

11:35:05	From Emily Maher, NCSL : Welcome all! I just dropped the agenda and zoom cheat sheet for your reference. Please feel free to reach out to me directly if you have any questions or technical difficulties.
11:36:01	From Alison Wakefield : Welcome to Day 2, everyone!
11:42:47	From Mandy Rafool, NCSL : Tax credit review worksheet link https://leg.mt.gov/content/Committees/Interim/2019-2020/Revenue/Meetings/Tax%20Credit%20Review%20Worksheet.pdf
11:43:40	From Mandy Rafool, NCSL : Also the link to the tax credit review website https://www.leg.mt.gov/committees/interim/2019rvic/tax-credit-review/
11:51:26	From Emily Thompson - North Dakota Legislative Council : no worksheet in North Dakota, but we do review an evaluation chart regarding the items legislators should be considering when reviewing the incentives https://www.legis.nd.gov/files/resource/committee-memorandum/21.9358.01000.pdf
11:52:16	From Alison Wakefield : I think WA has one - anyone from WA JLARC want to share?
11:55:03	From Jen Henderson, OPEGA Maine : In Maine, we provide data to the Taxation Committee for the tax incentives subject to our expedited review. Then the staff person to that Committee works through the data with the Committee. Here is the form they used most recently http://legislature.maine.gov/doc/3265
11:55:04	From Dana Lynn : We don't have a check sheet or anything for legislators to use. However, the review requirements in statute do cover many of the areas that MT's sheet notes: purpose/objective?, is it achieving? Who is benefiting? How much do they benefit?
11:58:25	From Sean Hao : For MT is the def of "valid public purpose" articulated in statute or do you pull that criteria from best practices?
11:58:48	From Kirk Fulford, Alabama Leg Services Agency : We require agencies that administer a tax incentive program to file an annual report by the third legislative day of each session providing information and answering similar questions. We hold hearings every other year on those reports.
12:02:00	From Kirk Fulford, Alabama Leg Services Agency : We prepare a summary of the reports for our members and make the full reports available on our website http://lsa.state.al.us/PDF/IncentiveReports/2019/2019_General_Summary_of_the_tax_incentive_reports.pdf
12:06:57	From Alison Wakefield : Several evaluators in the audience also can't make recommendations - I really like the use of "policy considerations" as an alternative. Does anyone else do this? I know PA does.
12:08:50	From Anthony Circo, Nebraska Legislative Audit Office : We provide draft recommendations to the committee before the report is released. The committee can then make the recommendation, amend the recommendation or not include it at all. It's completely up to the committee.
12:10:28	From Kirk Fulford, Alabama Leg Services Agency : Our law requires the committees to analyze and consider each economic tax incentive and provide a recommendation to modify, discontinue, or take no action with respect to each economic tax incentive.
12:13:08	From Jason Sisney (Calif. Assembly) : In California, our LAO can provide recommendations but is always careful to provide a variety of viewpoints and issues to consider. general LAO framework: https://lao.ca.gov/LAOEconTax/Article/Detail/396 . In evaluation of film credits, for example, at conclusion, LAO offers viewpoint counter to its concerns about the credit: https://lao.ca.gov/LAOEconTax/Article/Detail/388
12:15:49	From Alison Wakefield : Rep. Benavidez: do you think grouping expenditures by industry will help with some of the political considerations because the full-range of exemptions available to an industry will be more apparent?

12:16:21	From Ryan Langrill, Idaho OPE : What are some good ways to get the Legislature to describe a purpose for older tax expenditures?
12:17:11	From Danielle Fox : In Maine, prior to conducting a full evaluation, our oversight committee develops parameters for the review - which includes a statement of purpose. Sometimes it is derived from statute, sometimes the committee has to decide what it is and that guides our work and what we measure against.
12:17:35	From Ellen Miller, Virginia JLARC : Virginia JLARC staff include recommendations and sometimes policy options in the report. Here is the language to describe: JLARC staff typically make recommendations to address findings during reviews. Staff also sometimes propose policy options rather than recommendations. The three most common reasons staff propose policy options rather than recommendations are: (1) the action proposed is a policy judgment best made by the General Assembly or other elected officials, (2) the evidence indicates that addressing a report finding is not necessarily required, but doing so could be beneficial, or (3) there are multiple ways in which a report finding could be addressed, and there is insufficient evidence of a single best way to address the finding.
12:18:26	From Dana Lynn : Thank you, Rep. Benavidez! As you noted, WA passed legislation to require a purpose and metrics to measure for new tax preferences in 2013. However, lately, they have started to note in new tax preference bills that the preference is exempt from that statutory requirement!
12:19:06	From Kirk Fulford, Alabama Leg Services Agency : That's very interesting Dana. I was wondering if there was a work around to that.
12:20:19	From LAURA WHEELER, GA Georgia State University : Rep. Benavidez - can you speak a bit more about why the pre-evaluation discussions stopped happening as a part of your process?
12:21:57	From Danielle Fox : In Maine, although not required, recently enacted tax expenditures have included a statement of program goals and objectives for the purpose of evaluation of the program. We work with our colleagues who staff the TAX committee to encourage that goals and objectives be included with any new incentive. We've been mostly successful with this approach for newly enacted incentives.
12:25:31	From Kirk Fulford, Alabama Leg Services Agency : Representative Benavidez, does the committee or staff determine the content of the performance statement?
12:26:30	From Adrienne Benavidez : No the bill sponsor decides. On the evaluations, the evaluator imputes a purpose.
12:27:24	From Kirk Fulford, Alabama Leg Services Agency : Thank you.
12:50:16	From Alison Wakefield - Pew : https://www.brookings.edu/research/opportunity-industries/
12:54:31	From Alison Wakefield - Pew : https://www.nlc.org/article/2017/01/31/how-six-cities-are-pursuing-equity-and-innovation-in-economic-development/
13:04:53	From LAURA WHEELER, GA Georgia State University : is there a difference in how we think about metrics and reporting for state economic development offices and local ones?
13:07:56	From Kirk Fulford, Alabama Leg Services Agency : has any state effectively used incentives to encourage job growth/investments in rural/nonmetropolitan areas? that definition is probably different in each state, but we have tried many approaches with limited success. are the barriers too much for an "incentive" to make the difference in those areas? Thanks.

13:13:12	From Alison Wakefield - Pew : https://www.uwmich.org/alice
13:14:21	From Randy Bauer, PFM (Oklahoma) : effective incentives in rural areas (IMHO) are more focused on infrastructure (can be but not just the traditional kind). Rural incubators have shown some promise, for example. Oklahoma has a rural infrastructure (more traditional kinds) program that we found to have some effectiveness.
13:15:39	From Alison Wakefield - Pew : building on that, here is a resource from CREC on developing rural economies: https://crecstorage.blob.core.windows.net/sede/2019/10/Rural-ED-Strategies-Final-Draft-v043019-final.pdf
13:15:43	From Tim Bartik : Kirk: North Carolina used to divide counties into three tiers, each eligible for different levels of job creation credits. The most needy tier of counties tended to be rural counties. The evidence shows that (1) the extra job creation credits probably increased job growth in these rural counties, BUT (2) because job growth was so much greater in the more booming urban counties (e.g. Research Triangle, Charlotte), it was still the case that the total credit payments tended to be higher in the more booming urban counties.
13:23:33	From Tim Bartik : Steve, from your perspective at MEDC, are there changes you would like to see in how Michigan's community colleges or job training programs operate that might better connect with employers, including MEDC assisted employers?
13:23:57	From Kirk Fulford, Alabama Leg Services Agency : Tim, that is exactly what we have seen. We provide "enhanced" incentives to encourage the investment, but most of the true job creation and investment happens in the metropolitan areas.
13:24:18	From Raymond Majewski New York City Council : In NYC a lot of our communities have become very suspicious of large economic development projects - happy for good jobs - concerned about rising real estate prices displacing low income residents and small business. From a community engagement point of view how to you engage this? From analytical point of view how does this fit in to your thinking
13:24:24	From Tim Bartik : In other words, economic development programs might need to change to better promote jobs for state residents, but so might workforce programs. The two go together.
13:26:59	From Tim Bartik : Based on Raj Chetty, neighborhoods clearly matter for child development.
13:27:44	From Tim Bartik : https://opportunityinsights.org/neighborhoods/
13:28:04	From Tim Bartik : But one way to change neighborhoods is to get more adult workers in the neighborhood
13:28:56	From Tim Bartik : So need to think about how transport, childcare, training and other initiatives can be delivered effectively at neighborhood level to connect adults in the neighborhood with jobs throughout the local labor market (metro area, "commuting zone")
13:56:14	From Emily Maher, NCSL : Hi all - Please take the time to complete the meeting evaluation form before we conclude. We appreciate your feedback! - https://docs.google.com/forms/d/1TsRtQdAsr475cVKUrAHOEx5Qq6FpHPgINSNLTNhWAI8/viewform?edit_requested=true
14:10:41	From Alison Wakefield - Pew : Has anyone else evaluated an incentive program with a local fiscal impact? How have you handled that in evaluations?
14:13:44	From LAURA WHEELER, GA Georgia State University : we did a review of our state historic preservation tax credit. our statute is written such that when the state designates property as qualifying for the state tax credit then the local governments have to grant an 8 year tax abatement for those properties. We actually heard

stories that the local abatement was of more value than the state tax credit. thus it may be the case that some investors were asking for state credit so as to qualify for the local abatement

14:14:12 From Anthony Circo, Nebraska Legislative Audit Office : Our Advantage Act evaluation had a local impact metric. Luckily, we had the data to be able to estimate the impact based on property tax valuation exempted and average county property tax rates. We would like more detailed information to be able to get more precise locations and therefore mill rates, but that has proven difficult.

14:16:17 From Jim Landers, Ohio : Indiana has evaluated a number of incentive programs with local property tax impacts (e.g. deductions, abatement, TIF). These may not have revenue impacts but impact the tax base so the impact gets shifted to other taxpayers.

14:22:17 From Joel Lee : In local property tax the shifting that occurs is fascinating. In Maine we have homestead exemptions that shift property tax away from residential owners and business exemptions which shift it right back. It seems like a political game with less real effect than what we think it is.

14:23:15 From Keenan Konopaski : We have done some local impact simulations. For economic impacts, we used REMI. The version of REMI we have includes details at the county level. For local property tax revenue impacts, like Ohio much of the impact gets shifted across multiple local governments and other taxpayers. In this example, there was interest in seeing whether or not local governments lost revenues as a result of the exemption, or if it simply shifted the tax to other taxpayers. It was pretty complicated to figure out the shifts and involved getting information from local property tax assessment departments and factoring in lots of complicated property tax limits that vary across multiple local governments.

14:23:43 From Kirk Fulford, Alabama Leg Services Agency : Our historic tax credit has a positive revenue impact for the local governments related to ad valorem taxes; however, the state pays the cost of the incentive.

14:54:33 From Emily Maher, NCSL : Thank you for joining us! If you haven't already, please take the time to complete the meeting evaluation form before you exit. We appreciate your feedback! - https://docs.google.com/forms/d/1TsRtQdAsr475cVKUrAHOEx5Qq6FpHPgINSNLtNhWAI8/viewform?edit_requested=true

14:54:54 From Dana Lynn, WA JLARC : 15 minutes isn't enough time to chat!!! Hopefully next year we'll be able to talk to each other in the lunch line!

14:55:42 From Lori Metcalf - DC Office of Revenue Analysis : Thanks to everyone at NCSL and Pew for a great Roundtable!

14:55:47 From Ellen Harpel, Smart Incentives : Thanks everyone!

14:55:55 From Ariel Ricci, Maine : thank you!

14:55:55 From Dana Lynn, WA JLARC : Really well done, Pew and NCSL staff! Thank you everyone!!!

14:55:55 From Keenan Konopaski - WA State JLARC : Thanks everyone!



14:56:00	From Elizabeth Brown, NYC Independent Budget Office : Thank you!
14:56:07	From Raymond Majewski New York City Council : Bravo!
14:56:10	From LAURA WHEELER, GA Georgia State University : Thank you everyone. nice to see you all.
14:56:19	From Danielle Fox - Maine OPEGA : Wishing you all good health! Thank you to PEW
14:56:27	From Kirk Fulford, Alabama Leg Services Agency : Thanks to NCSL and Pew for putting together another great meeting! Very informative.
14:56:59	From Ryan Langrill, Idaho OPE : Thank you!
14:57:24	From Anthony Circo, Nebraska Legislative Audit Office : Nebraska says, "Avoid freezing super-spreader events!"
14:57:46	From Joel Lee : Thank you NCSL and PEW and all the folks who showed up!
14:58:02	From Nandika Prakash, CT Dept of Ec Dept. : Thank you everyone! Very well done, and a lot of good information to digest. Looking forward to next year!
14:58:13	From Charlotte Otabor : Thank you