

**State and Local Advisory Council  
Business Meeting  
October 28, 2013**

**Welcome and Roll Call**

Christie Comanita (AZ), SLAC Chair, opened the meeting. Twenty seven (27) states were present as well as representatives from the Government Finance Officers' Association, the National Association of Counties, the National League of Cities, and the U.S. Conference of Mayors.

**Minutes**

The minutes from the May 14, 2013 meeting were presented for approval. Pat Calore (MI) suggested that corrections be made as the draft did not reflect the full discussion and final decisions on the Best Practice Proposal by Oklahoma. Pat indicated that information is missing regarding the title change from "Best Practice" to "Common Practice."

The minutes will be corrected to add this information and will be reviewed at the next SLAC meeting.

**Steering Committee**

Christie announced the results of the Steering Committee election. For 2014/2015 the members of the SLAC Steering Committee will be:

Christie Comanita (AZ)  
Harry Fox (NJ)  
Tim Jennrich (WA)  
Larry Paxton (IA)  
Tony Mastin (OK)  
Mike Bailey (Government Finance Officers' Association)  
Robert Scott (US Conference of Mayors)

**Best Practice Proposal**

The Governing Board is scheduled to take a second vote on the amendment proposed by Oklahoma which creates a new section in the Streamlined Sales and Use Tax Agreement – Section 335. Gina Dougherty (AR) explained Arkansas’ amendments to the pending Section 335, Best Practice amendment.

Gina explained that the fundamental purpose of the new section is to disclose state practices in certain areas of taxation. As currently drafted, the Best Practice amendment does not provide uniform information to sellers as any state not following the stated practice will describe their own practice using non-uniform terminology. In addition, Arkansas believes state resources are used inefficiently when debating what the “best” practice in an area is. Based on discussions at the previous SLAC meeting, it seemed that states did not want to answer that they did not follow a Best Practice. The definitions would be wordsmithed so that states could answer YES. Gina further noted that the adoption of a Best Practices could discourage future membership if a state does not follow an adopted Best Practice.

The amendment by Arkansas requires a state to complete a “Disclosure Matrix” that identifies administrative practices in certain areas. The Governing Board would adopt uniform definitions of those practices which would provide sellers with clarity on issues.

Pat Calore (MI) added that the term “best” connotes a value judgment. States indicating a different practice may be viewed in a negative light. In addition, the Best Practice amendment requires only a simple majority to categorize a practice as “best”.

Senator Bill Dotzler (IA) said that while states are independent and are not required to follow a best practice, it was a good idea to have a best practice recommendation.

Christie called for a vote on whether states supported the Arkansas proposed amendment. The vote was seven “YES”; twenty-two “NO”; and two “Abstain”.

Christie then called for a vote on whether to recommend the Governing Board hold a discussion on the Arkansas amendment. The vote was twenty-six “YES” and five “NO”.

Christie then called for a vote on Oklahoma’s Voucher Best Practice (SL 13029) and Best Practice Matrix on Vouchers (SL 13028). The vote was twenty –nine “YES” and two “NO” (Michigan, Arkansas).

Christie will report the results of these votes to the Governing Board on October 29, 2013.

## **Public Comments**

There were no public comments.

### **Announcements**

Christie announced there would be a reception hosted by the Wisconsin Department of Revenue following the Governing Board meeting on Tuesday, October 29, 2013 at the Overture Center for the Arts.

The meeting was adjourned.