

**A motion by North Dakota, Minnesota, South Dakota and Indiana to amend the rules relating to the annual recertification process:**

**Rule 905. Annual Recertification**

- A. **Recertification Requirement.** Pursuant to Section 803 of the Agreement, each member state shall annually recertify to the Governing Board by August 1 of each year that as of August 1 of such year the state is in compliance with the Agreement.
- B. **Compliance Review And Interpretations Committee.**
1. **Responsibility.** Pursuant to Article 7, Section 2 of the by-laws, the Compliance Review and Interpretations Committee (Committee) is responsible for reviewing compliance review reports to determine any needs for re-assessment and recommending findings of compliance and non-compliance to the Governing Board.
  2. **Recertification Documents.**
    - a. ~~By August 1 of each year, each~~ Each member state shall submit to the Executive Director a statement certifying that the state is in compliance with the Agreement or submit a statement of noncompliance. The Executive Director shall forward all statements and any accompanying documents to the Chair of the ~~Compliance Review and Interpretations~~ Committee. A member state shall indicate any known items of noncompliance that may occur at a date following its certification submission or action needed to be taken to comply with requirements of the Agreement with future effective dates.
    - b. With the statement in subsection (a), each member state shall submit a taxability matrix and a certificate of compliance that sets out the state's statutes, rules, regulations, or other authorities that have been adopted to come into compliance with the specific provisions of the Agreement.
    - c. Each member state shall post ~~it's~~ the subsection (a) statement of recertification or its statement of noncompliance and an updated certificate of compliance on the state's web site by August 1 of each year. The updated certificate of compliance shall reflect the state's compliance with the provisions of the Agreement that are in effect as of through August 1 of the year of submission. The Executive Director shall post all recertification filings on the Governing Board's web site.
  3. **Evaluation**
    - a. ~~The Compliance Review and Interpretations Committee and any designees that the chair of the Committee appoints to provide assistance~~ shall review all statements and accompanying documents and provide a report to the Governing Board by no later than November 30. No later than August 1 the Committee shall publish a schedule of meetings that will result in a report being issued by November 30. The Committee's schedule of meetings must include sufficient time for public comment.

- b. ~~The Compliance Review and Interpretations Committee shall submit to a~~ provide each state with a written report of member state any findings of noncompliance based on a review of a certificate of compliance or other documentation submitted with a member state's annual statement of recertification. Such findings shall be published at the time they are given to the member state. The committee shall provide each member state shall have no less than 30 days to provide a written response respond to the findings in writing to the chair of the Compliance Review and Interpretations Committee. The Committee shall publish the state's written response. No sooner than 31 days after submission of the findings to the member state, the ~~Compliance Review and Interpretations Committee shall~~ determine if further action is warranted.
- c. ~~If the Compliance Review and Certification Committee finds that a member state is in compliance with the Agreement, the committee shall report such findings to the Governing Board. If the Compliance Review and Interpretations Committee determines that a member state is not in compliance with the Agreement, the committee~~ Committee shall submit such findings to the Governing Board.
- C. **Public Notice.** The Executive Director shall provide a copy of a statement of noncompliance from the member state and any findings of noncompliance by the ~~Compliance Review and Interpretations Committee~~ to and shall solicit comments from the following parties:
1. the authorized representative of each member state;
  2. the Chair of the State and Local Advisory Committee;
  3. the Chair of the Business Advisory Council; and
  4. the general public as provided in Rule 806.2.
- D. **Agenda.** ~~No sooner later than 60 days after the solicitation of comment~~ December 31, the statement of noncompliance from the member state and any findings of noncompliance by the ~~Compliance Review and Interpretations Committee~~, the issue as to whether the member state is in compliance with the Agreement shall be placed on the agenda of the Governing Board for either a regular meeting or a special meeting. If a member state is found to be out of compliance by the Governing Board, the member state shall be subject to sanctions as authorized under Section 809 of the Agreement.
- E. **Appeal.** If the subject state disagrees with the determination, the subject state may invoke the appeals process provided for in Section 1002 of the Agreement.
- F. **Publication of the Decision.** Once the decision of the Governing Board becomes final, either because no appeal is filed or the appeal procedures have been exhausted, the decision shall be sent to the subject state and a copy of the decision shall be posted on the ~~Web~~ Governing Board's web site.