

U.S. DEPARTMENT OF THE TREASURY  
TREASURY TRIBAL ADVISORY COMMITTEE  
PUBLIC MEETING  
MINUTES - June 20, 2019

The Treasury Tribal Advisory Committee (TTAC) conducted its first public meeting at 9:00 a.m. June 20, 2019 in the Cash Room at the U.S. Department of the Treasury, 1500 Pennsylvania Avenue NW, Washington, D.C.

In accordance with the provisions of Public Law 92-463, the meeting was open to the public from 9:00 a.m. to 4:30 p.m.

The following TTAC members were present:

**TTAC**

W. Ron Allen  
Rebecca Benally  
Sharon Edenfield  
Lacey Horn  
Patricia “Trish” King  
Eugene Magnuson  
Lynn Malerba

The following Treasury representatives were present:

**Treasurer/Treasury**

Jovita Carranza

**Office of Tax Policy**

Krishna Vallabhaneni, Designated Federal Officer (DFO) for Tribal Affairs and Tax Legislative Counsel  
Kimberly Koch, Attorney-Advisory, Tax Legislative Policy  
Michael Novey, Associate, Tax Legislative Policy

**Office of Economic Policy**

Michael Faulkender, Principal Deputy Assistant Secretary of Economic Policy

**CDFI Fund**

Clint Hastings, Senior Portfolio Manager

**Internal Revenue Service**

Christie Jacobs, Director, Indian Tribal Governments Office  
Julie Hanlon-Bolton, Special Counsel, IT&A, Office of General Counsel,  
Victoria Judson, Associate Chief Counsel (EEE), Office of Chief Counsel  
Janine Cook, Attorney, Office of Chief Counsel

Shareen Pflanz, Attorney, Office of Chief Counsel  
Andy Megosh, Attorney, Office of Chief  
Dave Rifkin, Attorney, Office of Chief Counsel

## **WELCOME AND INTRODUCTION**

DFO Vallabhaneni called the meeting to order and introduced the Treasurer of the United States, Jovita Carranza, who provided welcoming remarks.

Treasurer Carranza discussed how Treasury meets its tribal affairs obligations, including the creation of the TTAC and tribal consultations. She also mentioned her role on the Advisory Committee of the CDFI Fund and the Office of Consumer Policy, which is under her leadership. She mentioned the differences between the two activities and that other Treasury staff would be providing more information on the functions later in the meeting. She emphasized Treasury's interest in learning more about the opportunities, promising practices and challenges facing Indian Country. The Treasurer thanked the TTAC members for their service and looked forward to working to improve economic opportunities for all 573 tribes. She then turned the meeting over to DFO Vallabhaneni.

## **OVERVIEW OF TREASURY TRIBAL ADVISORY COMMITTEE**

DFO Vallabhaneni reviewed the TTAC's origin and mission. The TTAC was created in response to the Tribal General Welfare and Exclusion Act of 2014, Public Law 113-168 (Sept. 26, 2014), pursuant to the Section 3. The Act called on the Secretary to establish a the Treasury Tribal Advisory Committee and charged it with advising the Secretary on the taxation of Indian tribes, establishing training for IRS field agents and providing training and technical assistance to tribal financial officers. He mentioned the other tribal affairs functions and specified that the TTAC's mission focuses on tax policy issues affecting Indian tribes. He provided an overview of his experience, his role as the Designated Federal Official (DFO) and responsibilities of the TTAC under the Federal Advisory Committee Act (FACA). He also reviewed the TTAC Charter. He then reviewed the agenda for the day and provided the process for providing public comments via email at [tribal.consult@treasury.gov](mailto:tribal.consult@treasury.gov) or via mail to Treasury Tribal Advisory Committee, Department of the Treasury, 1500 Pennsylvania Avenue NW, Room 1426G, Washington, DC 20220.

DFO Vallabhaneni then introduced the members of the TTAC to the public, and each TTAC member gave brief remarks on their background and their goals for the TTAC.

## **ELECTION OF OFFICERS**

The TTAC held nominations for Chairperson and Vice Chairperson. Lacey Horn was nominated Chairperson by Ron Allen and seconded by Rebecca Benally with unanimous approval of the committee. Eugene Magnuson was nominated Vice Chairperson by Ron Allen and seconded by Rebecca Benally with unanimous approval of the committee. The leadership of the meeting was then turned over to the Chairperson. The Chairperson provided a tribal opening and welcoming remarks.

## **TREASURY TRIBAL ADVISORY COMMITTEE CHARTER REVIEW AND DISCUSSION OF TTAC's MISSION AND PURPOSE**

Chairperson Horn referred to DFO Vallabhaneni's review of the TTAC Charter earlier. Discussion ensued regarding the mission and purpose of the TTAC Charter. Ron Allen motioned to amend the TTAC Charter in Section 2 to reflect language that would provide for an Unfunded Mandates Reform Act (UMRA), PL 104-4 exemption to the FACA rules. Rebecca Benally seconded the motion. Lynn Malerba emphasized having language for a FACA exemption follows the precedent other federal and tribal advisory committees operate under. The motion passed with unanimous consent of the committee. Charter amendments will be reviewed in the next TTAC meeting as appropriate. Ron Allen followed with discussion of expanding TTAC Charter duration from 2 years to ongoing to reduce administrative burden. Ron Allen motioned to seek TTAC Charter amendment to expand the TTAC Charter duration from 2 years to 4 years. Rebecca Benally seconded the motion. The motion passed with unanimous consent of the committee. In general, members emphasized that:

The mission of the GWE, and therefore the TTAC, is broader than tax policy. The TTAC sees its mission as tax policy issues as they relate to economic development and want to broaden the scope of the TTAC Charter.

Dual taxation is a priority issue, and the TTAC will provide understanding and solutions to the Secretary and Treasury that can promote economic development in Indian Country. These can include legislative fixes to remove barriers to economic opportunities.

There are many areas (NMTC, LIHTC, Opportunity Zones, etc.) where tribes should have fair access to these tax incentives.

Treasury should recognize its obligation to engage with tribes on tax policy issues and follow-through on trust responsibilities to tribal governments.

### **BY-LAWS**

Chairperson Horn stated that by-laws for the TTAC are under development. Other members requested that they be available by September for adoption and that experts from the Native American Financial Officers' Association (NAFOA) and National Congress for American Indians (NCAI) assist in the development of by-laws. Lynn Malerba made a motion to defer the adoption of by-laws to the September meeting and Rebecca Benally seconded. The motion passed unanimously.

Chairperson Horn turned the meeting over to DFO Vallabhaneni, who introduced Michael Faulkender, Principal Deputy Assistant Secretary for Economic Policy and the Point of Contact for Tribal Consultations.

### **DISCUSSION OF THE ROLE OF THE POINT OF CONTACT FOR TRIBAL CONSULTATIONS (POCTC)**

Mr. Faulkender confirmed the importance and reiterated Treasury's respect for the government-to-government relationship between tribal governments and the Federal government.

He explained the role of tribal consultations in this relationship and how they inform Treasury's work regarding tribal affairs. He emphasized the distinct but complimentary roles consultations

and the TTAC have in Treasury's tribal affairs and how they are used to craft sound economic policy. He also provided an overview of recent developments in tax policy affecting tribes, including Opportunity Zone guidance, Tribal Economic Development Bonds and the work of the IRS, Office of Tax Policy, General Counsel, Office of the Comptroller of the Currency and CDFI Fund and his role in the White House Tribal Affairs Committee all work to enhance economic opportunity in Indian Country.

The TTAC members then asked Mr. Faulkender questions regarding his role, how Treasury works with Congress on economic development issues, and mentioned specific opportunities for improving economic opportunity in Indian Country. The TTAC and Treasury staff engaged in clarifying discussion around these issues, including Opportunity Zones, tax credits, dual taxation, tribally-owned businesses and the challenge of economic development with tax policy uncertainty.

Mr. Faulkender thanked the TTAC for their commitment to resolving economic opportunity issues, reaffirmed that consultation extends beyond tax policy, and mentioned that consultations will be shared more broadly, including with the White House Tribal Affairs Committee.

The meeting was turned over to Chairperson Horn, who called a recess for lunch.

The meeting reconvened at 12:34 p.m.

## **IDENTIFICATION OF TTAC PRIORITIES**

An overview of the TTAC priorities\* were provided by TTAC members and discussion on each priority ensued. The priorities identified include:

- Dual Taxation Parity –Rebecca Benally
- Opportunity Zones –Chairperson Lacey Horn
- Kiddie Tax –Sharon Edenfield
- General Welfare Exclusion –W. Ron Allen
- Tribal Pensions –Vice Chairperson Eugene Magnuson
- Tax Extenders–Lynn Malerba
  - Indian Employment Tax Credit
  - New Markets Tax Credit
  - Renewable Energy Tax Credit
  - Indian Country Coal Production Tax Credit
- Tax–Exempt Development Bonds
- Tribally-Chartered Corporations and Businesses
- Listing of Other Issues Received from National Organizations and Tribal Nations-Trish King Low Income Housing Tax Credits
  - Modernizing CRA
  - Indian Community and Economic Development Act
  - Income required to be reported on 1099 (GWE)
  - Waiver of Securities Registration
  - Bankruptcy
  - Tribal Social Security

## **PROCESS, DELIVERABLES, COMMUNICATIONS AND ACCOUNTABILITY**

The TTAC determined that they will need to develop a matrix of issues that includes potential solutions, the path for the solution (legislative, administrative, education, etc.). NAFOA will work with the TTAC to develop this matrix.

The TTAC will explore the possibility of producing press releases to keep people informed of their activity and progress.

The TTAC will develop a PowerPoint presentation that can be used to communicate to the public regarding their purpose, activities and progress.

Treasury should establish a website for TTAC.

By-laws should include a means of directly advising the Secretary as well as how TTAC will interact and coordinate with IRS' Advisory Committee.

## **SUBCOMMITTEES**

The TTAC will be adopting the following subcommittees and incorporate these standing subcommittees into the by-laws:

- General Welfare Exclusion
- Dual Taxation
- Pensions

Other subcommittees were suggested:

- Audit Policy and Enforcement
- Indian Self-Determination and External Communications
- Tribal Tax and Economic Development Policy

## **NATIVE AMERICAN FINANCIAL OFFICERS' ASSOCIATION'S (NAFOA) ROLE AND TECHNICAL SUPPORT FOR TTAC**

Because of the work NAFOA does in coordinating on financial issues with tribes nationally and regionally, it was suggested that NAFOA would be a good coordinating agency to work with the TTAC. The TTAC would like to explore the possibility of contracting with NAFOA on a formal basis to provide services such as technical advice, coordinating meetings, and subcommittee work and travel arrangements. This agreement would include financial support for their work. Treasury will look into the suggestion.

## **FUTURE MEETINGS/DATES**

The TTAC would like to hold three meetings a year. These could potentially include electronic meetings. The meetings would be held within a fiscal year. The TTAC has the following future dates, subject to change:

- September 17, 18 or 19
- December 1, 2, or 3
- March 24, 25, 26 – 2020

- September 14, 15, 16 - 2020

## **PUBLIC COMMENTS**

Public Comments from the following tribes or organizations received were summarized:

- Chumash Tribe
- National Center for American Indian Economic Development

## **CLOSING BUSINESS**

Tribal members, Treasury and IRS staff thanked each other and the audience for participating in the meeting.

Reaffirmed the following objectives to be underway by next meeting:

- Request TTAC Charter FACA exemption and extending the term of the Charter from two years to four years
- Finalize the draft by-laws
- Create working documents, including matrix of priority issues

The Chairperson urged the participants to work together for the long-term, as some of the proposed solutions require legislative action.

Meeting adjourned at 4:13 p.m.

\*Note: TTAC provided an overview on priority issues based on NAFOA's policy summary of the issues. These were provided to the members and participants and are included as part of the Public Meeting record.