



Streamlined Sales Tax Executive Committee Meeting Minutes  
Wednesday, October 2, 2019, 11:00 am – 12:00 pm eastern  
Four Points Sheraton - Charleston, WV

**Welcome and roll call President**

President Brian Kennedy called the open session of the Executive Committee to order at 11:20 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), Tim Jennrich (WA), Senator Dwight Cook (ND), and Senator Ann Rest (MN). The quorum was established with 10 of 10 Committee members present.

**Report of closed session**

Representative Kennedy provided a report on the closed session. They voted on an issue brought forth by two states regarding whether CSP compensation was required to be paid with respect to a particular seller. The Executive Committee determined that the seller did not fall within the definition of “volunteer seller” and therefore the CSP would not be entitled to the CSP compensation for that seller. The Executive Committee also discussed information regarding other sellers and whether they would be volunteer sellers under the CSP contract, but no action was taken on those sellers during this meeting. A subsequent closed session of the Executive Committee will be scheduled to discuss these other sellers.

**Review and Approve Minutes of July 26, 2019 Meeting (EM19005)**

Tim Jennrich motioned to approve the July 26, 2019 meeting minutes (EM19005). President Kennedy asked for comments, none were received. A voice vote was taken and was unanimous. Motion carried.

**Finance Committee- Diane Hardt**

- Report - 4th Quarter FYE 6/30/2019 – FC19006A01
- Annual Final Report for FYE 6/30/2019 – FC19007A01
- FYE 6/30/20 Proposed Budget Amendment – FC18009A03
- FYE 6/30/21 Proposed Budget – FC19008

Diane Hardt provided the finance committee report. The Finance Committee had met previously to review and approve the reports.

FC19006A01 and FC19007A01 are the 4<sup>th</sup> quarter of fiscal year ending 6/30/19 and annual report for all fiscal year ending 6/30/19 respectively. Ended the year in good shape financially. Couple items to note include the decrease in federal affairs expenses due to the Governing Board ending one of the contracts with our federal affairs firms and that our meeting revenues and related meeting expenses exceeded expectations. For the year, a surplus of about \$115,000 was realized.

FC18009A03 is the proposed budget amendment for FYE 6/30/20. A few changes are being proposed. Most are minor as shown on the document. The major changes relate to the addition of \$24,000 to the budget to cover up to \$1,000 of travel expenses for the states to attend the CSP audit training that will



be taking place in February/March of 2020 and the reduction to the federal affairs spending of \$66,000 related to the Governing Board cancelling one of the federal affairs contracts. FC19008 is the proposed budget for FYE 6/30/21. The primary changes from the FYE 6/30/20 budget are related to reductions in the expenses for travel related to the state auditor training since that will have been completed and a reduction in the Audit Core Team travel as the contract compliance audits will have been completed by that time as well. Diane motioned to receive those reports. Rep. Kennedy asked if there was any discussion. No discussion. A voice vote was taken to unanimously approve receiving those reports.

#### **Status of CSP Contract Negotiations**

Representative Kennedy stated the contract negotiations are continuing and the negotiating team and CSPs will be meeting in the afternoon following the Governing Board meeting. They will be looking at the issues regarding Multi-level Marketer compensation, Marketplace facilitators and compensation rates.

#### **Upcoming Meetings**

Upcoming Executive Committee meetings

December 13, 2019 – Teleconference 10 am central

January 10, 2020 – Teleconference 10 am central

Upcoming Governing Board Meetings

December 20, 2019 – Teleconference 10 am central

Semi-Annual meeting, May 19-21, 2020 – Tacoma, WA

Discussed the upcoming meetings and identified some conflicts for the December 13<sup>th</sup> meeting.

Discussed and agreed to move the December 13<sup>th</sup> Executive Committee meeting to December 9<sup>th</sup> at 10 am central.

#### **Old Business/New Business/Adjournment**

With no further business, Tim Jennrich motioned to adjourn the meeting at 11:50 AM eastern.