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BUSINESS & LABOR
EXHIBIT NO. 10
DATE 3-26-09
BILL NO. HB635

Brian Schweitzer, Governor

Resolution in Support of House Bill 635

WHEREAS, the Legislature of the State of Montana enacted the Montana Equity Capital Investment Act and the Governor, pursuant to said Act, appointed the Montana Capital Investment Board comprised of Gary Buchanan, Chair, Ellen Feaver, Robert Pancich, Larry Anderson and Robert W. Minto, Jr.; and

WHEREAS, the constitutionality of the Act was called into question; and

WHEREAS, the Montana Capital Investment Board, after consultation with the Attorney General of the State of Montana, legal sources outside Montana State government, and the investment community thoroughly investigated and studied this issue and concluded that this issue did not represent an impediment to the implementation of the Act; and

WHEREAS, the Montana Capital Investment Board viewing its charge as the full and successful implementation of the Act, members of the Board individually and collectively undertook extensive due diligence into the "Fund of Funds" processes in other jurisdictions; and

WHEREAS, the Montana Capital Investment Board in consultation with the Montana Department of Commerce retained a part-time consultant (in-lieu of hiring staff as provided in the act) to assist it in the initial stages of implementing the Act; and

WHEREAS, the Montana Capital Investment Board members, acting in concert, prepared a "Request for Proposal" for the engagement of a manager for the Montana Equity Fund which the Board issued through the State of Montana Procurement Office; and

WHEREAS, the economic climate in the State of Montana, the United States of America, and the world, has deteriorated causing significant disruption in the capital markets; and

WHEREAS, the RFP produced a single bidder causing the Montana Capital Investment Board to reflect on the terms of the RFP, the lack of competitive bids, the probability of successful funding, and to conclude that it was appropriate to withdraw the RFP; and

WHEREAS, the Montana Capital Investment Board concludes, based on current fiscal constraints faced by the State of Montana and the tenuous condition of the world capital markets, that at this time implementation of the Montana Equity Capital Investment Act is not in the best interest of the citizens of the State of Montana;

NOW THEREFORE BE IT RESOLVED, that the Montana Capital Investment Board supports enactment of House Bill 635, repealing the Capital Investment Act; and

BE IT FURTHER RESOLVED, that it remains supportive of the concepts embodied in the Montana Equity Capital Investment Act when the economic circumstances become more favorable; and

BE IT FURTHER RESOLVED, that the members of the Montana Capital Investment Board are grateful for the opportunity to have served the citizens of the State of Montana and remain willing to continue to serve if House Bill 635 is not enacted.

BE IT FURTHER RESOLVED, that the individual members of the Montana Capital Investment Board stand prepared to submit their individual resignations to the Governor of the State of Montana should House Bill 635 be enacted.

Respectfully adopted the 23rd day of February, 2009.

The Montana Capital Investment Board

Gary Buchanan, Chair

Gary Buchanan, Chair
Members: Larry Anderson, Ellen Feaver, Bob Minto, Bob Pancich