

NACCTFO BUSINESS MEETING MINUTES OF MARCH 3, 2018 AT 11:45 AM IN WASHINGTON, DC

CALL TO ORDER BY PRESIDENT JOE GRISOLANO.

INVOCATION: BY TYLER MCCULLOUGH, GRUNDY COUNTY, TENNESSEE.

PLEDGE OF ALLEGIANCE: GIVEN BY VERNON REINKING, SMITH COUNTY, KANSAS.

NACO BOARD MEMBER REPORT: Debbie McGinnis reminded members of a VISA program focus group who is soliciting our input will be held today at 4 pm. Yesterday, Debbie met with NACO representatives to review the pros and cons of the PACE programs. She is looking forward to our own PACE committee discussion group to form opinions to share with NACO, and to formulate an updated NACO position on PACE going forward.

President Joe than recognized past presidents in attendance: Cheryl, Mike, Nancy, Barbara, and Sandy. He also recognized new first timers, state presidents, and state directors for their participation.

Secretary Jim McFadden took the roll call of state attendance.

The minutes of the July 2017 annual business meeting from Columbus, Ohio were than read. An amendment to the minutes to add Tracey Marshall as incoming president was made by Cheryl Remington and approved. A motion to approve the minutes was made by Mike Disken and second by Linda Kizzire. The motion was then voted on and approved.

President's report: Joe first thanked the education committee for their work leading to this conference. Joe has set up a PACE committee to begin having conference calls to analyze and share information on the current state of these PACE programs in operating in certain counties nationwide. Joe shared he has made visits to Idaho and Florida to date and looks forward to making more visits.

Newsletter report: Michelle McBride requested input on articles from any member for the next publication scheduled for June.

Award report: Nancy Weeks stated that April 13th is the deadline for nominations for candidates for the outstanding county collector, treasurer or finance officer award to be presented at Nashville.

Sponsorships report: Barb Ford- Coates emphasized to thank our sponsors, and members to please review the sponsorship booklet and to add any potential new national vendors for us to approach.

Membership report: Linda Kizzire reminded all members to recruit fellow state colleagues to come, support, and learn at our next conference in Nashville, and enjoy the music!

Bylaws report: none

Presidents elect report: Tracy Marshall gave the following details on our upcoming Nashville conference July 10-12th. Registration fee of \$150 deadline is June 11th. Monday room rate same as other nights. She thanked Tyler for his help arranging welcome goodies.

1st Vice-president report: Michelle McBride and Nancy Weeks have lined up to date one Nashville conference course of 'best practices in Tennessee'.

2nd Vice-president report: Delores was absent but Jim Platt offered that the audit committee is ready to examine our treasurers accounts.

Legislative report: Were delivered by Mike Disken and later by Jack Peterson of NACO. See enclosed pages.

Treasurers 'report: Donna Peterson had previously passed out the yearend report for 2017 for review by members. With no questions, accounts will now be submitted to the audit committee for audit.

Secretary report: Jim McFadden had no communications to share. He then gave the roll call results. 40 members from 14 states answered today's roll call.

Past presidents report: Nominations for our next secretary need to be submitted by May 15th.

Old business: Michelle McBride stated that our web site is up for upgrade this year. Any member with suggestions or input contact Michelle with your ideas ASAP.

New business: None.

Announcement: Any member staying for the NACO conference pick ribbons from Rana. All first time attendees stay for group photo.

President Joe adjourned the business meeting at 12:55

Respectfully Submitted,

Jim McFadden, NACCTFO secretary

1.

In January, the United States Supreme Court agreed to hear the case of South Dakota vs. Wayfair. South Dakota is asking for authority to collect sales tax on purchases made from sellers outside the state. As many will recall, there was a 1992 case – Quill vs. North Dakota where the Supreme Court at that time ruled that a state or municipality could not collect sales tax unless the vendor had a physical presence within the state.

That was more than 25 year ago, and shopping on-line has grown immensely since that time. Local brick and mortar businesses are now finding themselves at a distinct disadvantage when trying to compete with all these online sellers. The local businesses pay property taxes, employ local people, and support local communities in many other ways.

This case will force the Court to review the Quill case and determine if that decision should still stand. Should they rule in favor of the State of South Dakota, then state and local governments would be able to require that the online sellers collect sales tax, regardless of whether or not they have a physical presence in the State. In the 1992 case, it was noted that Congress has jurisdiction over inter-sate commerce. Yet, there have been no laws passed allowing for sales tax collection from vendors outside the states, unless they are present in the state. A few online vendors, like Amazon, have voluntarily complied, but some of their remarketers that use Amazon have not.

2.

Proponents of two separate bills, the Marketplace Fairness Act in the Senate (S.976) and the Remote Transactions Parity Act (H.R. 2193) have been reintroduced into the 115th Congressional Sessions. Both bills propose to allow collection of existing sales tax, but not new taxes, the same for both brick and mortar businesses and online sellers without a presence in the states. If Congress were to pass these acts in some combined fashion acceptable to both the House and Senate, then Counties would have greater enforcement powers to collect from the the online sellers. So while the Supreme Court case being heard this year may help resolve issues around remote sellers and sales tax collection, it is also important to keep supporting passage onf these 2 acts.

3. The Tax-exempt status of Municipal Bonds remained largely intact in the Tax Cuts and Jobs Act passed in December, with some specific language about which types of projects would still be allowed to be funded by tax - free bonds. However, the ability to refinance, or REFUND, at a lower rate, a bond once during the life of the bond was eliminated. Recent legislation (H.R. 5003) has been introduced to restore the advance refunding. Along with tax-exempt bonds, the ability to refinance a bond once during its lifetime has been a valuable tool for municipal financing that has saved Counties a lot of money. In 2016 alone, refunding of more than \$120 Billion in bonds saved taxpayers about \$3 Billion, according the NACo.

4. NACo is urging support for repeal of the 40% excise tax that will be placed on employer-sponsored health insurance for the so-called Cadillac Plans. This first came about in 2010 when the Affordable Care Act was passed. Thresholds were set at \$10,800 for individual plans and \$29,100 for family plans. The implementation has now been pushed out to 2022. Implementing this excise tax will significantly affect County budgets and County workforces. Counties usually have a difficult time competing with private industry in the area of wages, and use health care benefits as a way to both attract and retain good employees. There are 2 separate bipartisan bills being introduced to repeal the excise tax – H.R. 173 and S. 58. It has support from about 227 House members and 20 Senators at this time.

~~Send members list of common members~~