Tax Expenditure Review Commission

Meeting Minutes

January 28, 2026
Hybrid Meeting – MN Capitol Room123/Zoom

Co-Chair Esther Agbaje called the meeting of the Tax Expenditure Review Commission (TERC) to order at 12:00 PM.

Members Present:
Rep. Esther Agbaje (Co-Chair)
Rep. Greg Davids (Co-Chair)
Sen. Doron Clark (Vice Chair)
Sen. Mark Koran
Commissioner Paul Marquart
Rep. Kristin Robbins
Rep. Andy Smith

Members Excused:
Sen. Matt Klein
Sen. Bill Weber

A quorum was present.

Review and Approval of January 15, 2026, Meeting Minutes

The meeting minutes from January 15, 2026, were approved as presented.

Review and Approval of the Draft 2025 TERC Annual Legislative Report

Carlos Güereca, Lead Analyst with the Legislative Budget Office (LBO) and Vlad Fleurimond, Economist with the LBO, presented the draft 2025 TERC Annual Legislative Report. Commission questions and discussion followed.

Co-Chair Greg Davids moved to adopt the draft 2025 TERC Annual Legislative Report as presented to the Commission for consideration on January 28, 2026 by the LBO, subject to technical and conforming changes adopted by the Co-Chairs and Vice Chair received by February 6, 2026 in accordance with Minnesota Statute 3.8855.

A roll call vote was taken.

AYE:	NAY:	EXCUSED:
Rep. Agbaje (Co-Chair)		Sen. Klein
Rep. Davids (Co-Chair)		Sen. Weber
Sen. Clark (Vice Chair)		
Sen. Koran		
Commissioner Marquart		
Rep. Robbins		
Rep. Smith		

There being 7 AYES, 0 NAYS, and 2 EXCUSED, the **Motion Prevailed**, the draft 2025 TERC Annual Report was adopted.

Review and Vote on Previously Presented Tax Expenditure Evaluations

Christian Larson, Director with the LBO, provided an overview of Commission members' aggregated evaluations of the Marriage Credit Tax Expenditure (1.6.01), which was presented to the Commission on November 5, 2025. Commission questions and discussion followed.

Co-Chair Agbaje moved to recommend tax expenditure 1.6.01 (Marriage Credit Tax Expenditure) be modified in accordance with the duties outlined in Minnesota Statutes Sec. 3.8855 Sub. 5(a)(9) and in accordance with the procedures of the TERC as presented and approved on December 10, 2025.

A roll call vote was taken.

AYE:	NAY:	EXCUSED:
Rep. Agbaje (Co-Chair)		Sen. Klein
Rep. Davids (Co-Chair)		Sen. Weber
Sen. Clark (Vice Chair)		
Sen. Koran		
Commissioner Marquart		
Rep. Robbins		
Rep. Smith		

There being 7 AYES, 0 NAYS, and 2 EXCUSED, the **Motion Prevailed**, the recommendation to modify tax expenditure 1.6.01 (Marriage Credit Tax Expenditure) was adopted.

Director Larson provided an overview of Commission members' aggregated evaluations of the Wind Energy Conversion Systems Tax Expenditure (4.1.26), which was presented to the Commission on November 5, 2025. Commission questions and discussion followed.

Co-Chair Davids moved to recommend tax expenditure 4.1.26 (Wind Energy Conversion Systems Tax Expenditure) be modified in accordance with the duties outlined in Minnesota Statutes Sec. 3.8855 Sub. 5(a)(9) and in accordance with the procedures of the TERC as presented and approved on December 10, 2025.

A roll call vote was taken.

AYE:	NAY:	EXCUSED:
Rep. Agbaje (Co-Chair)	Rep. Davids (Co-Chair)	Sen. Klein
Sen. Clark (Vice Chair)	Sen. Koran	Sen. Weber
Commissioner Marquart	Rep. Robbins	
Rep. Smith		

There being 4 AYES, 3 NAYS, and 2 EXCUSED, the **Motion Prevailed**, the recommendation to modify tax expenditure 4.1.26 (Wind Energy Conversion Systems Tax Expenditure) was adopted.

Continued Commission discussion followed.

Director Larson provided an overview of Commission members' aggregated evaluations of the Solar Energy Systems Tax Expenditure (4.1.27), which was presented to the Commission on November 5, 2025. Commission questions and discussion followed.

Sen. Doron Clark moved to recommend tax expenditure 4.1.27 (Solar Energy Systems Tax Expenditure) be modified in accordance with the duties outlined in Minnesota Statutes Sec. 3.8855 Sub. 5(a)(9) and in accordance with the procedures of the TERC as presented and approved on December 10, 2025.

A roll call vote was taken.

AYE:	NAY:	EXCUSED:
Rep. Agbaje (Co-Chair)	Rep. Davids (Co-Chair)	Sen. Klein
Sen. Clark (Vice Chair)	Sen. Koran	Sen. Weber
Commissioner Marquart	Rep. Robbins	
Rep. Smith		

There being 4 AYES, 3 NAYS, and 2 EXCUSED, the **Motion Prevailed**, the recommendation to modify tax expenditure 4.1.26 (Wind Energy Conversion Systems Tax Expenditure) was adopted.

Agenda Items for Next Meeting

Co-Chair Agbaje noted that there were currently no future meetings scheduled for the Commission and reminded members that the Commission would convene again after the conclusion of the 2026 session.

Adjournment

There being no further business, the meeting adjourned at 1:03 PM.