



Streamlined Sales Tax Executive Committee Meeting Minutes
Tuesday, May 7, 2019, 11:00 am – 12:00 pm eastern
The Graduate Hotel, Providence, RI

Welcome and roll call President

President Brian Kennedy called the open session of the Executive Committee to order at 11:00 am eastern. The roll of the Committee was called, and present were Representative Brian Kennedy (RI), Dan Noble (WY), Senator Wayne Harper (UT), Commissioner Clark Jolley (OK), Diane Hardt (WI), Representative Tim Reed (SD), Tom Atchley (AR) and Tim Jennrich (WA). Absent was Senator Ann Rest (MN). The quorum was established with 8 of 9 Committee members present.

Report of closed session

Representative Kennedy provided a report on the closed session. The Executive Committee voted on compensation and hours of the SSTGB staff. They also voted on an issue brought forth by the state of Washington regarding whether a certain seller fell within the definition of “volunteer seller” thereby allowing the CSP to be compensated by the State of Washington for this seller. The Executive Committee found that the seller did not fall within the definition of “volunteer seller” and the CSP was not entitled to compensation with regard to this seller. Recognizing the a new contract with the CSPs is currently being negotiated, WA agreed to allow compensation until the Governing Board meeting in October, presuming a new contract would be brought forward for consideration at that time. If a new contract is not brought forward at that time, WA will stop compensating the CSP for this seller from that point forward.

Review and Approve Minutes of March 28, 2019 Meeting (EC19003)

Tim Jennrich motioned to approve the March 28, 2019 meeting minutes (EC19003). President Kennedy asked for comments, none were received. A voice vote was taken and was unanimous. Motion carried.

Executive Committee Vacancy

Craig Johnson stated the Nominating Committee met but did not make a recommendation to fill the vacancy created by Representative Gary Scherer no longer being eligible to serve on the Executive Committee. The consensus of the Nominating Committee was to try to keep the balance between elected officials and tax administrators on the Executive Committee if possible. At the same time, however, they want someone who is very engaged in Streamlined and/or remote sales tax collection. The person appointed will fill the remainder of Representative Scherer’s term through 12/31/19. Craig stated he is looking for interest by any of the legislators from states that are not already represented on the Executive Committee and asked any interested party to reach out to him or Representative Kennedy.

Executive Committee Sanction Recommendation – Georgia (EC19001)

President Kennedy explained the Georgia compliance issues regarding the Good Faith requirement for accepting exemption certificates and their inability to accept the SER from sellers other than Model 1 sellers, the cap of \$35,000 in tax on boat repairs and the exemption for food from local tax in one jurisdiction. The recommendation that will be brought forward to the Governing Board is to not allow



GA to vote on SSUTA amendments or other state's compliance if all four issues remain unresolved, or if only the good faith issue remains unresolved. If all issues remain unresolved, with the exception of good faith, GA would be allowed to vote on SSUTA amendments, but not on other state's compliance. Diane Hardt moved to approve EC19001. President Kennedy asked for comments, none were received. A voice vote was taken and was unanimous. Motion carried.

Status of CSP Contract Negotiations

Representative Kennedy stated the Contract Negotiation team will continue to meet. The multi-level marketing issue will be addressed in the new contract that begins 1/1/21. Marketplace facilitators have been contacting Craig Johnson asking if they can use a CSP. This needs to be addressed in the contract as well. The state Contract Negotiating Team will get back together soon to discuss these issues.

Upcoming Meetings

Upcoming Executive Committee meetings

July 26, 2019 – Teleconference 10 am central

October 2, 2019 – Annual in-person meeting – Charleston, WV

December 13, 2019 – Teleconference 10 am central

January 10, 2020 – Teleconference 10 am central

Upcoming Governing Board Meetings

Annual meeting, October 1 – 3, 2019 – Charleston, WV

December 20, 2019 – Teleconference 10 am central

Old Business/New Business/Adjournment

Craig Johnson pointed out documents EC19002 and EC19003 related to possible new classes of membership in Streamlined. Some discussions were held including concerns raised by the Business Advisory Council related to creating a new class of membership. The suggestions was made to provide a path for non-member states to participate and use certain Streamlined items, such as the central registration system, use of and participation in the CSP contract if they adopt certain simplifications and provide certain items such as rate and boundary files and taxability matrices. These documents will be discussed in more detail at the Governing Board meeting.

With no further business, Dan Noble motioned to adjourn the meeting at 12:00 PM eastern.