2022-23 - TAX & LEGISLATIVE AFFAIRS COMMITTEE CHARTER

Purpose:

The fundamental purpose of the Tax & Legislative Affairs Committee is to provide industry insight, education, advocacy, advice, guidance, and review in successfully positioning CFMA as the source of construction industry financial information and expertise specifically related to federal tax and legislative affairs.

Operations:

The Committee will have periodically, at a minimum, four conference call meetings during the fiscal year. The schedule of these calls will be determined by the Committee Chair and Vice Chair. Materials are to be provided three business days prior to any meeting. Minutes documenting the discussions, decisions made, and actions taken during the meeting will be produced and distributed within ten business days. During meetings of the committee a majority of the members of the committee at the time of the meeting shall constitute a quorum. A quorum needs to be established for a vote of any questions brought to the Committee and must be affirmed by a simple majority of those present to be approved. At all meetings of the Committee, either the Chair or Staff Co-Chair, if present, shall act as Chair. In their absence, the Vice Chair shall act as Chair.

Subcommittees of this Committee may be formed for the purpose of carrying out specific ongoing responsibilities of the Committee. Subcommittees are governed by this charter and will be populated with Committee members and other stakeholders, subject to Committee approval. Subcommittees will make periodic reports to the Committee including any new issues raised for consideration by the Subcommittee. The Subcommittee(s) for this committee and their purposes are listed below.

Subcommittees of the Tax & Legislative Affairs Committee are:

- **None**

The Committee Chair and Vice Chair may form task forces as needed. Task Forces are temporary stakeholder groups that address specific non-routine issues or other duties that align with the overall committee charges.

Task Forces are governed by this charter and will be populated with Committee members and other stakeholders, subject to Committee approval. Task Forces are disbanded upon completion of the specific work activity or converted to subcommittees if it is determined that they should become a permanent part of the Committee. Task Forces are required to have a purpose statement and defined timeframe.

Charges:

- Monitors activities regarding legislation, regulation, and other federal and state issues with potentially national significance and impact.
- Maintains a forum to identify issues, estimate their potential impact on the industry, and report on these findings through various publications and CFMA's Website.

- When CFMA elects to take a position on federal tax and legislative issues, this Committee develops a response on the Association's behalf, and works with other organizations, as appropriate.
- Serves as an Association resource on the tax-related aspects of CFMA's "Body of Knowledge."

Committee Population and Terms:

Membership on the Committee is open by Committee invitation to any CFMA member in good standing and, upon selection or appointment thereto, said member shall serve at the pleasure of the Executive Committee. As the Committee's needs in terms of expertise, connections, demographics and intrinsic qualities are not static, upon recommendation, term limits may be enacted to ensure new blood, energy perspective, and ideas are in place to allow the Committee to continue to grow and flourish. It may be deemed appropriate or necessary to limit the size of the Committee, and any such action regarding Committee size is at the sole discretion of the Committee Chair, the Vice Chair and the Staff Co-Chair.

Committee members are required to attend at least half of the Committee meetings to retain membership on the Committee. Any member failing to meet this requirement will be removed from the Committee at the discretion of an affirmative vote of the Committee Chair, Vice Chair and Staff Co-Chair. Signed and returned committee affirmations will confirm member participation each year.

The Committee Chair and Vice Chair are appointed to one-year terms with a maximum of two consecutive terms by the CFMA Chair, acting upon leadership recommendations and referrals made by the current Committee Chair and Staff Co-Chair. The appointed Chair preferably should have served previously as Vice Chair of the Committee. The appointed Vice Chair preferably should have served at least one year as a Committee member.

The Committee will annually review their committee composition metrics to ensure they are striving for the following metric guidelines. CFMA will provide these metrics for review by the Committee Co-chairs and their Executive Liaison on an annual basis.

- The annual new member percentage should be between 5-20%.
- The percentage of General and Associate members should be reviewed annually to ensure it aligns with the needs to the committee.

Authority:

The Committee can execute and take action on any items included in the committee's stated purpose and approved budget. The Committee does not have the authority to act or speak on behalf of CFMA without the prior approval of the Executive Committee.

If the committee proposes a major change or addition to their stated purpose it would require approval by the Executive Committee. Such proposals will need to be incorporated into the **Committee Recommendation Form** and then submitted to the Officers to determine if the request is ready for review. Once the request is approved by the officers, the officers have the authority to direct the request to the Executive Committee for review and approval.

Reporting:

The Committee Chair reports to the Executive Committee. The Chair shall provide a written report of Committee activities to each regular meeting of the Executive Committee, as well as to the Board of Directors, Officers, or Executive Committee members when called upon to do so.

Resources:

As approved by the Executive Committee, resources include an annual program plan and budget plus associated staff resources. The work of the Committee is supported administratively by designated CFMA HQ staff. At times, the Committee will utilize specific vendors to assist with the carrying out of the Committee's charges.

Adopted & approved by the Executive Committee 3-24-22.