

Task Force on Tax and Fiscal Policy

Spring Task Force Summit

Pittsburgh, PA

May 6, 2016

Public Pension Reform Working Group Meeting Agenda

2016 Spring Task Force Summit | Pittsburgh, Pennsylvania
Friday, May 6, 2016
8:30 AM - 9:30 AM

Maryland Senator Gail Bates – Public Sector Working Group Chair
Jonathan Small, Oklahoma Council of Public Affairs – Private Sector Working Group Chair
Jonathan Williams – ALEC Vice President, Tax and Fiscal Policy

- 8:30 AM** **Call to Order, Welcome, and Introductions**
Maryland Senator Gail Bates
- 8:35 AM** A Big Win for Taxpayers in Arizona
- 8:50 AM** Refining Best Practices for Pension Reform – A Collaborative Session
All attendees are encouraged to share their solutions
- 9:25 AM** **New Business**
- 9:30 AM** **Adjournment**

Fiscal Policy Reform Working Group Meeting Agenda

2016 Spring Task Force Summit | Pittsburgh, Pennsylvania
Friday, May, 6 2016
9:45 AM - 10:45 AM

Missouri Senator Ed Emery – Public Sector Working Group Chair
Jason Mercier, Washington Policy Center – Private Sector Working Group Chair
Jonathan Williams – ALEC Vice President, Tax and Fiscal Policy

- 9:45 AM** **Call to Order, Welcome, and Introductions**
Missouri Senator Ed Emery
- 9:50 AM** Financial Ready Update
- 10:00 AM** Best Practices for State Rainy Day Funds
- 10:10 AM** **Consideration of Model Policy**
Resolution in Support of Ending Unauthorized Federal Spending
Resolution in Support of Non-Discriminatory Property Tax Policies
- 10:20 AM** 2016 State Legislative Session Updates
- 10:40 AM** **New Business**
- 10:45 AM** **Adjournment**

Task Force on Tax and Fiscal Policy Meeting Agenda

2016 Spring Task Force Summit | Pittsburgh, Pennsylvania
Friday, May 6, 2016
2:00 PM - 5:00 PM

New Hampshire Representative Ken Weyler – Public Sector Chair
Amanda Klump, Altria Client Services – Private Sector Chair
Jonathan Williams – ALEC Vice President, Tax and Fiscal Policy

- 2:00 PM** **Call to Order, Welcome and Introductions**
New Hampshire Representative Ken Weyler
- 2:05 PM** Old Business – Approval of States and Nation Policy Summit Minutes
- 2:10 PM** A Report from the Fiscal Policy Reform Working Group
- 2:15 PM** A Report from the Public Pension Reform Working Group
- 2:20 PM** Legislative Leaders Panel: Lessons Learned from Budget Showdowns in 2016
- 2:50 PM** New *Rich States, Poor States* 9th Edition – State Economic Competitiveness Rankings
- 3:05 PM** Best Practices for State Rainy Day Funds
- 3:15 PM** Taxpayers' \$310 Billion Unauthorized Appropriations Problem
- 3:25 PM** Discriminatory Taxes on Hotel Customers
- 3:35 PM** Panel Discussion: A Non-Partisan Analysis of All Presidential Candidates' Tax Plans
- 3:50 PM** Book Discussion: Colorado's Taxpayer Bill of Rights: The Gold Standard of Taxpayer Protection and Spending Control

- 4:05 PM** Personal Property Taxes in the States
- 4:15 PM** Internet Sales Tax Collection Update from Washington, DC and the States
- 4:25 PM** What Can States Learn from the Puerto Rico Financial Crisis?
- 4:35 PM** Pension Reform Update
- 4:45 PM** **New Model Policy for Consideration**
Resolution in Support of Ending Unauthorized Federal Spending
Resolution in Support of Non-Discriminatory Property Tax Policies
- 4:55 PM** **New Business**
- 5:00 PM** **Adjournment**

DRAFT

Resolution In Support of Ending Unauthorized Federal Spending

WHEREAS, the national debt has increased to alarming levels, and,

WHEREAS, according to the Congressional Budget Office (CBO) there is more than \$310 billion of unauthorized appropriations for fiscal year 2016, spanning 256 laws and 15 House authorizing committees, and

WHEREAS, over half – or \$160 billion – of the unauthorized appropriations are for programs whose authorization expired more than 10 years ago, and

WHEREAS, House Rule XXI, clause 2(a)(1) states, “An appropriation may not be reported in a general appropriation bill, and may not be in order as an amendment thereto, for an expenditure not previously authorized by law, except to continue appropriations for public works and objects that are already in progress,” and

WHEREAS, it is sound fiscal policy to sunset all unauthorized programs over a three year period, and require any new authorizations or reauthorizations to include a sunset clause.

THEREFORE, LET BE IT BE RESOLVED, the legislature of {insert state} supports eliminating unauthorized federal spending and believes it to be sound budget policy that would benefit hardworking taxpayers across America.

THEREFORE, LET IT FURTHER BE RESOLVED, that the legislature of {insert state} supports placing all discretionary programs on a reauthorization schedule and phasing out funding for those programs that Congress fails to reauthorize.

Resolution in Support of Non-Discriminatory Property Tax Policies

WHEREAS, American consumers have come to rely on high speed communications networks constructed by communications providers to improve their overall quality of life including in the areas of healthcare, education, business, emergency services, and other purposes; and

WHEREAS, communications providers must make sizeable investments to keep pace with consumer demand for better coverage and higher bandwidth; and

WHEREAS, a 2006 study by Ernst & Young shows that state property tax policies result in communications companies facing disproportionately higher property tax burdens than other businesses because of their legacy treatment as a regulated public utility in some states; and

WHEREAS, the payment of discriminatory property taxes by communications companies that would otherwise be spent on network investment diverts money to taxes and lessens the effectiveness and reach of critical infrastructure deployment; and

WHEREAS, studies show the private sector investment in communications infrastructure results in important economic benefits to states; and

WHEREAS, property taxes are typically imposed on the “fair market value” of property by looking at the price an informed, willing buyer would pay a willing seller but some states deviate from this principle by (1) assessing telecommunications providers on the value of their intangible assets, (2) applying assessment ratios that result in taxation of a higher percentage of fair market value compared to other general businesses, and (3) defining the personal property of telecommunications providers as “real property” so that it is taxable in states that do not tax personal property; and

WHEREAS, new communications network investment generated by lower property taxes will generate additional tax revenues to offset some of the revenue reduction from eliminating the discriminatory treatment of communications providers; and

WHEREAS, recent reforms in some states have excluded the value of intangible property acquired on a going-forward basis or eliminated the taxation of intangible property for all taxpayers, including telecommunications companies; and

WHEREAS, the American Legislative Exchange Council supports the policy of eliminating discrimination in the administration of property taxes on communications companies across all states, including rural and underserved areas, and encourages states to modernize their antiquated property tax systems; and

NOW THEREFORE BE IT RESOLVED, that the American Legislative Exchange Council recommends that states who wish to encourage investment in critical communications networks consider eliminating the discriminatory taxation of that property.