

LOUISIANA SALES AND USE TAX COMMISSION FOR REMOTE SELLERS

Minutes of June 14, 2022 Meeting

- I. **Call to Order/Roll Call** - The meeting of the Louisiana Sales and Use Tax Commission for Remote Sellers was called to order at 11:03 AM by Chairperson Lagrange. A quorum was established with six members in attendance. Members present were:

1. Jeff LaGrange (LULSTB)
2. Danielle Clapinski (LDR)
3. Luke Morris (LDR)
4. Kevin Richard (LDR)
5. Kressy Krennerich (LULSTB)
6. Amanda Granier (LULSTB)

II. **Approval of Meeting Minutes from May 12, 2022**

- A motion was made to approve the meeting minutes from the meeting on May 12, 2022 by Secretary Richard, and seconded by Ms. Granier. Following a vote and a call for public discussion, the minutes were approved unanimously by the members present.

III. **Update on Remote Seller and Direct Marketer Registrations**

- Mr. Morris stated that there has been no change in direct marketer registrations from the prior month, there are still 1,926 registrations. Ms. Roberie added that the number of remote seller registrations was at 6,203 as of May 31, 2022 continuing the increase of approximately 50 new registrations weekly.

IV. **Report From Executive Director**

A. Distribution Report

- Ms. Roberie provided a report and updated members on collections to date. In May, the Commission collected \$38,318,725.48. \$37,935,538.11 was distributed to the state and local collectors. The number of returns processed in May was 5,264. Of those, 4,519 were filed for the April 2022 period.
- Ms. Roberie reported that for FY 2020-21 the Commission processed just under 19,000 returns and as of the third quarter of FY 2021-22 over 33,000 returns have been processed

B. Budget

- Ms. Roberie reported that no updates have been made to the financials because we haven't processed any bills since the last update. She is in the process of getting some corrected bills to make payments on current invoices.
- Ms. Krennerich asked for an update on when Commission staff would be able to move into the Office Park location. Ms. Roberie explained that they are working through a few more issues with the door locks and key panels so that the offices can be secured but she expected those to get worked out soon. Ms. Roberie added that she expects to schedule and conduct interviews for the open positions next week from the Office Park location.
- Ms. Roberie also stated the public hearing for the Voluntary Disclosure Agreement regulations would be held on June 28, 2022.

V. Discussion Items

- There were no discussion items on the agenda.

VI. Action Items

A. FY 2022-23 Budget

- Ms. Roberie went over the changes to the agenda from the prior month including the addition of a line for audit services, an in-house auditor position, a line for services from a statistician to assist with audit sampling methodology, and an increase in travel costs to accommodate any costs associated with audit services.
- Chairman Lagrange inquired if we could have our contracted attorneys attend future meetings to answer any questions that might come up.
- Secretary Richard inquired about the 10 positions and the use of the 3rd quartile for salary budget purposes. Ms. Roberie explained that she used that number for budgeting purposes because of the current difficulties employers are having hiring employees as well as trying to accommodate the Commission's need for experienced staff. She stated that Civil Service had said they were processing a lot of requests for new employees to start at the third quartile. Secretary Richard inquired if Civil Service would be approving the third quartile, Ms. Roberie indicated that all hires and salary determination would follow Civil Service policies and procedures.
- Secretary Richard also inquired about the Executive Director's budgeted salary and asked that it be budgeted at the current approved level instead of the amount approved at the July 2020 meeting to be consistent with the way the salaries are budgeted for the other filled positions. Ms. Granier asked about the status of the salary study that we had asked P&N to conduct. Mr. Lagrange indicated that he did not have an update and deferred to Mr. Morris who had been working with P&N on this study. Ms. Granier reiterated the need for the study. Mr. Morris indicated that P&N is working with their consultant on the study.

- Ms. Clapinski inquired about the status of the move from LDR’s payroll to the contracted payroll company. Ms. Roberie said that she is still in the process of working through that transition but that it has not occurred yet. She is working through the necessary moves with the Office of Technology Services and verifying accuracy of recent payrolls.
- Mr. Lagrange inquired about the status of the quote for furniture for the new office and what Ms. Roberie had done to determine if the quote was reasonable. Ms. Roberie replied that she had contacted the Office of State Procurement and was working with them to determine the reasonableness of the cost since there was a wide range between the three different quotes.
- Mr. Morris asked about the \$300,000 for contract audit costs and if conceptually the Commission was looking in-house auditors that could perform desk audits as well as potentially outsourcing some of the audit functions to external auditors. Ms. Roberie said that was the current model being considered. Mr. Morris also agreed with the hiring of a statistician to assist with methodology.
- Mr. Morris inquired about the time to close out the books at the end of the year and when the “true-up” of the unspent 1% administration fee would be distributed. It was discussed that the MOUs with the administrators allow 60 days after the Commission closes its books for the “true-up” to occur. It was also discussed that the earliest the Commission can begin closing its books is August because of the timing of collection and disbursed. It was recommended that the Commission ask the Legislative Auditor about what collections should be considered prior period. It was also discussed that this is the type of issue that could be further researched by a small working group. Ms. Clapinski asked that we add the creation of the working groups to the next meeting’s agenda.
- A motion was made by Ms. Krennerich to approve the budget with the adjustment to the Executive Director’s salary. Mr. Morris seconded the motion. Following a call for public discussion and a vote, the motion was unanimously approved by the members present.

VII. Election of Chairperson and Vice-Chairperson for FY 2022-23

- A. Ms. Granier nominated Ms. Clapinski as Chairperson for FY 2022-23. Ms. Clapinski accepted the nomination. As there were no other nominations, Ms. Clapinski will be the Chairperson for FY 2022-23.
- B. Ms. Krennerich nominated Mr. McManus for Vice-Chairperson for FY 2022-23. Mr. McManus accepted the nomination. As there were no other nominations, Mr. McManus will be the Vice-Chairperson for FY 2022-23.

VIII. Other Business

- No other business was discussed.

IX. Public Comment

- No additional public comment.

X. Adjournment

- With a motion by Ms. Granier and a second by Mr. Morris, Chairman LaGrange declared the meeting adjourned at approximately 11:49 AM.

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