

## Tax Expenditure Reviews

### Possible Areas for Process Improvements or Clarifications as of January 2018

- The Taxation Committee may not always be the committee of jurisdiction in best position to consider and take action on OPEGA recommendations. Legislation related to the particular program or tax expenditure may have historically been referred to other committees (i.e. LCRED) which are, therefore, more familiar with the program and related tax expenditures. Also the State agency that is administering the tax expenditure may be under the jurisdiction of a different policy committee.
- The Taxation Committee has a statutory deadline of December 1<sup>st</sup> for reporting out to the Legislature the results of their work on Expedited Reviews and any Full Evaluations OPEGA has completed that have been transmitted to Taxation. However, OPEGA reports may be transmitted to Taxation at any point during the year including late in the year.
- The time and staff support resources that Taxation or other policy committees need to fully consider OPEGA recommendations and take action to implement, if any, may be more than what is available during Sessions and more than what can be committed to during Interims. Additionally, supporting a committee through this process is not a familiar role for policy committee staff and is likely to be an addition to their workload.
- There is no process or roles and responsibilities assigned in statute for follow up on OPEGA recommendations – particularly recommendations for Management Action that are directed to an agency.
- Consideration of the appropriate role and responsibilities for OPEGA in supporting policy committees wanting to take legislative action on OPEGA recommendations, particularly as regards impact on OPEGA's objectivity (perceived or actual) when evaluating the tax expenditure in the future.