

EXHIBIT 2
 DATE 1/27/04
 HB 2



Montana Economic Developers Association

118 E. Seventh St.; Suite 2A Anaconda, MT 59711
 ph: 406.563.5259 fx: 406.563.5476

January 27, 2005
 Representative John Sinrud, Chairman
 Joint Appropriations Subcommittee on
 General Government and Transportation
 Montana State Capital
 Helena, Montana

Dear Rep. Sinrud and Committee Members:

The Montana Economic Developers Association (MEDA) goes on record supporting the Office of the Governor's budget laid out before you today. In particular, we urge your support of the \$500,000 appropriation ear marked for the Governor's Office of Economic Opportunity to be used for business recruitment.

The State of Montana virtually expends no money on recruiting business to Montana. We are a passive player and must become a pro-active one if we are to have a rounded program of economic development in the State of Montana.

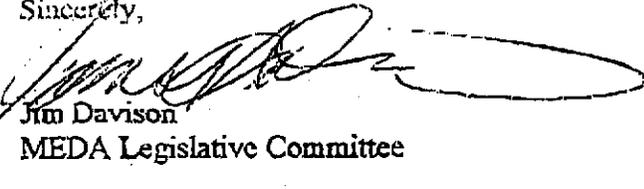
In the past, the Legislature did appropriate funds to entice business to Montana. These funds were the catalyst to cooperate with local efforts. The funds went away and the state was forced to piggyback its work on the backs of local communities.

At one time, the state would lease both space and build displays, produce brochures, ads and other promotional materials. Now the state is forced to go along as an adjunct to local efforts. The state has given up its leadership responsibility.

We are asking the Legislature to commit to again be the leader, to partner fully with existing local efforts and to encourage other communities to join in recruitment efforts.

Please support the \$500,000 annual expenditure for the Governor's Office.

Sincerely,


 Jim Davison
 MEDA Legislative Committee

JOIN US AT <http://www.medamembers.org>

BOARD OF DIRECTORS: DICK KING, PRESIDENT, MISSOULA * RICK EDWARDS, VICE PRESIDENT, BUTTE *
 JONI STEWART, TREASURER, CUY BANK * PAUL FUGG, PAST PRESIDENT, HAVRE * GLORIA O'ROURKE, SECRETARY *
 * JIM DAVISON, ANACONDA * JIM ATCHISON, COLSTRIP * BETTY CURRY, JOUET * ELAINA ZEMPEL, CONRAD *
 * EVAN BARRETT, BUTTE * JOE MCCLUNE, BILLINGS * ANNE BOOTHE, MALTA * LARRY MIREG, GLASGOW *
 * VIELMA PRETTY ON TOP * SHELDON BARTEL, HELENA * MIKE CARLSON, SIDNEY * ANDY POOLE, HELENA *
 * MARK EVANG, BOZEMAN * ELIZABETH HARRIS, KALISPELL * MIKE MCGINLEY, DILLON *
 * JOHN KRAMER, GREAT FALLS * KEN RICHARDSON, BOZEMAN *



January 26, 2005

General Government and Transportation
Appropriations Subcommittee

Dear Chairman John Sinrud and Committee members:

Please accept this letter as Big Sky EDA and EDC's strong endorsement for the budget for the Governor's Office of Economic Opportunity including \$500,000 per year over the next two years for statewide marketing.

Big Sky EDA is responsible for economic and community development activities for the greater Yellowstone County area and has been for the past 15 years. Big Sky EDC is a 2 year-old local nonprofit business organization representing 60 private businesses throughout Yellowstone County.

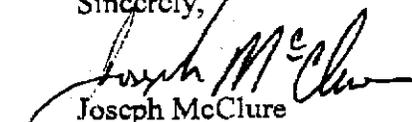
Economic development, and especially business recruitment, happens at the local level. However, the local economic development business recruitment efforts need to be supplemented by a statewide marketing effort designed to create awareness of the state. Local entities do not have the budgets to create awareness marketing.

Our competition, especially the surrounding states, spend millions in statewide awareness programs to simply get the business community to consider their state for a new location. That's where the local communities come in. Once the State of Montana is recognized as a state open for business, then local incentive packages and workforce data can be utilized in a more cost effective and targeted manner. Currently, without the statewide awareness marketing, local communities struggle with simply getting on the radar screens of the global business community. The \$500,000 annually requested by the Governor's Office of Economic Opportunity would provide a tremendous boost to our local efforts and would once again show a financial commitment by the State of Montana.

Examples of uses of the funds include state sponsored awareness advertising in industry periodicals, trade show booth sponsorship where local communities would each provide local matching funds and personnel to staff the booths, etc.

Thank you for the opportunity to support this effort.

Sincerely,


Joseph McClure
Executive Director
Big Sky EDA/EDC



www.bigskyeda.org



Department of Commerce • PO Box 200501 • Helena, MT 59620-0501 • 406/444-3797

VIA FAX

January 27, 2005

House Appropriations Sub-Committee Hearing
Chairman John Sinnud
8:00 AM, January 27, 2005

Dear Chairman Sinnud and Committee Representatives:

Please let this letter serve as our testimony this morning for our strong support and endorsement of the Governor's Office of Economic Opportunity's request for a \$1,000,000 appropriation over the biennium for the Governor's Budget for business recruiting and marketing. Business recruiting and marketing is a critical component of our economic development effort. It is something that has not received sufficient emphasis in the past.

We are fortunate because for various reasons some people want to move or move back to Montana to live and work. These people are often successful in their own right and end up starting or moving a business to Montana which then begins to employ Montanans typically at higher wage rates than our Montana average of \$26,900.00. This average wage rate of \$26,900.00 for our Montana employees is the lowest in the nation.

These kinds of people and businesses need to be further recruited and encouraged to come to our state. This is not happening now. Your approval of this budget request for the marketing and recruiting effort will be a huge step forward. We strongly urge your support of this budget request.

Thank you.

Sincerely yours,

Jon Marchi
Chairman, Legislative and Taxation Committee