



Citizen Commission for Performance Measurement of Tax Preferences

William A. Longbrake, Chair
Board of Directors, BECU
Lily Kahng, Vice Chair
Seattle University Law School
Ronald Bueing
Pivotal Law Group, PLLC

Dr. Grant D. Forsyth
Avista Corp
Stephen B. Miller
Washington Education Association

NON-VOTING MEMBERS:
Senator John Braun
Chair, Joint Legislative Audit & Review Committee
Troy Kelley
State Auditor

Citizen Commission for Performance Measurement of Tax Preferences

Meeting Minutes
June 17, 2016
John L. O'Brien Building
House Hearing Room E
Olympia, WA

Members Present:

William A. Longbrake Ron Bueing
Lily Kahng Grant Forsyth
Stephen Miller

Members Absent:

Senator John Braun State Auditor Troy Kelley

Staff:

Keenan Konopaski Rachel Murata
John Woolley Ashley Elliott
Eric Whitaker Erin Manning
Marilyn Richter Dana Lynn
Emily Schroeder Stephanie Hoffman
Pete van Moorsel Stacia Hollar, AGO

CALL TO ORDER AND WELCOME

Commission Chair William Longbrake welcomed those in attendance and called the meeting to order at 10:03 am.

1. Action item: Approval of 5/20/16 meeting minutes

MOTION: A motion was made to approve the May 20, 2016 meeting minutes.

The motion was seconded and carried.

(See TVW recording at [00:00:27](#))

2. Action item: Adoption of suggested adjustments to 2016 review schedule

Deputy Legislative Auditor John Woolley discussed final amendments to the 2016 review schedule. JLARC staff were able to move some tax preferences from the alternate list to the full review list because they shared similar industry groupings with other preferences receiving full reviews.

MOTION: A motion was made to adopt the 2016 review schedule with the adjustments.

The motion was seconded and carried.

(See TVW recording at [00:05:28](#))

Citizen Commission for Performance Measurement of Tax Preferences

June 17, 2016

Page 2

3. Staff briefing on ten-year schedule options

Legislative Auditor Keenan Konopaski reviewed the process staff used to determine a ten-year review schedule. Staff used guidance received from the commissioners at prior meetings to prioritize the preferences.

Deputy Legislative Auditor John Woolley then walked the Commission through the draft ten-year review schedule. The guiding principles for determining year by year lists included:

- Whether the preference was mandated or includes an expiration date?
- Whether the preferences are from similar industry groups?
- Whether the year by year lists included a similar number of preferences? (i.e. about 50 preferences per year)

Preferences were moved to the expedited list if:

- JLARC staff reviewed it in the past and no legislative action has occurred
- The preference is deemed critical to the tax structure
- JLARC staff reviewed the preference in 2016

(See TVW recording at [00:05:48](#))

4. Public comment – input for 2017-2026 ten-year review schedule

The Chair asked if any members of the public wished to testify. No one wished to do so.

(See TVW recording at [00:21:40](#) and again at [00:47:45](#))

5. Action Item: Discussion and adoption of 2017 – 2026 ten-year review schedule

The Commission discussed the 2017 – 2026 ten-year review schedule with the JLARC staff. Staff noted that it was based on industry groupings, and as with previous years assumed JLARC has the capacity for a minimum of 15 full reviews each year.

Commissioners discussed preferences that might be considered “critical to the tax structure.”

The Chair requested that staff prepare an annual summary of omitted preferences for the Commission to consider for 2018 and beyond. The Legislative Auditor agreed, noting that the Commission may need to consider timing constraints and available resources if they choose to add any preferences for full review from the omitted lists.

The Chair and Legislative Auditor discussed how many more reviews staff could conduct each year with additional resources.

MOTION: A motion was made to adopt the 2017 – 2026 ten-year review schedule.

The motion was seconded and carried.

(See TVW recording at [00:48:01](#))

6. Other Commission Business

The Chair and Vice Chair reflected on their ten years serving on the Commission as their terms come to an end after this meeting, and wished the remaining commissioners and staff well as they continue on with their work. The remaining commissioners thanked both the Chair and Vice Chair for their service.

Assistant Treasurer Wolfgang Opitz thanked the Chair for his service and read a letter from Treasurer Jim McIntire.

Citizen Commission for Performance Measurement of Tax Preferences

June 17, 2016

Page 3

Legislative Auditor Konopaski read a letter from Governor Jay Inslee to Chair Longbrake thanking him for his service, and a letter from Senate Minority Leader Sharon Nelson and Senator Karen Fraser to Vice Chair Khang thanking her for her years of service on the commission.

Legislative Auditor Konopaski, on behalf of the JLARC staff, thanked both the Chair and the Vice Chair for their dedicated service on the commission.

(See TVW recording at [00:54:38](#))

The Chair adjourned the meeting at 11:05 p.m.

DRAFT