Section 703: STREAMLINED SALES TAX IMPLEMENTING STATES

A. From the time of ratification of this Agreement until the provisions of Section 701 have been met, the Streamlined Sales Tax Implementing States shall maintain responsibility for the Agreement, including the disposition of all proposed amendments to the Agreement. If the provisions of Section 701 have been met with the use of associate members as defined in Section 704, the Streamlined Sales Tax Implementing States shall be responsible for the disposition of all proposed amendments to and interpretations of the Agreement until such time as the provisions of Section 701 have been met without the use of associate members.

B. Amendments to the Agreement considered by the Streamlined Sales Tax Implementing States shall follow the provisions as set forth in Article IX, Section 901.

C. For a period of not less than six months nor longer than one year after the provisions of Section 701 are met without the use of associate members, the Streamlined Sales Tax Implementing States shall provide advice to the governing board of the Agreement and shall be consulted by the governing board before amending the Agreement.

D. Upon the expiration of the duties of the Streamlined Sales Tax Implementing States as set forth in subsection C, any state that previously held Implementing State status shall become an advisor state to the governing board.

1. Advisor states shall serve in an *ex officio* capacity on the governing board, with non-voting status, but may speak to any matter presented to the governing board for consideration.

2. Each state’s delegation to the Streamlined Sales Tax Implementing States may serve as the state’s delegation to the governing board as established herein or the state may appoint a new delegation, of up to four representatives, who shall be members of state or local government.

3. Representatives of advisor states may serve on standing committees of the governing board except they may not serve as officers or directors on the executive committee or as members on the finance committee or the compliance review and interpretations committee.
4. A state that was not previously an implementing state may become an advisor state by:
   a. Enacting legislation authorizing the state’s participation in interstate discussions to develop a simplified sales and use tax system; or
   b. Executing a memorandum of understanding or similar written document by the governor and legislative leaders expressing the intent of the state to participate in interstate discussions to develop a simplified sales and use tax system.

Any question over whether or not a state qualifies as an advisor state shall be resolved by a majority vote of the governing board.

E. Neither the governing board nor a member state may share or grant any advisor state access to any seller information from the seller's registration pursuant to Section 401. Neither the governing board nor a member state may share or grant any advisor state access to any seller information from an audit conducted by the governing board or a member state on behalf of the governing board.

F. An advisor state may not participate in a closed session of the governing board or a governing board committee.

Compiler’s note: On April 16, 2005 Section 703 was amended by inserting the second sentence in 703 (A) and inserting “without the use of associate members” after “are met” in 703 (C). The April 16, 2005 amendments to this section were effective upon adoption. On August 29, 2006 Section 703 was amended by inserting subsection D. The August 29, 2006 amendment to this section was effective upon adoption.