers, purchasers and the states.

SENATE

Since the overwhelming passage of the Marketplace Fairness Act in the Senate in May 2013, the Senate sponsors have been working with all stakeholders to enact the bill into law.

On March 10, 2015, Senators Michael B. Enzi (R-WY) and Dick Durbin (D-IL) introduced S. 698, The Marketplace Fairness Act of 2015. The legislation is identical to the Senate-passed bill from 2013, with the addition of the Collins/King amendment,

which delays the date that states can exercise the authority of the Act and exempts the first holiday shopping season after enactment.

Our Senate sponsors continue to press for House action on an e-fairness bill before pivoting back to the Senate for further consideration. Additional conversations with our Senate supporters and others are occurring at this time with the hopes that e-fairness policy may be considered by the Senate later this year.

NEXT STEPS

Governing Board representatives continue to engage with our House and Senate sponsors to discuss next steps for the congressional session, now specifically focused on the lame duck session in November and December, post election.

The Governing Board remains positioned as a vocal participant in congressional policy negotiations on how best to proceed this year on e-fairness legislation, but we need your help!

Congressional members and their staffs – especially in the House, both rank and file members and leadership – need to hear directly from you and your state leaders now. Educating them about your state's direct interest is critical - they need to know they have in-district/in-state interests and ultimately support from you should they agree to support and be active.

Senator Bramble asked if we knew which stakeholders they have been talking to. Randi said she does not know all of the stakeholders they have been talking to but it appeared to be primarily stakeholders from the business perspective.

Steve Kranz indicated there seems to be a genuine interest in expanding the size of the groups they are talking to and are hearing people on the need to expand their outreach. Mrs. Reid agreed that they are expanding.

Senator Kenley (IN) said there are some members of Congress that seem to be waiting for a court decision. He wondered if we should be sending letters from each one of our states. He said if they were to introduce a bill in Indiana along the lines of what South Dakota introduced, should they inform our Congressmen that they are proceeding on this path and that we are not sure if we are going to get anywhere otherwise? Randi said she has not been talking publicly about state legislation/litigation. She is happy to be involved in that discussion. President Dobson indicated that we're discussing this issue in the House with members when we meet with them and they know that there is pressure there and that we will talk about that a little more on the agenda today and what other states are doing. John Doyle said regarding the Sensenbrenner bill, it's simply an attempt to make Goodlatte's origin sourcing look like a compromise. Randi said the introduction of the Sensenbrenner bill threw a lot of people off. There have been conversations about it, but she does not think it would translate to legislation. It is not uncommon for members of Congress to introduce something like this to establish his/her position, but people are really focusing on the Goodlatte draft and the Remote

Transaction Parity Act (RPTA). Craig indicated that in their latest rounds of meetings, no one indicated to them that they supported that approach. Randi indicated that when we make our visits, we are not going to say the bills are awful but instead explain what Streamlined is about, the makeup of the Governing Board and how what Streamlined has done works and makes it easy for remote sellers to calculate, collect and remit the tax. You have to go in with a positive message saying this is what we are and this is what we do. We continue to state that the origin sourcing regime is a non-starter. We are continuing to work with Speaker Ryan as well as Chairman Goodlatte's staff to find a solution that works for all.

Craig indicated that the individual state legislators and tax administrators that are here carry much more weight with respect to their respective state's members of Congress than the Governing Board and it is important for states to reach out to their members of Congress. If people are interested in this or if they would like help drafting a letter to send, he said to let President Dobson or himself know and they can help get that information to you. He stressed that each of the state representatives know what resonates with their particular members of Congress. Randi Reid said you can't meet with everyone and that's what the Governing Board has experienced on the House side. She said you are going to potentially get in quicker with a letter. Representative Kennedy said NCSL is going to be doing another day on the Hill. All of the legislators are going to be coming in for the Capitol Forum. Ms. Reid said the December 7 outreach that NCSL does is awesome. She said you need to do some outreach, letters, phone calls and so forth. You always have to follow the Congressional flows of the calendar. Terry Ryan asked if Randi thinks Goodlatte is serious about moving the bill or if he is just stalling. Ms. Reid said when any member of Congress spends that much time on a bill, they are serious. Dan Noble asked if Ms. Reid thinks there's a danger of a compromise being reached being contrary to what this body is doing? Randi said there were times in 2011 through 2012 and 2015 that many people in this room who were in different positions at that time were not happy with us as staff. She said they had to wall themselves off from all external factors. They had to start talking, get in a room and start hammering it out. If they do come up with a compromise, there could be potential that the Governing Board is not going to like everything that is in there. For example, the current MFA and RTPA contain a voluntary option that is independent of the Governing Board because they had to find a way to get those states that did not want to participate in Streamlined into the fold. She does think there's potential for that to occur during a House process. The reality is if you want to get something done this year, time is not going to be on the staffer or member's side to find feedback. Steve Kranz said the Chairman has shown changes to OSSA. One and a half year ago he wouldn't have said that. Randi said the Governing Board hasn't gone into the laundry list of these are all things the Governing Board wants changed in the Chairman's draft.

Craig explained that when we go in and talk with House members and the discussion turns to the Goodlatte draft, we generally bring up 3 main points and concerns. We talk about origin sourcing and the affects that it will have. We talk about how the Goodlatte draft steps on state sovereignty and also how the Goodlatte draft will result in the imposition of new taxes that are not currently legally due and owing today. We believe

that until those three points get resolved, there is no point in going into all the details of the bill. Those are the three main sticking points.

Senator Bramble indicated there's a growing interest among the states to do what South Dakota did, in session saying we are tired of waiting for Chairman Goodlatte or Congress to act. We have been working with them for 17-years and nothing has happened. He said the opposition has been very successful in keeping anything from happening and he expects more states will adopt the South Dakota approach during this next legislative session. Randi said because of the state legislation and litigation that is happening, there has been renewed interest by the House and Senate to consider a path forward.

President Dobson said regarding Dan Noble's question on compromise, the Governing Board has been engaged to provide input from our perspective and what works within the Marketplace today and in our organization. That door's open, knowing that at some point the decision might be made and whatever happens, happens. Based on our discussions, meeting with member's staffs in the House and also the Senate sponsors – there's no indication at all that our supporters are moving away from destination sourcing. Dan Noble said he got the opportunity to speak to their Senate Finance Committee and some there think it is still not simple enough. Mr. Noble wondered what it would take to be simple enough for sellers to all agree to collect.

Craig Johnson said Alabama has gone to a single rate for remote sellers as well as centralized reporting and providing vendor comp of something like 2% of the tax. He indicated it would be interesting to see what the things were that Alabama did that brought companies like Overstock in. Steve Kranz said he was in Alabama yesterday and they think the one rate is the reason some of these companies agreed to start collecting. He said we also need to keep in mind that Alabama was sending out notices that these companies should be collecting and now there's litigation in Alabama on this issue.

Randi Reid said if anyone has additional questions or wants to talk with her later, she will be available.

Craig Johnson walked through a presentation that compares some of the key components related to the MFA, RTPA and OSSA and explains how these items are treated under each bill. The presentation will be posted on the SST website. Terry Ryan said, so there won't be any audits by Colorado if the seller has less than \$5 million in sales. Craig's Johnson's response was that under RTPA if a remote seller has less than \$5 million, that sellers cannot be audited by the states in which he/she is a remote seller. In addition, if the volunteer seller uses a CSP, the CSP is the one the states contact for the audit.

Dan Noble said there are some states that are already using origin sourcing. Most states, however use destination sourcing. Craig indicated that under the SSUTA, if a state wants to do origin sourcing on intra state sales, they can do that, but when it

comes to interstate sales all states use destination sourcing. Craig asked Bob Scott or others from the local government organizations if any of them wanted to provide some comments on this issue. Mr. Scott reported that he had said while they are very supportive of destination sourcing, the local taxes in Texas are based on origin sourcing and they recognize that it's subject to manipulation. They believe that if origin sourcing was to be used for remote sales, very quickly you would see a lot of maneuvering going on for ways the remote sellers can avoid sales tax collection requirements or to achieve some other favorable arrangement. The whole concept of it doesn't really matter who you buy it from, you're going to pay the same tax, is going to go out the window with origin sourcing. He does not see how origin sourcing would work in a remote selling situation because of the manipulation that would occur. He indicated that they have to live with it on their intrastate sales.

Randi Reid said when the origin sourcing started coming up in 2012, there wasn't much we hadn't heard on the issue. They were talking about the origin sourcing issue back in 2006 and 2007. There were different factions, the Governing Board and different state groups too. Even at that time there was discussion of a carve out of the bill, for origin sourcing. Senate staff decided not to go down that path and let you all work it out as the Governing Board which this group ended up doing and allowing an origin sourcing option, but only on intrastate sales. Dan Noble pointed out that that really is a state sovereignty issue.

- **House—No Regulation Without Representation Act of 2016 (Introduced) – FL16002**

Craig Johnson said the No Regulation Without Representation Act starts on page 83 of the publication. He pointed out the fact that it basically codifies the Quill physical presence requirement. He went through some of the highlights from the draft bill and what did and what did not constitute physical presence. He also said that in his opinion, the draft actually does more than just codify Quill, it narrows what is considered physical presence.

- **MTC Analysis of OSSA – FL16003**

Richard Cram of MTC provided a presentation on what MTC found in the analysis of the Online Sales Simplification Act of 2016. The presentation is posted on the SST website, document number FL16003.

Senator Cook said the toughest battle they had years ago when Streamlined began was developing the CSP model and how to compensate the CSP's. President Dobson said there's really no information that explains how the clearinghouse is going to work or how it will be funded. He assumes the states are going to provide the funding. Apparently in the audit area, the idea would be that the destination state would request the origin state to handle the audit because the destination state cannot do it. Senator Cook asked if there's a role in there for a CSP. President Dobson said if there is, it's not very well spelled out, so you could argue either way on that.

- **Update on South Dakota and Alabama Remote Sales Tax Litigation**

Craig Johnson reported that as most of us already know, South Dakota passed SB-106, an economic nexus type scenario. If the seller has \$100,000 or more in sales or 200 transactions, they are required to collect and remit South Dakota's sales tax. South Dakota sent letters out to various businesses they felt exceeded those standards and made them aware of the new requirements. Various businesses registered and they have collected several hundred thousand dollars between the state and local taxes. Alison Jares (SD) said they also receive some applications that were not related to the original letters that were sent out. Litigation has started in South Dakota related to SB 106 and although South Dakota does not anticipate winning in the state courts due to the precedent set in the *Quill* decision, they are hoping the U. S. Supreme Court will accept the case when it gets to that level and look at overturning the *Quill* decision in view of the technological advancements that have taken place since *Quill* as well as the additional simplification and uniformity they enacted when joining Streamlined.

Craig also said South Dakota is trying to keep everyone informed as to the status of the litigation and there are links on the South Dakota DOR website that provide all the information regarding these court cases and what is happening with them. He said you can see the step-by-step process that has happened with this litigation. Alison Jares said she would be happy to provide anything she can that will not put their litigation in jeopardy. She stressed the number-1 most interesting thing about all of this which is the number of voluntary sellers that they had never even reached out to that are coming forward and inquiring and/or registering. She believes that says a great deal about a small seller's ability to collect sales tax in other states. Craig Johnson said *Quill* talked about undue burdens. The member states have removed that burden. He said not one remote seller has to do this on their own in the Streamlined states. They can go through the CSP and in those states where the seller is a remote seller, the state compensates the CSP for the services it is providing.

Alabama

Craig Johnson said Alabama adopted their simplified seller system, single rate on remote sales along with some vendor compensation. They are seeing some success from this program and they also have litigation moving forward. Craig indicated he spoke with Joe Garrett from Alabama and their litigation is moving but not real fast at this point. One of the things that Alabama did to make this attractive was to go with a single rate. We will continue to monitor the litigation in Alabama.

Steve Kranz said Tennessee and Arizona are two other states to watch in addition to Alabama and South Dakota in the litigation area.

Dan Noble said they have met and are anticipating running a bill similar to what South Dakota did. Alison Jares (SD) indicated that if Dan had any questions on the process South Dakota went through, that he should reach out to her and she will help in any way possible.

Senator Bramble said in Utah they are also planning to run a bill similar to South Dakota's plus add in an affiliate nexus provision with a severability clause. He said it

will be very clear that the reason they are running this bill is because of the lack of movement on this issue in Congress. Senator Bramble said they may use the South Dakota language or may decide to do something a little different.

Pat Calore said several states in this room already have Marketplace Facilitator language including Wisconsin, New York and Washington. She thinks some have had it for over a year now. The Marketplace Facilitator could be the one that should be treated as making the sale since it came from their website. Often you have the sellers in the state making sales of their products on these platforms and since the platforms are handling the sales and the products are being sold and transferred in their states, this may give them nexus even though they don't claim to have nexus. Senator Bramble said if you're on a website and that website has a presence in your state, many of the companies would have a presence in the state. Pat Calore said if the Marketplace Facilitator has presence in your state, depending on how your legislation is drafted, you could say the Marketplace Facilitator has a presence because of the non-remote sellers using the platform.

Steve Kranz said Minnesota is the only state he knows of that has passed such language and that the language was part of the model that NCSL discussed at the January task force meeting.

Curt Bramble said he thinks every state that has a sales tax is going to be encouraged to enact some type of economic nexus legislation.

- **Compliance Review and Interpretations Committee**—Myles Vosberg, Chair
 - State Compliance Reviews

Chair Vosberg said the state compliance reviews went extremely well this year. Two states that had compliance issues last year still had those same issues and one other state (NE) was also found to be not in substantial compliance due to their treatment of some medical related products. CRIC will be putting together their report for the 2016 findings for discussion at the December Governing Board meeting. President Dobson asked if there were any questions or comments and there were none.

- **Sanctions Recommendation Based on 2015 Compliance Findings**—EC16004

President Dobson said the Executive Committee met and discussed the sanction recommendations, document EC16004 in the publication. The Executive Committee is responsible for making a sanctions recommendation to the Governing Board. Initially, a determination was made to find Georgia, Indiana, Michigan, Wisconsin and Rhode Island out of compliance. Since that time, Michigan, Rhode Island and Wisconsin's issues have been resolved. Therefore, the only states that remain with compliance issues are Georgia and Indiana.

Georgia

The CRIC found that Georgia remained out-of-compliance with the Agreement on the local tax base, exemption administration and SER acceptance issues.

- Georgia Sanctions Recommendation and Action – EC16004

Chair Vosberg said three issues were identified for Georgia – 1) The local tax base issue relating to energy sold to and used by manufacturers, 2) the good faith issue, and 3) the acceptance of the SER. Senator Judson Hill (GA) indicated that Georgia values its membership in the Governing Board and are working to address the issues. Amy Oneacre indicated that the good faith issue will require a Legislative change. On the local tax base issue, there is an amendment to the SSUTA that is up for consideration at this meeting and if adopted, would resolve that issue. On the acceptance of the SER, Georgia does not accept it from everyone and the issue relates primarily to the amount of vendor's compensation. If a taxpayer files an SER, they generally will get less vendor compensation than if they file the regular GA return. If the SER is filed and they try to claim the vendor's compensation, this creates an error in the system. Because of that, Georgia doesn't accept an SER from anyone other than Model 1 volunteer sellers. She and Craig Johnson have talked about the issue with the SER and they hope to be able to come to some kind of conclusion on this quickly.

John Doyle asked if Amy thought they could get in-compliance by the May meeting and she deferred to Senator Hill. He said that he hopes the amendment to the SSUTA will be adopted to take care of one of their issues and that they are willing to work on the SER issue as well. With respect to the good faith issue, the chief sponsor of the good faith provision has left the legislature, so there's not much of an opposition there and their legislature goes back into session in January and should be done late March so hopefully they can get this issue resolved during the upcoming session.

Commissioner Riley said they are very aware of the conversations we are having here today and they want to get back into compliance but it will take a legislative change. Senator Cook made a motion that action on Georgia be deferred until the meeting next May. President Dobson said Georgia will not be able to vote on the motion. He said this is a discussion of the possibility of deferring action on Georgia until the May meeting. President Dobson said the motion is to defer action completely until the May 2017 meeting.

Concerns were expressed that you've got to keep your thumb on them to make sure something gets adopted in time for that spring meeting. If you don't put something up there, there will not be any reason to get anything done. Senator Cook rescinded his original motion to make a new motion to defer imposition of the sanctions on Georgia until May 1. President Dobson said the key date is to give Georgia a window to take action. Craig Johnson said the recommendation that the Executive Committee is making (see bottom of page 118), is that if Georgia doesn't get back into compliance by December 1, 2016 these are the sanctions being recommended. This motion is just changing that December 1, date to May 1, 2017. President Dobson said if that were to occur at that point, there would be no need for further discussion. He said we definitely have to look at what has or has not happened and further provide clarity. The sanctions, depending on what this body approve, would kick in on May 1, 2017.

Senator Hill asked if they have to get all the issues resolved by May 1, 2017 and President Dobson said if all of the issues are resolved before May 1, 2017, then the sanctions would go away. If not, then whatever sanctions the Governing Board adopts, if any, will go into effect at that time. Eric Wayne asked if they resolve 2 of the 3 issues, would all of the sanctions being recommended still go into effect or is it just that if all 3 are not resolved, this is the recommendation for sanctions? A document was brought up on the screen that was presented before the Executive Committee regarding the Georgia sanctions and recommended effects, depending on the combinations of the compliance issues that may be unresolved. Craig walked through the document and the sanctions that would be imposed based on the various combinations that the Executive Committee approved earlier in the day. President Dobson suggested we adopt this as further clarification of the sanction proposal. Craig Johnson said this document actually lays out the 3-compliance issues that Georgia has and what the sanction recommendation would be for consideration, depending on which of those compliance issues would be in existence on May 1.

John Doyle said basically on line 3 and line 5, if they solve one they will not get any benefit from it. Senator Dwight Cook moved to amend the initial motion to include the recommended treatment shown on the screen in EC16004. President Dobson said the original motion was to amend the date in the recommended sanctions from December 1, 2016 to May 1, 2017. Senator Cook amended his motion to add the chart that lays out the sanction treatment if some or all of the issues of non-compliance are still in existence on May 1. Senator Cook reiterated that his hope is that Georgia resolves the issues and that no sanctions have to be imposed. President Dobson asked for public comments. Fred Nicely of BAC said this has been really positive and encouraging. He stressed that these are not new compliance issues. They have been out-of-compliance for 3-years. He recommended that the Governing Board put some pressure on the Georgia legislature since there was a decision to put back in the good faith requirement after they became a Streamlined member, knowing it would take them out of compliance and could put significant burdens on the business community if it is not fixed. This is really the main issue the BAC is concerned with. Mr. Nicely said the Business Advisory Council does want to work with Georgia on the education local option sales tax issue and the SER issues. Beginning January 1, 2013, they were supposed to have the ability to accept the SER in place for all sellers and wants to know that Georgia is willing to address this issue. Amy Oneacre said that on the SER issue we will work to get that resolved. Amy said the reality is that the SER format causes problems for Georgia. There may be work arounds and they absolutely want to fix that. President Dobson said the motion is to consider amending the original motion to incorporate the chart displayed as part of the original motion. The roll of the states was called, 20 voted yes, Oklahoma, Kansas, New Jersey and Tennessee were absent and the motion carried. President Dobson said the amendment now on the table is to change the deadline for compliance from December 1, 2016 to May 1, 2017, depending on any non-compliance issues that are still in place. President Dobson said the motion on the table is that these issues are to be corrected by May 1, 2017. The roll of the states was called, 19 voted yes, Oklahoma, Kansas, New Jersey and Tennessee were absent, Georgia abstained and the motion carried.

- Indiana Sanctions Recommendation and Action – EC16004

President Dobson said Indiana's compliance issue revolves around their inability to accept the SER from all sellers. If they correct it by the December 1, 2016 date, there will be no sanction. If they are not in-compliance by December 1, then Indiana will be out-of-compliance with the SSUTA until the issue is corrected and subject to whatever sanctions the Governing Board may adopt at this meeting. Eric Wayne said he would like to make the same amendment for Indiana that was just made for Georgia and move the date to May 1, 2017. Senator Kenley also requested the same deal as Georgia in the interest of fairness. Richard Dobson said there is a motion to consider the sanctions for Indiana, for the date to be changed from December 1, 2016 to May 1, 2017. Representative Kennedy asked where Indiana is on fixing this issue. Senator Kenley said this is not a legislative issue for Indiana and they are working on fixing it. Senator Kenley said he thought Larry Molnar could make it happen by the revised date of May 1, 2017. The roll of the states was called, 19-voted yes, 1-abstained, 4-states were absent and the motion passed.

President Dobson adjourned the meeting at 5:31 PM eastern to reconvene on Friday morning.

- *Friday, October 14, 2016, 8:30 am – noon eastern*

President Richard Dobson reconvened the meeting at 8:35 am eastern. The roll of the states was called, 21 states were participating and the quorum was established. Absent were the states of Kansas, Oklahoma and Tennessee.

- **Finance Committee** – Victoria Daniels (IA), Chair
 - Financial Reports

Chair Daniels provide the financial reports of the Governing Board.

- 4th Quarter FYE June 30, 2016 ([FC16003A01](#))

Chair Daniels provided the Fourth Quarter FY 2016 Financial Report. She said that Craig Johnson indicated that although we received the final invoice from Azavar after the end of the year we knew approximately what that expense was and it is reflected in the 4th quarter financials. However the actual payment will not be made until the next quarter. She also pointed out on the balance sheet the Deferred Revenue – Membership line. That amount represents dues for the next fiscal year that have been paid prior to the end of the current fiscal year. Each year several of the states pay their dues for the next fiscal year prior to the end of the current fiscal year. Otherwise she reported that the remaining expenses were in line with what was anticipated at the time the budget was developed and asked if there were any questions. There were no questions.

- Annual Report - FYE June 30, 2016 (unaudited) ([FC16004](#))

Chair Daniels thanked Carol Faulb, the SSTGB accountant and Craig for doing such a good job in handling the accounting over the course of the year. She reported that for the fiscal year we ended up with a balance of \$685,960 which exceeded the ending balance that was anticipated when the budget was originally adopted. This was due to various reasons, including fewer travel expenses and generally keeping a close eye on expenses. Receipts totaled \$1,049,131. Expenses totaled \$939,035. With the exception of the meeting expenses, all major expense categories came in under budget. The major budgetary developments in this fiscal year were the continuation of the contracts with two governmental affairs firms and the new central registration system development. The assets of the Governing Board totaled \$1,131,244. The other items included in this unaudited financial report include the balance sheet, the Cash Flow statement and Incoming Expense Statements from fiscal year 2016.

Representative Kennedy asked if we have multiple Wells Fargo accounts and Craig Johnson said there are two accounts. Dan Noble asked if we want to continue with Wells Fargo with all the problems they have had recently. Craig Johnson said he has been looking into moving some money away from Wells Fargo due primarily to the low interest rate we are being paid, but indicated that we have to consider more than just the interest rate. He indicated that when he took over, he left the accounts with Wells Fargo because they also handle our credit card processing, etc. and if we move away from them, we will need to get a new credit card processor, etc. The Finance Committee will continue to look into this. Chair Daniels asked if there were any other

questions on the Unaudited Annual Financial Report. There were no additional questions.

- FYE June 30, 2017 Proposed Budget Revisions ([FC16005](#))

Chair Daniels referred to document FC16005, the FY2017 budget amendment proposal. Each year once the prior year has ended, a budget amendment is brought forward for consideration to identify any changes that may be needed to the amounts that were contained in the original budget that was passed originally. When the budget was originally adopted, the beginning balance was anticipated to be \$489,809 but once the year was finished, the balance was \$685,960 so that change needs to be made. An adjustment is being proposed to the Salaries and Benefits lines since the GB does not offer a health insurance benefit. The amounts previously shown as health coverage have been combined with the Salaries line. In addition, with the hiring of Jody Bartels we also had some salary increases that could not be absorbed by the existing budget so that amount is being increased as well. In the Office Expenses section an increase in the depreciation by \$2,000 is being proposed along with a reduction in the Computer Equipment and Furniture of \$4,500 since not as many new computers are anticipated to be purchased next fiscal year. In the Travel section, Craig is recommending some minor adjustments in the some of the travel expense accounts and is also recommending the addition of a \$24,000 line item to allow up to a \$1,000 reimbursement per state to offset their travel and registration fees for Governing Board delegates or their designees to attend the two in-person meetings each year in an effort to encourage participation. In addition, Craig is also recommending a \$24,000 line item to reimburse states for sending their auditors to the state auditor training that will be held in the spring in conjunction with the SLAC, Certification and Audit Committee meetings. The goal of this is to again encourage participation in the training. Craig Johnson said that the CSP Contract Compliance Audits were coming up next year and he is recommending a slight increase in the amount allowed for travel expenses in this area to make sure we have enough in that line item to cover all of that travel.

Chair Daniels said under the annual central registration fee, an \$8,000 adjustment is needed with respect to the annual hosting and maintenance. Chair Daniels said we now know that number should be at the estimated \$28,000. The last budget adjustment being recommended is an increase of \$1,000 for the committee meetings. These meetings are held at hotels and the attendees do pay any registration fee. The costs are increasing, but it's important enough that we want to continue doing that. Chair Daniels asked if there were any questions and there were none.

- FYE June 30, 2018 Proposed Budget ([FC16006A01](#))

Chair Daniels referred to document FC16006A01 – FY2018 budget proposal. She reported that the budget proposes no dues increases. We have a slight increase in salary and payroll taxes. Craig Johnson said the travel reimbursement for state auditor training is not needed in FY2018 since that training will be completed in FY 2017 and only \$5,000 is needed for the Audit Core Team travel because those audits should be pretty much wrapped up and little if any travel will be needed. Chair Daniels said we had added a line item of \$25,000 for website redesign which is based on a rough estimate

that Craig Johnson had obtained from speaking with Azavar. It could be more or less than that. To summarize, the ending balance under the proposed ending budget is anticipated to be \$550,310. She asked if there were any questions and there were none. She indicated that both the Finance Committee and Executive Committee has previously approved all of these documents. John Doyle motioned that all of the aforementioned Finance Committee documents be approved for adoption. The roll of the states was called, 20 voted yes, 4 were absent and the motion passed.

- **Election of Officers and Directors for 2017 – NC16001**

Nominating Committee Chair, Richard Dobson provided the names of the 2017 Officers and Directors Slate of Candidates for election as follows: Officers - President - Senator Dwight Cook (North Dakota); 1st Vice President - Dan Noble (Wyoming); 2nd Vice President – Representative Brian Kennedy (Rhode Island); and Secretary/Treasurer – Diane Hardt (Wisconsin). In addition to the Officers, the Governing Board needs to elect two Directors. The Directors have two-year term that ends December 31, 2018. The Nominating Committee is recommending Senator Ann Rest (MN) and Senator Wayne Harper (UT) for those Director positions. President Dobson asked if there were any other candidates that wanted to be considered or nominated. Hearing none he entertained a motion to elect these candidates. Senator Bramble motioned that the aforementioned slate of 2017 candidates be elected as the officers and directors. The roll of the states was called and 19 voted yes, 5 were absent and the motion carried.

- **Election of Nominating Committee for 2017 – NC16002**

Nominating Committee Chair, Richard Dobson provided the names of the 2017 Nominating Committee candidates for election as follows: Guy Childers (Nevada), John Doyle (West Virginia), Senator Wayne Harper (Utah), Senator Deb Peters (South Dakota), Diane Hardt (Wisconsin), Richard Dobson (Kentucky), Victoria Daniels (Iowa), and Tim Jennrich (Washington). He asked if there were any other candidates to be considered. Hearing none he entertained a motion to elect all of the candidates in one vote. Senator Curt Bramble motioned that the aforementioned candidates be elected to the 2017 Nominating Committee. The roll of the states was called and 18 voted yes, 6 were absent and the motion carried.

- **Proposed Amendments to SSUTA and Rules for Discussion and Possible Action**

- Section 302 (State and Local Tax Bases) and 308 (State and Local Tax Rates) – AM16004

President Dobson explained the purpose of AM16004 which was an amendment to Sections 302 and 308 of the SSUTA and enacting a very narrow definition of “energy” solely for purposes of Sections 302 and 308. Those sections already provide for exceptions in the area of electricity, natural or artificial gas and other fuels along with a couple other items. This amendment would allow a state to have a different tax base for state and local taxes for energy as defined in the amendment used in manufacturing. Representatives from Georgia explained that this amendment would help them address one of their compliance issues because of the fact that these items are treated differently by the state and local governments. The tax imposed on these transactions

by the locals was used for education and therefore is not something that was likely to change. Georgia indicated that they appreciated the work and discussions between Fred, Craig, Richard and others in helping them bring this amendment forward for consideration. Craig pointed out that if this amendment is adopted no state would be required to make any change. Fred Nicely indicated that the BAC had discussed the amendment and reported they are neutral on it. He did point out that anytime a toggle is adopted, it potentially adds to the complexity of determining taxability of transactions. John Doyle motioned approval of AM16004. The roll of the states was called and 19 voted yes, 5 were absent and the motion carried.

- **Appendix H – Recertification Process** – RP16002

Tim Bennett, Chair of the Certification Committee referred the attendees to document RP16002. He reported on the Certification Committee's discussions regarding the amendment. This amendment revision is being proposed to match the process that actually takes place when CSPs are recertified. Tim walked through the proposed changes. President Dobson said the new wording reflects the actions of the Committee as it has evolved over time. He said the Governing Board appreciates the efforts of the Certification Committee. There were no questions or comments. John Doyle made a motion to approve RP16002. The roll of the states was called and 19 voted yes and 5 were absent and the motion carried.

- **Appendix O Amendment** – RP16003A01

Chair Bennett reported on the CSP Annual Representation amendment to rule number RP16003A01. Chair Bennett explained that this amendment is being recommended so that the CSPs are required to provide in their annual representation letter information related to the successful back-up of their systems and the possible theft of any data from the CSPs systems. Tim walked through the proposed changes. President Dobson asked if there were questions or comments for Chair Bennett. Tim Jennrich (WA) motioned the rule amendment to Appendix O. The roll of the committee was called, 20 states voted yes, 4 were absent and the motion carried.

- **State and Local Advisory Council** – Alison Jares (SD), Chair

Chair Alison Jares reported on the Nashville SLAC meeting.

- **Post transaction issues – Tax Administration Practices** – SL16009A03

She said they are spending a great deal of time working on the SLAC requests and especially the Post Transaction issues. She said they are making good progress and will have a great package to bring to the next meeting.

- **Limited Authorization Form** – SL16003A02

Chair Jares said they are making great progress on the Limited Authorization Form and she appreciated the help from the CSPs and the workgroup on this issue. Although it is not ready for a vote yet, it may be ready for the December meeting.

- **Feminine Hygiene Products – Uniform Definition** SL16030

SL16030 is a new request that SLAC has received relating to developing a uniform definition of feminine hygiene products. Fred Nicely (BAC) said this issue was discussed yesterday at the SLAC meeting and their members supported it and thought it would be helpful to have a uniform definition. President Dobson said there are

already two Streamlined states that have adopted a definition and others had legislation proposed so he also thinks it would be good to develop a uniform definition. Victoria Daniels motioned approval of SL16030. The roll of the states was called, 21 voted yes, and 3 were absent so the motion carried. Chair Jares said to let her and Craig know if you are interested in being a part of that workgroup.

- Medical Products Listing – SLAC Work Request – SL16028

Chair Jares asked Craig Johnson if wanted to address SL16028. Craig said we are receiving requests on the classification of various medical products. Some listings of the classification of medical products were adopted by the Governing Board in 2006 and 2007. The goal of this work request was to put an ongoing workgroup together to address these issues as they come up. Eric Wayne asked if some of these should go to CRIC. He said CRIC is in place for the Interpretations to the Agreement. Craig indicated that if there is a product on the list and the question relates to something that is already on this list and someone is questioning that, he could see those going to CRIC. Otherwise he thinks the workgroup could work through them and if necessary send them to CRIC at that time. Craig said he wasn't wedded to the workgroup but wanted it brought to the Governing Board's attention because one way or the other, we need to get answers out when these questions come up. He said if the no one had a problem with these all going through CRIC at this time, he was fine with that and would withdraw this work request and instruct those asking these questions to send them to CRIC at this time. Craig withdrew the work request.

- SLAC Annual Report – SL16032

Chair Jares discussed the 2016 SLAC Annual Report. She added that she truly appreciates the efforts and attention provided by the members.

- **Proposed Amendments to Rules for Discussion and Possible Action**

- Rule 809 – Sanction of Member States – RP16001

President Dobson said Rule 809 was adopted to address sanctions and the procedures the Executive Committee was to follow in developing their sanction recommendation. The rule as it is currently written was applied in the discussions yesterday when recommending the sanctions to impose on Georgia and Indiana. Using the rule as currently written, it came to light that there were a few items that could be clarified to provide additional guidance to the Executive Committee. The amendment being brought forward provides additional guidance to the Executive Committee when preparing the sanctions they are recommending to the Governing Board. At the May 2016 meeting as we addressed documents that the BAC submitted related to state's non-compliance and the use of the rule, a workgroup was created to report back to the Executive Committee on possible improvements to the rule, taking into account what the BAC had submitted. President Dobson said he is the Chair and the workgroup is made up of Dwight Cook, John Doyle, Russ Brubaker, Wayne Harper, Pat Calore, Fred Nicely and Craig Johnson. President Dobson walked through the proposed changes and asked if there were any questions regarding the amendments to the rule as they appear in the publication, document RP16001. President Dobson said we are opening the floor for consideration of this amendment and to take suggestions for additional changes. Tim Jennrich indicated that provision E.1.B was changed to discuss the burdens on the seller and removed the language relating to the action needed to bring the state back

into compliance. He indicated that although Section E.1.F focuses on efforts that have already been taken by the state to get back into compliance, he thinks it is important to add a provision in that section that also indicates the Executive Committee also give consideration to the actions that the state will need to take to get back into compliance. John Doyle said it might also be important to add to 1.E.1 after “the following factors” the words “and may consider others” and strike “at least”. Mark Nebergall suggested the word “relevant” so it reads “other relevant factors.” John Doyle opposed that change. He said it is proper for the Executive Committee to determine what factors are or are not relevant. President Dobson asked if there were comments or questions and there were none. Pat Calore said she was in support of what John said. She said in the workgroup they discussed “may” vs. “shall” because they did not want to take away from the Executive Committee the options they had. Eric Wayne said he thought the word “shall” should be changed to “may.” President Dobson said he would be uncomfortable removing the first “shall,” but we may consider other factors as well. John Doyle said he thought the workgroup intended for it to be mandatory for it to be considered. Pat Calore said she is totally in favor of “may.”

Pat indicated this paragraph raises the question about whether this is an interpretive rule or a procedural rule. She said not to forget that procedural rules only require a majority vote and not the $\frac{3}{4}$ vote. She wants the rules to be clear as to what we are doing here. It’s important if a court looks at our behavior and actions.

Craig made the changes to H to add “any actions which will be required to address the noncompliance.” Pat Calore asked if we need to talk about including the length of time in H. She asked if we are also considering what actions the local jurisdictions may have to take in there as well? No responses to that were made and no change was made.

Gina Dougherty addressed Section F.1 and suggested separating out the sentence about the copy of the recommendation being sent to the GB. She said what is now in part 2 would become 3.

Pat Calore said she has concerns about the language in Section E.1.e. If you want an automatic escalation in sanctions, it might be better to not word it as a recommendation. She said the length of time would cause the increase in sanctions. We are supposed to be exercising discretion, so if we start using the word “shall,” she would be concerned.

President Dobson asked for comments from the BAC. Fred Nicely said he appreciated the discussions surrounding these changes. He said he thinks Gina Dougherty is right about separating out the sentence in F.1. He also indicated that they believe that there should be an expectation that if a state is out of compliance the sanctions will increase over time.

Richard asked if there are other questions or comments and there were none. President Dobson said that there was also a recommendation to change throughout the body of the rule the phrase “lack of compliance” to “non-compliance” to make it uniform. Craig did that on the screen.

Ellen asked if the Board could make a decision that no sanctions are warranted. If that is an option, she suggested that item be added to the list of possible recommendations, but that it not be added after expulsion. Even if there is no sanction being recommended, she still thinks there should be a written report explaining the rationale. Craig Johnson made the change putting "no sanctions being imposed" as the first option on the list.

Senator Cook asked about the language in 2.C and 2.E. He asked, under what circumstances would you want a delegate to not participate? You always want them at the table unless they don't want to be there. President Dobson said in C, the way he reads it, the state would not be recognized as a part of the Governing Board during the meetings. They would not have recognition at the table. Craig added that taking away their delegates doesn't take them away from their financial commitment to the Governing Board or from the benefits being a member provide including having sellers volunteer to collect and remit their taxes. In addition, if they don't have delegates, that also prevents them from serving on some Committees.

Gina Dougherty said it sound like C is a more punitive action than D which just takes away their right to vote. David Campbell asked if they can just "turn off the state." Craig Johnson said if they are still a member state, the CSP would still have to provide services to that state as provided in the CSP contract. President Dobson said we could either entertain a motion to approve this or table it to the December Executive Committee for one final presentation. Eric Wayne said we spent a lot of time trying to break down the recommendations for Georgia. If we do not vote today, what happens to any of the non-compliance issues that will be up for review. President Dobson said that the sanction considerations with respect to Georgia and Indiana will not be affected by any vote on this today since those votes and the recommendations from the Executive Committee are already done. John Doyle said he does not think there is a consensus in this group and for that reason, he thinks the wisest course of action would be to send this back to the workgroup. Senator Deb Peters said 90% of this is non-controversial and she felt it should be voted on today. She said it can then go back to the workgroup for the items that are still up in the air, but she did not want to rehash the whole thing again.

Gina Dougherty recommended a new section F.3 to separate out the requirement of sending the recommendation to the subject state and the Governing Board delegates because of the wording in Section K. Senator Peters made the motion to adopt the Rule 809 changes as shown on the screen, and to send the amended rule back to the workgroup to address issues regarding the expectation that the sanctions increase over time and other changes the workgroup thinks may be necessary. Craig Johnson indicated that if this rule is amended today and additional amendments will want to be made and voted on at the December Governing Board meeting, a 30-day notice has to be sent by November 16 that Rule 809 will be voted on again. Richard Dobson restated Senator Peters' motion along with the recommendation that the rule be sent back to the workgroup for possible additional changes to be voted on at the December Governing

Board meeting and asked if there were any questions or comments. Craig Johnson said the motion is to adopt RP16001 as amended and shown on the screen at this meeting and dated today and to then send it back to the workgroup for consideration of further changes that may be recommended. The roll of the states was called, 21 voted yes, and 2 were absent and the motion carried. President Dobson said the Governing Board will now put this back before the workgroup to review and bring forth a possible recommendation to the Governing Board on the one or two remaining issues.

- **Audit Committee** – Ellen Auger (MN) and Darrell Engen (ND), Co-Chairs
 - Report of Nashville meeting, August 24 - 25, 2016

Co-Chair Darrell Engen reported that it has been a very busy year for the Audit Committee and they expect a busy upcoming year as well. He said they have been and are continuing to work on planning and conducting the contract compliance audits of the CSPs. The Core Team is also working on doing some of the testing to try to eliminate this step from each of the states' individual audits. The goal is for the Core Team to do much of the testing related to product based exemption so that the states only have to do the testing with respect to the entity and use-based exemptions. However, to get to that point, they need to know that the states agree that the taxability of the product categories provided by the CSP's is correct. To do this, we need to look at using expanded test decks to test all of the product categories and we will continue to work on those. If this can get accomplished, then they will really just have to look at the product mapping itself. Darrell also referenced the timelines in the publication on pages 120 – 123 related to the contract compliance audits and the state tax compliance audits.

- State Auditor Training

Co-Chair Ellen Auger said the Audit Committee will have in-person training for the state auditors for the first time in 10-years. It will take place in March 2017. The location has yet to be determined. Co-Chair Darrell Engen asked for experienced auditors to consider being volunteers to help provide the training. Craig Johnson said he appreciates the states of North Dakota and Minnesota allowing Ellen Auger and Darrell Engen to take the time needed to lead the Audit Committee and its activities.

- **Certification Committee** – Tim Bennett (KY), Chair

Tim Bennett provided an overview of the Nashville meeting that was held on August 23 - 24, 2016. He also explained the project they are working on with SLAC related to the certification of product categories, what it means to certify, the format these requests are to be made in and the corresponding liability relief.

- **Executive Director Updates and Reminders – Craig Johnson**

- CSP Contract Discussions

Craig Johnson said the CSP contract negotiation team is meeting this afternoon to discuss the contract that will begin in January 2018. He said he had previously asked all the states for any concerns that need to be addressed, why they needed to be addressed and possible language to consider. He has only heard from a couple of states so far.

- Status of Streamlined Registrants

The trends of registrant continues to be on an upward slope and we currently have just under 3,200 active participants. He believes that we should start putting together material to promote the simplification and uniformity of the Streamlined states as well as the CSPs. He continues to receive inquiries about what we do and how it works. He also has some concerns because of some of the calls he receives and the caller tells him they had called State X or State Y and whoever answered the phone for the state didn't know anything about Streamlined.

- Taxability and Certificate of Compliance

Craig Johnson suggested that the states get the changes needed to him now so we can get those changes done and ready for the meeting in the spring.

He said we will also be looking at a website redesign. He indicated if you have ideas, to get those ideas to him. In addition, if you have topics that you want SLAC to work on, be sure to get the SLAC work request form to him on those items.

Craig Johnson said we are going to continue working on the Tax Administrators Guide.

Craig indicated that on the bulk payments issue, he has heard from several states that are ready to start testing and if the CSPs need that list of states to let him know. Eric Wayne said they are still looking for some statistics regarding bulk payments because the costs to make the change could be significant in comparison to the savings, etc. He thinks the other states will probably have the same hurdle to jump over. Tim Bennett indicated that the CSP's that wanted the bulk payments indicated they would come back with some statistics. These statistics would be helpful especially for the states that do not have it in place and that may need some persuasion.

- 2017 Spring Meeting

On May 9-11 the next meeting will be held in Bismarck, North Dakota. The Governing Board meeting will be held in the Senate Chambers at the Capitol. Steve Kranz said he is accepting T-shirt art design suggestions for the Extravakranza to be held on Tuesday evening, May 9 after the SLAC meeting.

- **Business Advisory Council (BAC)**—Fred Nicely (COST) / Charles Collins (ADP)

On Charles Collins' behalf, Steve Kranz indicated that the BAC would like to see action taken on the request submitted by AT&T and Wal-mart related to certifying third party databases. They also want to see the limited POA/agent authorization form move forward.

Jerry Johnson pointed out that the first paragraph of the POA form limits the form to those persons that are actually making the payment. He said that some would like that changed. He said if there are people who have big concerns with that to let him know. Craig Johnson asked if the practical effect of that would be that anyone, including persons other than CSPs could use this form. Jerry Johnson said Carolyn Kranz, in her practice, does not file returns for people. She could use this form to allow her to

communicate with the states on these limited issues. Jerry Johnson said we will send something out to the Streamlined states next week with respect to the disclosed practices in this area. As long as they can meet that the deadlines required by the SSUTA and the Rules, they hope to get this on the December agenda. He said they will be working with Alison Jares next week to put out a call for final comments so that hopefully the form and related disclosed practice will be ready for a vote at the December meeting.

- **Old Business** - None
- **New Business – Open Discussion** - None
- **Adjournment**

With no further business, John Doyle motioned adjournment. President Dobson adjourned the meeting at 12:04 pm eastern.