



Citizen Commission for Performance Measurement of Tax Preferences

William A. Longbrake, *Commission Chair*
Governor's Council of Economic Advisors

Lily Kahng, *Vice Chair*
Seattle University Law School

James Bobst
Pacific Fibre Products, Inc.

Stephen Miller
Washington Education Association

Paul Guppy
Washington Policy Center

Non-voting Members:

Representative **Troy Kelley**
Chair, Joint Legislative Audit
and Review Committee

Brian Sonntag
State Auditor

Citizen Commission for Performance Measurement of Tax Preferences

Meeting Minutes

August 20, 2010
John A. Cherberg Bldg.
Senate Hearing Rm. 3
Olympia, WA

Members Present:

William A. Longbrake
Paul Guppy
Stephen Miller

Lily Kahng
Rep. Troy Kelley

Members Absent:

James Bobst

Brian Sonntag

Staff:

Ruta Fanning
Mary Welsh
Dana Lynn
Cindy Evans

Keenan Konopaski
Peter Heineccius
Suzanne Kelly
Lisa Hennessy

WELCOME / INTRODUCTIONS

Legislative Auditor Ruta Fanning welcomed those in attendance and called the meeting to order at 2:10 p.m.

ELECTION OF OFFICERS

As the terms of the Commission Chair and Vice Chair expired on June 30, 2010, Ruta Fanning facilitated accepting nominations for the position of Chair.

MOTION: A motion was made to re-appoint Bill Longbrake as Chair of the Citizen Commission for Performance Measurement of Tax Preferences.

The motion was seconded and carried.

Chair Longbrake then opened the floor for nominations for the position of Vice Chair.

MOTION: A motion was made to re-appoint Lily Kahng as Vice Chair of the Citizen Commission for Performance Measurement of Tax Preferences.

The motion was seconded and carried.

APPROVAL OF MEETING MINUTES

MOTION: A motion was made to approve the October 16, 2009, meeting minutes.
The motion was seconded and carried.

RATIFY ADJUSTMENT LEVEL OF REVIEW FOR 2010 REPORTS

Mary Welsh briefed the Commission on adjustment to the level of review of the Food Processors Sales and Use Tax Deferral/Waiver. Based on updated Department of Revenue data, JLARC staff recommended moving the level of the tax preference review from Full to Expedited.

The Commission found sufficient consensus to ratify adjusting the level of review for the Food Processors Sales and Use Tax Deferral/Waiver.

STAFF REPORTS / UPDATES

Ruta Fanning provided an update on the newly created Task Force on Tax Preference Reform.

Mary Welsh and Dana Lynn provided a recap of legislative actions on prior tax preference reviews.

PROPOSED 2011 10-YEAR REVIEW SCHEDULE

Mary Welsh and Dana Lynn presented the proposed 2011 10-Year Review Schedule.

The Commission discussed the review schedule, concentrating on the Expedited Light reviews. Chair Longbrake requested that for the September meeting staff make available the information provided by the Department of Revenue on tax preferences scheduled for Expedited or Expedited Light review in 2011.

2010 PRELIMINARY TAX PREFERENCE REVIEWS

Keenan Konopaski, Mary Welsh, and Dana Lynn presented the 2010 Preliminary Tax Preference Performance Reviews. The presentation focused on the nine reviews with staff recommendations involving legislative action, or acceptance of expiration dates. The Commission also discussed the 11 reviews where staff recommended continuation and the 38 tax preferences in the Expedited Light report.

PUBLIC COMMENT

Sean Eagan, representing the Port of Tacoma, testified regarding taxation of interstate transportation.

With no further public comment Chair Longbrake adjourned the meeting at 5:15 p.m.