

Proposed Outline (DRAFT)

Joint Study Order to Create a Working Group to Review the Process for Ongoing Review of Tax Expenditures by the Legislature

Presented by Senator Libby

1. **Name:** Working Group to Review the Process for Ongoing Review of Tax Expenditures by the Legislature.
2. **Membership:** 8 members in total, including 4 members of the Senate, including members of each of the 2 parties holding the largest number of seats, and 4 members of the House, including members of each of the 2 parties holding the largest number of seats; of the 8 members, 4 members from the Government Oversight Committee and 4 members from the Joint Standing Committee on Taxation
3. **Chairs:** first named Senator, first named House member.
4. **Appointments of Members:** By Speaker and President (as required by Joint Rule 353).
5. **Duties:** The working group shall examine and make recommendations regarding the process for the ongoing review of tax expenditures by the Legislature. In its work, the group shall consider:
 - a. The statutes governing tax expenditure reviews under Title 3 and Title 36;
 - b. The experiences of key entities involved in tax expenditure reviews under Title 3 since 2015, including the Government Oversight Committee, the Office of Program Evaluation and Government Accountability, the Joint Standing Committee on Taxation and the Department of Administrative Services, Maine Revenue Services;
 - c. Tax expenditure review policies, approaches and processes in other states; and
 - d. Input from stakeholders engaged in the administration of tax expenditures, including but not limited to DAFS/MRS, DECD and other state agencies.

The working group shall make recommendations, including any appropriate statutory changes, for improvements to the tax expenditure review process to ensure it meets needs of the Legislature for oversight, evaluation and improvement of tax expenditure policies for the State.

6. **Staff Assistance:** Legislative Council shall provide staffing services (OPEGA and OFPR).
7. **Report date:** 1st Wednesday of December 2021 (as required by Joint Rule 353).