

State of Washington
Citizen Commission for Performance Measurement of Tax Preferences

COMMISSION MEMBERS

Dr. Grant Forsyth *Chair*
Avista Corp.
Ronald Bueing *Vice Chair*
Diane Lourdes Dick
Seattle University School of Law

Dr. Sharon Kioko
Evans School of Public Policy and Governance
University of Washington
Andi Nofziger-Meadows
Edmonds Education Association

NON-VOTING MEMBERS

Representative Gerry Pollet
Chair, Joint Legislative Audit and Review Committee
Pat McCarthy
State Auditor

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Citizen Commission for Performance Measurement of Tax Preferences
Meeting Minutes

October 20, 2021

Commissioners Present:

Grant Forsyth, Chair
Diane Lourdes Dick

Ronald Bueing, Vice Chair
Sharon Kioko

Andi Nofziger-Meadows

Non-voting Members:

Representative Gerry Pollet,
JLARC Chair

Pat McCarthy,
WA State Auditor

Staff:

Keenan Konopaski
Pete van Moorsel
Geneva Johnston
Kristin Lamson, AGO

Eric thomas
Zack Freeman
Liz Thomas

Josh Karas
Marilyn Richter
Dana Lynn

Scott Hancock
Emily Martin
Stacia Hollar, AGO

CALL TO ORDER AND WELCOME

TVW Recording

Vice Chair Bueing called the meeting to order at 10:00 a.m.

The Chair welcomed everyone in attendance by Zoom and conducted a roll call.

COMMISSION BUSINESS

TVW Recording

1. Commission Business

a. Approval of September 9, 2021 Meeting Minutes

MOTION: A motion was made to approve the September 9, 2021 meeting minutes.

The motion was seconded and carried unanimously.

(See TVW recording at [00:01:53](#))

b. Proposed 2022 Meeting Schedule

The Commission discussed the 2022 meeting schedule.

c. Assistant Attorney General staffing change

Stacia Hollar, AGO announced her retirement. Kristin Lamson will be taking over for her.

2. Action Item: Discussion/Adoption of Commissioner Comments on 2021 Tax Preferences

a. Chair Proposed Combined Commissioner Comments

Green Group

Preferences in the green group are preferences where the proposed comments from individual commissioners did not vary significantly.

MOTION: A motion was made to adopt the combined Commissioner comments in the green category. These comments endorse the Legislative Auditor's recommendations to:

- Extend and modify the preference for **Manufacturers' Deferral** (Sales and Use Tax).
- Review and consider whether to extend the preference for **Targeted Urban Area Exemption** (Local Property Tax).

Yellow Group

Preferences in the yellow group are preferences where the proposed comments from individual Commissioners varied slightly, and the Chair's proposed comment sought to reconcile them.

MOTION: A motion was made to adopt the combined Commissioner comments in the yellow category that endorse the Legislative Auditor's recommendation to:

- Extend the expiration date or make the preference permanent for the **Health Benefit Exchange** (Business and Occupation Tax) preference.
- Review the preference for **Reduced B&O Rate for Printing and Publishing Newspapers** (Business and Occupation Tax).
- Continue the **Medical Cannabis Tax Preferences** (Business and Occupation Tax, Sales and Use Tax).
- Allow to expire the **Credit for Renewable Energy Program Payments** (Public Utility Tax).
- Clarify intent for the preference for **Nonprofit Outpatient Dialysis Facilities** (Property Tax).

(See TVW recording at [00:20:51](#))

View the adopted Citizen Commission comments [here](#).

3. Study Questions for 2022 Tax Preference Reviews

Zack Freeman, Dana Lynn, and Scott Hancock, JLARC Staff, presented the proposed study questions for 2022 tax preference reviews.

- a. **Commute Trip Reduction Tax Credit (Multiple Taxes)**
- b. **B&O Tax Preferences for Food Processors**
- c. **Nonprofit Hospitals**
- d. **Nonprofit Cancer Clinics and Centers**

(See TVW recording at [00:26:18](#))

Keenan Konopaski, Legislative Auditor, spoke about the next steps for the Citizen Commission.

Meeting adjourned at 10:59 a.m.