1	Interim Operating Rules of Procedure
2 3	of the Conforming States Committee (Adopted March 6, 2005)
4	(Amended April 16, 2005)
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6	1. Procedure for Petitioning States
7	(a) Each petitioning state shall file its petition for membership and certificate of
8	compliance with the Interim Executive Director as follows:
9	Scott Peterson
10 11	Interim Executive Director SST Conforming States Committee
12	c/o Federation of Tax Administrators
13	444 North Capitol Street, N. W., Suite 348
14 15	Washington, D. C. 20001
16	(b) A copy of the petition for membership and certificate of compliance shall be sent
17	electronically to each of the Co-Chairs of the Streamlined Sales Tax Implementing States and to
18	each of the Implementing States. Notice to the Implementing States shall be accomplished by
19	providing an electronic copy of the petition for membership and certificate of compliance to the
20	chief executive of the state's tax agency, who shall then provide an electronic copy to each of that
21	state's delegates to the Implementing States. The petitioning state shall post a copy of its
22	petition for membership and certificate of compliance prominently on the state tax agency's
23	website.
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25	(c) A petition for membership and certificate of compliance must be filed with the Co-
26	Chairs of the Streamlined Sales Tax Implementing States at least 60 days prior to a meeting of
27	petitioning states.
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29	2. Public Notice
30	The Interim Executive Director shall provide an electronic copy of each petition and each
31	certificate of compliance to the general public as provided in proposed Rule 806. The Executive
32	Director shall also provide notice to the Co-Chairs of the Streamlined Sales Tax Project and to
33	representatives of the business community who have advised the Interim Executive Director of
34	their interest in receiving such notice.
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# 3. Public Comment

(a) In order to be considered at a meeting of Petitioning States, comments related to a
state's petition for membership and certificate of compliance shall be in writing and shall be filed
within 30 days of the filing of a state's petition for membership or within 30 days of the adoption
of the Interim Rules, whichever is later. Public comments that are not filed within 30 days of a
meeting of Petitioning States shall not be considered at the meeting of Petitioning States.

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(b) Public comments shall be filed with the Co-Chairs of the Streamlined Sales Tax
Implementing States, with the chief executive of the Petitioning State's tax agency, and the
Interim Executive Director of the Conforming States Committee. The Interim Executive
Director shall provide a copy of the comments to each of the Streamlined Sales Tax
Implementing States. The comments may be filed electronically.

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## 4. Response to Public Comment

A state shall have 15 days from the filing date of comments to file a written response to the comments. The state's response shall be filed with the Co-Chairs of the Streamlined Sales Tax Implementing States, with the party submitting the written comment, and the Interim Executive Director of the Conforming States Committee. The Interim Executive Director shall provide a copy of the response to each of the Streamlined Sales Tax Implementing States. The response may be filed electronically.

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5. Timely Filing

57 For purposes of these rules, the filing date shall be deemed to be: (a) the date an 58 electronic mail communication is sent; (b) the date of a facsimile transmission; (c) the date it is 59 sent via private delivery service; or (d) the postmark date of first class mail, whichever is earlier 60

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#### 6. Meeting of Petitioning States

(a) The Co-Chairs of the Implementing States shall schedule a meeting of Petitioning
States to be held at least 60 days after receiving petitions from at least ten states comprising at
least twenty percent of the total population, as determined by the 2000 Federal census, of all
states imposing a state sales tax.

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(b) The Co-Chairs of the Implementing States shall schedule a public hearing as a part of
the meeting of the petitioning states. Testimony may be given in person or via telephone
hookup. Following the public hearing, the vote on the each Petitioning State's membership
petition shall be taken. Both the public hearing and vote on a state's petition for compliance
must occur in an open meeting convened in accordance with proposed Rule 807.1.

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(c) Any person that desires to present oral testimony at the meeting of Petitioning States
shall advise the Co-Chairs of the Implementing States in writing at least 15 days prior to the
meeting of Petitioning States. The Co-Chairs may limit total public testimony to a reasonable
time, not to be less than 15 minutes on any Petitioning State.

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(d) Any Implementing State has the right to make oral comments to the extent it deems
appropriate, subject only to a motion by the other Petitioning States to cut off debate.

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## 7. Compliance Review Committee

82 The Conforming States shall appoint a Compliance Review Committee which shall have 83 the responsibility to manage the process of reviewing petitions for membership prior to the 84 establishment of the Governing Board. The purpose of the Compliance Review Committee shall 85 be to review each petition for membership and certificate of compliance and to review any public 86 comments related thereto; to determine if the state has followed the procedural requirements for 87 filing; and to identify potential issues of noncompliance. The Compliance Review Committee 88 shall provide input to the Petitioning States regarding compliance of each state and shall present 89 its report at the meeting of Petitioning States. All meetings of the committee, whether in person 90 or by telephone, shall be open to the public, and advance notice of meetings shall be given.

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# 8. Petition Fee

Each state that files a petition for membership, whether as a full member or as an
associate member, shall submit a petition fee in the amount of \$20,000 to the Interim Executive
Director not later than five business days after the initial meeting of the Petitioning States.
Petitions submitted subsequent to the initial meeting, but prior to the effective date of the

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97 Agreement, shall be accompanied by the \$20,000 petition fee. This amount shall be held in 98 escrow pending the date on which a sufficient number of states have either been found to be in 99 substantial compliance with the Agreement or have been found to be an associate member 100 pursuant to Section 704. In the event an insufficient number of states are granted either full or 101 associate membership at the meeting of Petitioning States the petition fee will be refunded to the States. If an individual state is not granted either full or associate membership, the petition fee 102 103 will be refunded to the State. When the Agreement becomes effective and the State is granted 104 either full or associate membership to the Agreement, the fee may be applied as a dollar-for-105 dollar credit against any future dues imposed by the Governing Board and payable by that state. 106 Notwithstanding the foregoing, if the Agreement fails to become effective at the meeting of 107 Petitioning States but the effective date appears to the Co-Chairs of the Implementing States to be within 90 days of that date, the Petitioning States shall, by majority vote, have the discretion 108 109 to delay the refunding of dues to the states for that time period.

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#### 9. Procedure for Post-Petitioning States Period

(a) Interim Nominating Committee. The Conforming States Committee shall serve as the
Nominating Committee to present the first single slate of Officers and Directors to the Governing
Board and a multiple slate for members of the Nominating Committee as described in the
proposed Bylaws.

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(b) Executive Director Search. The Petitioning States shall name a four-member panel to
conduct a search for an Executive Director and present qualified candidates to the Executive
Committee of the Governing Board when it is formed. The Executive Committee will make the
final selection.

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(c) Formation of the Governing Board. The Petitioning States will meet on the Effective
Date of the Agreement and form the Governing Board by adopting the Bylaws developed by the
Conforming States Committee. The Governing Board, after its formation, shall elect its Officers
and Directors and a Nominating Committee of 8 persons at the first Annual Meeting from a
multiple slate of nominees representative of the Member States as described in Article Seven of

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- 127 the proposed Bylaws. Candidates for Officers or Directors may also be nominated from the floor
- 128 at the organizational meeting of the Governing Board.