

## Draft State/Tribal Opt-In Subcommittee Meeting Summary

Thursday, March 19, 2015

Teleconference: 1-877-953-6149

Passcode: 5315074# (Leader Code 2795597#)

- Discuss Subcomm draft update paper to EITI International Secretariat about opt-in process
  - State Department asked Danielle if they can be kept in the loop with the letter we are sending EITI International Secretariat
  - We need to be sensitive with the language and ensure that we don't refer to ourselves as exceptional, we should be informative but humble
  - We should be cognizant that a skeptical board member might say that these are still state auditors that are still auditing their own data.
  - In states like Oklahoma the production is largely on private or State land and in the case of private land that royalty money never crosses government hands.
  - Ad Valorem tax is paid by the producers to States for production on State and private land.
  - Johanna mentioned that in the Board circulars that Norway argued that they shouldn't have to reconcile because they are so transparent.
    - Johanna suggests that describing the complexities of the US system, because even the EITI secretariat is confused by our complexity
  - Largely States collect their revenues from taxes not royalties and this data is highly protected.
    - It would be very much like the IRS request to let your tax data releasable
  - The States that are auditing the oil and gas reporting largely perform their own audits
    - However these audits are subjected to numerous reviews from numerous other agencies and private CPA firms
    - Also specifically in Wyoming the audit group is intentionally made separate from the normal government structure to ensure independence.
  - It was suggested that Wyoming should be highlighted as a case study to show the board as the complexities of the State royalty and tax collection from the extractive industry
- Select state or tribal contact to invite to May MSG meeting to present available state data
  - Co Chairs felt that this would be a good idea
  - Possible states would be: West Virginia, Kentucky, and West Virginia
    - West Virginia's contact has been the most enthusiastic (John Doyle)
    - Perhaps he would be willing to give an overview of his State to the MSG
- Updates on state or tribal outreach?
  - Van Charleton of Montana has agreed to meet with Greg Gould and Danielle in May Dennis Roller from North Dakota, he has agreed to a phone call in the next week or so.
  - John Doyle from West Virginia would be a good candidate for a similar call
  - We should send a letter to the 18 states informing them of the upcoming May meeting and giving them an invitation to call in or attend
    - Also ask if any states would like to speak at the MSG meeting
- Interesting State Facts
  - North Dakota just audits Federal Royalties
  - Colorado Audits both Royalties and Tax data
- Dear Tribal Leader Letters:
  - They are in the Surnaming process and should be out this week

### Attendees:

Danielle Brian- POGO

Mia Steinle- POGO

Chris Mentasti- DOI

Jennifer Malcom- DOI

Mike Matthews- State of Wyoming

Ryan Ellis- IMCC

Greg Conrad- IMCC

Veronica Slajer- North Star Group

Johanna Nesseth Tuttle- Chevron  
Jerry Gidner- DOI