

MEMO

DATE: September 18, 2024

TO: Government Oversight Committee

FROM: Kari Hojara, OPEGA Senior Analyst

RE: GOC Action on Tax Expenditure Categorization Process and Review Schedule

Required 2024 Categorization and Scheduling Process

Each year, the GOC reviews and makes “any necessary adjustments to the review category assignments and schedule” according to 3 MRS §998(3). Statute dictates that this annual review shall be conducted by October 1 of each year, in consultation with the Taxation Committee of the Legislature. The GOC’s annual process builds on the work of previous Committees by reviewing the categorization of tax expenditures and the schedule of reviews, with a focus on any changes in the previous year that indicate expenditures should be added, removed or re-categorized.

OPEGA has provided the GOC with proposed 2024 categorization changes and the proposed schedule for full evaluations to be completed.

At the last GOC meeting, the Committee also expressed interest in re-reviewing the full evaluation and expedited review list approved last year. Some members were interested in considering whether any additional adjustments to the schedule of full evaluations should be made and whether any of the expenditures currently in the expedited review category should be moved into the full evaluation category.

Committee Process

Categorization and Scheduling requires a GOC vote.

- Draft Motion Language: The Committee moves to [accept the categorization changes as recommended/accept the categorization changes with the following amendments...] and [accept the proposed schedule/accept the proposed schedule with the following amendments...].

Any additional adjustments to the expenditure categories would also require a vote. The Committee could hold a separate vote or include it in the same vote as the Categorization and Scheduling approval.

- Draft Motion Language: The Committee moves to [make any additional adjustments to categorization...]