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**OFFICE OF GOVERNOR RONNIE MUSGROVE**  
**INTEROFFICE MEMORANDUM**

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**TO:** GOVERNOR  
**FROM:** BOYD AND RILEY  
**SUBJECT:** STATE TAX COMMISSIONS AND TRANSPORTATION  
**DATE:** 10/18/2000  
**CC:** SENIOR STAFF

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#### TAX COMMISSIONERS

The most common model is revenue director or commissioner appointed by the governor as the sole head of the state revenue agency. An appointed director, serving at the will and pleasure of the Governor, would be the best choice for executive direction and policy.

- Arkansas's Director of Finance and Administration is responsible for the oversight and management of the collection of state taxes, the licensing of motor vehicles and drivers, and the collection of child support. The director is appointed by and serves at the will and pleasure of the Governor.
- Alabama's Commissioner of Revenue is appointed by and shall hold office at the pleasure of the Governor.
- South Carolina abolished its 3-member Tax Commission, effective February 1995, and replaced it with the Department of Revenue headed by a Director appointed by and serving at the will and pleasure of the Governor.

Four states have elected revenue officials: North Dakota elects a single tax commissioner. Maryland and Texas elect the state comptroller who collects taxes. California has two elected boards -- Franchise Tax Board, which administers the state income tax; Equalization Board which handles sales, use, and property taxes; but income tax withholding is conducted by the Employment Development Department (linking it with UI payroll tax collections in the same department, whose director is appointed by the governor).

#### TRANSPORTATION COMMISSIONERS

Mississippi has the only state department of transportation governed by an elected commission. An appointed commission, serving at the will and pleasure of the Governor, would be the best choice for executive direction and policy and would still allow regional representation in the administration of the department.

Two common administrative models exist. The first is a board or commission appointed by the Governor. Commission members are appointed from congressional districts, transportation districts or the state at large. In efforts to ensure bipartisanship, some states (including, but not limited to,

Iowa, Idaho, and Missouri) limit the number of commissioners that may serve from the same political party. The Arkansas Highway and Transportation Department is organized in this manner.

The second common form of administration is an agency administrator (Director, Secretary, or Commissioner) appointed by the Governor. Alabama, Louisiana and Tennessee utilize this form of management. Louisiana's Secretary of Transportation is responsible for the policies of the department, while the Undersecretary of Transportation, also appointed by the Governor, is responsible for the functions of the Office of Management and Finance within the department.

South Carolina and Georgia utilize different models. Six of South Carolina's commissioners are appointed by the legislative delegations of each of the state's transportation districts, with the seventh, who serves as Chairman of the Commission, being appointed at-large by the Governor. Legislators elect Georgia's State Transportation Board in legislative caucuses.