**LOUISIANA UNIFORM LOCAL SALES TAX BOARD**

**October 10, 2019**

**Regular Meeting**

The Louisiana Uniform Local Sales Tax Board held its regular meeting at the LMA Building, 700 N 10th Street, Baton Rouge, LA 70802, on October 10, 2019 at 1:30 PM.

***Roll Call***

Chairperson Ruppert called the meeting to order at 1:31 PM. Mr. Ruppert then requested roll call from Secretary Krennerich. The following board members were in attendance: Chairperson, Gregory Ruppert (proxy for Michael Ranatza), Amanda Granier (proxy for Janet Pope), Mark West (proxy for Guy Cormier), Jeff LaGrange, Jeanine Theriot and Kressynda Krennerich. Also present were Executive Director Roger Bergeron and Andrew Kolb, counsel for the Board.

***Adoption of Agenda***

A motion was made by Ms. Theriot, seconded by Ms. Granier and carried to adopt the agenda as posted for the October 10, 2019 meeting.

***Minutes Approval***

Mr. Bergeron requested one change – on the first page, under “Look-up Program,” the draft minutes indicated a contract was signed with Tax Watch Systems and the Office of Technology Services to add the Board as a sub-licensee to the State Contract. He was not assured that a contract had been signed. However, a PO had been issued on September 4th. A motion was made by Ms. Theriot, seconded by Chairman Ruppert and carried to accept the minutes with the amendment recommended.

***Board Member Request – Chairman Ruppert, discussion of RFP***

Chairman Ruppert recently reviewed the RFP and discussed it with industry officials to find out why there was such diversity in the bids. They do not believe a lack of clarity or confusion was the reason. But the disparity was likely due to the Board’s retaining all rights to the final product and not allowing reoccurring revenue for the bidders. Chairman Ruppert indicated a fundamental objection for using taxpayer dollars to develop a system that the Board could not control or use to provide reoccurring revenue for the Board. However, to drive down the cost of the project, he suggested a partnership between the Board and the selected contractor where the Board retained rights in Louisiana and the contractor out-of-state. Mr. LaGrange asked the Board’s Counsel, Andrew Kolb, if this would present a legal issue. Mr. Kolb acknowledged that public/private sector partnerships were gaining popularity due to their cost savings and flexibility. He agreed to research the matter and report to the Board. Rick Mekdessie commented that an agreement where the Board retain a higher percentage until compensated for its investment cost and then a lower percentage could benefit both parties. It was agreed to keep the RFP as open as possible to allow for lower and possibly more bids. The chairman will provide a draft of the next RFP to the Board members as soon as possible.

***Discuss LDR and Board member Remote Seller issues (J. Theriot)***

Ms. Theriot reported the commission had held its regular meeting that morning and provided the following updates:

* There are 1577 active Direct Marketer Return (DMR) registrants (excludes applicants). Any backlog of unprocessed applications would be minimal due to the online registration program.
* The commission discussed adding a notation on RSIB 18-002 that the Direct Marketers Return must now be filed electronically. RSIB 18-002 originally required returns to be mailed. However, LDR passed a rule requiring returns to be filed electronically.
* The commission discussed the Remote Sellers Return, which was previously adopted in concept. Ms. Theriot asked how the return would account for reduced rates (e.g., by jurisdiction code or another column?). This issue will be a future discussion item based upon the software acquired by the commission.
* The commission discussed a calendar of benchmarks to ensure the Remote Sellers Return goes live by July 1, 2020. The commission meets with the Cash Management Review Board next week and has public hearings for two Notices of Intent on November 26, 2019.

***Executive Director’s Report***

* Road Contractor Certificate – A recommendation to eliminate the term “agent” from the form and instructions was submitted. Also, as requested by industry, the certificate will be issued annually instead of by project. Mr. Bergeron emailed Jason Decuir, the primary mover of the bill creating the law covered by the certificate, on October 8th informing him the certificate would be submitted to the Board for approval. Mr. LaGrange offered a motion to adopt the certificate with the amendment, seconded by Ms. Theirot and approved by the Board. Mr. Bergeron will send the approved copy to Mr. Decuir.
* VDA Program – Mr. Bergeron and Rick Mekdessie met several times to “fine tune” the electronic application system. An email was sent to the Administrators introducing the program along with screen shots. The email advised Administrators to login and create an account. However, it has since been decided that Mr. Mekdessie will create the account and each Collector will reset their password upon initial login. Also, five “pre-system” applications had been submitted. Approval letters were sent to three. These applicants will be asked to refile through the electronic system so that agreements could be sent and signed electronically and to see if the system works as designed. The remaining two will also be asked to reapply through the system. Once these tests are done, the system will be deployed to the Board’s website. Ms. Theriot asked if any testing has been done. Testing was been done during development, but other errors might be revealed when the system goes live. Also, one applicant has raised a question regarding the accrual of interest due to the delay. Mr. Bergeron will attempt to find a solution to this issue. Ms. Granier stated that the Board should get those VDAs to the Administrators as soon as possible even if it meant sending them by mail and not electronically because the Board cannot instruct Administrators to waive interest. When asked how long ago the applications had been filed, it was acknowledged that the Board received some not long after the rule was promulgated.
* Look-up Program – The Look-up Program is a work in progress. Mr. Bergeron met with Mr. Johnny Corkeran to discuss procedures for revising the data. There is an agreement in principle for Mr. Bergeron to serve as point man for system changes and track change requests. Some changes could be done internally within a week. But boundary changes must go to the IT Department and require more time. Mr. Bergeron has some advanced requests that will be used as test cases. Chairman Ruppert asked what is required and who could make changes? The requirements and authorization are unclear. Ms. Theriot asked for a written protocol for Administrators. Mr. Bergeron agreed to secure one. Other discussions concerned feedback on the Board’s address database, whether changes sent to OMV are forwarded to TaxWatch and creation of a process to allow Administrators to review and correct the database. The Board also discussed a hold harmless provision for those using the database. Some practitioners were allowed a peek at the look-up system and their comments were very positive and complimentary.

***Budget/Financial Reports***

* Mr. Bergeron provided the financial statements as of 9/30/19, which will also be available to members electronically. The statements include the first three months of the fiscal year.
* Mr. Bergeron provided a printout of purchases on the Bill.com system. He pointed out a duplicate payment to Mr. Cline for the August billing, which was claimed as a deduction on the September billing. One manual check was issued to Board member Amber Hymel for August travel expenses.
* Ms. Theriot inquired about an entry for Accumulated Depreciation – Building. The Board owns no buildings. Mr. Bergeron will check on this entry and report back to the Board.

A motion was made by Mr. LaGrange, seconded by Ms. Granier and carried to approve the financial reports submitted by the Executive Director.

***Other Business***

* Ms. Theriot asked for permission to move forward on seminars for January and February, including researching sites and securing contracts. Possible locations include Ruston and Natchitoches. The members agreed.
* Mr. Bergeron received an email that the firm hired to conduct the Board’s audit for fiscal year 2018-2019 will begin exchanging information tomorrow.
* Ms. Theriot asked Andrew Kolb to email members the location of the Supreme Court hearing on the Board’s suit set for October 22nd at 2:00 PM. There was confusion where the hearing would occur – at the Supreme Court or Loyola University.

***Adjournment***

A motion to adjourn at 2:39 was made by Ms. Granier, seconded by Mr. LaGrange and unanimously passed by the Board.

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