



## Revenue and Transportation Interim Committee

### 63rd Montana Legislature

#### SENATE MEMBERS

CHRISTINE KAUFMANN--Chair  
DICK BARRETT  
GREG JERGESON  
JANNA TAYLOR  
FRED THOMAS  
ART WITTICH

#### HOUSE MEMBERS

NANCY BALLANCE--Vice Chair  
CYDNIE ( CARLIE ) BOLAND  
ROY HOLLANDSWORTH  
CHUCK HUNTER  
TOM JACOBSON  
MIKE MILLER

#### COMMITTEE STAFF

MEGAN MOORE, Lead Staff  
JARET COLES, Staff Attorney  
FONG HOM, Secretary

# MINUTES LOG

September 4, 2014  
Room 137, Capitol Building  
Helena, Montana

Please note: These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. To the left of each section in these minutes is a time designation indicating the approximate amount of time in hours, minutes, and seconds that has elapsed since the start of the meeting. This time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative Branch home page at <http://leg.mt.gov>. On the left-side menu of the home page, select *Committees*, then *Interim*. Once on the page for *Interim Committees*, scroll down to the appropriate committee. The written minutes summary, along with the audio and video recordings, are listed by meeting date on the interim committee's web page.

Hard copies of the exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document.

#### COMMITTEE MEMBERS PRESENT

SEN. CHRISTINE KAUFMANN, Chair  
REP. NANCY BALLANCE, Vice Chair

SEN. DICK BARRETT  
SEN. GREG JERGESON  
SEN. JANNA TAYLOR  
SEN. FRED THOMAS

REP. CYDNIE (CARLIE ) BOLAND  
REP. ROY HOLLANDSWORTH  
REP. CHUCK HUNTER  
REP. TOM JACOBSON  
REP. MIKE MILLER

#### COMMITTEE MEMBERS EXCUSED

SEN. ART WITTICH

#### STAFF PRESENT

MEGAN MOORE, Lead Staff  
JARET COLES, Staff Attorney  
NADINE SPENCER, Secretary

## **AGENDA & VISITORS' LIST**

Agenda ([Attachment 1](#))  
Visitors' list ([Attachment 2](#))

## **COMMITTEE ACTION**

### **CALL TO ORDER AND ROLL CALL**

00:00:01 Sen. Kaufmann called the meeting to order at 1:03 p.m. The secretary called roll.  
Sen. Wittich was excused. ([Attachment 3](#))

### **OVERVIEW OF ECONOMIC OUTLOOK PRESENTATION WORKSHEETS - Stephanie Morrison, Revenue Analyst, Legislative Fiscal Division**

00:01:17 Ms. Morrison gave an overview of the Economic Outlook Presentation Worksheets. ([Exhibit 1](#))

### **OVERVIEW OF MONTANA OIL AND GAS RELATED TO REVENUE ESTIMATES - Dave Pursell, Tudor, Pickering, Holt & Company (by phone)**

00:06:17 Mr. Pursell gave an overview of Montana oil and gas as it relates to the revenue estimates. ([Exhibit 2](#))

#### Committee questions

00:24:34 Rep. Ballance  
00:24:55 Mr. Pursell  
00:27:22 Sen. Jergeson  
00:28:18 Mr. Pursell  
00:30:20 Sen. Barrett  
00:30:53 Mr. Pursell  
00:32:21 Sen. Barrett  
00:32:30 Mr. Pursell  
00:32:37 Rep. Hollandsworth  
00:32:52 Mr. Pursell

### **ECONOMIC OVERVIEW RELATED TO REVENUE ESTIMATES**

- **Montana economic outlook - Patrick Barkey, Bureau of Business and Economic Research, University of Montana**

00:35:56 Mr. Barkey gave a mid-year update on the United States' and Montana's economies. ([Exhibit 3](#))

Committee questions

01:02:40 Sen. Barrett  
01:03:04 Mr. Barkey  
01:03:38 Sen. Barrett  
01:03:58 Rep. Ballance  
01:04:33 Mr. Barkey

- **Overview of Montana labor and business trends - Barbara Wagner, Chief Economist, Department of Labor and Industry**

01:06:09 Ms. Wagner distributed The Department of Labor & Industry's Labor Day Report 2014 ([Exhibit 4](#)) and gave an update on Montana's economy ([Exhibit 5](#)).

Committee questions

01:34:27 Rep. Miller  
01:35:19 Ms. Wagner  
01:36:03 Sen. Barrett  
01:38:25 Ms. Wagner  
01:41:55 Sen. Thomas  
01:44:09 Ms. Wagner  
01:45:12 Sen. Thomas  
01:45:21 Sen. Jergeson  
01:46:13 Ms. Wagner  
01:48:50 Rep. Hunter  
01:49:09 Ms. Wagner  
01:50:26 Rep. Ballance  
01:52:29 Ms. Wagner

- **Chamber of Commerce perspective - Glenn Oppel, Montana Chamber of Commerce**

01:54:24 Mr. Oppel gave a presentation on the results of the Business Outlook Survey that was conducted by the Minneapolis Federal Reserve Bank. ([Exhibit 6](#))

- **Agricultural outlook - Myles Watts, Montana State University**

02:13:00 Mr. Watts gave a presentation on Montana's agricultural outlook. ([Exhibit 7](#))

Committee questions

02:40:50 Rep. Hollandsworth  
02:42:18 Mr. Watts  
02:43:51 Rep. Hollandsworth  
02:44:40 Mr. Watts  
02:45:28 Rep. Hollandsworth  
02:45:48 Sen. Taylor  
02:46:25 Mr. Watts

**Public Comment - none**

## **BREAK**

### **OVERVIEW OF U.S. AND MONTANA ECONOMIES - IHS (via phone) (Exhibit 8)**

Jim Diffley, Senior Director  
Doug Handler, Chief U.S. Economist  
Steven Frable, Regional Economist for Montana

- 03:02:04 Mr. Diffley gave opening remarks on the IHS presentation.
- 03:03:26 Mr. Handler gave a presentation on the economic outlook of the United States.
- 03:28:00 Mr. Frable gave a presentation on Montana's economy and what IHS expects for the state going forward.

#### Committee questions

- 03:48:22 Sen. Jergeson
- 03:49:43 Mr. Frable
- 03:51:00 Rep. Ballance
- 03:52:11 Mr. Handler
- 03:54:10 Rep. Ballance
- 03:54:39 Mr. Handler
- 03:54:51 Mr. Frable
- 03:57:16 Rep. Hollandsworth
- 03:57:29 Mr. Handler
- 03:59:40 Sen. Kaufmann

### **ADMINISTRATIVE RULE REVIEW - Jaret Coles, Staff Attorney**

- 04:00:18 Mr. Coles reported on Administrative Rule Activity. (Exhibit 9)
- 04:02:40 Mr. Coles reported on the Supplemental Memo regarding Administrative Rule Activity. (Exhibit 10)

### **PUBLIC COMMENT ON ANY OTHER TOPIC WITHIN THE COMMITTEE'S JURISDICTION**

None

### **RECESS**

- 04:05:33 Sen. Kaufmann recessed the meeting to reconvene at 8:00 a.m., on September 5, 2014.

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