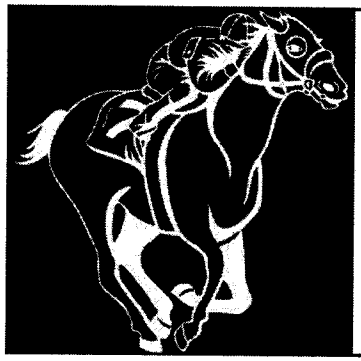
REP. CAROLYN SQUIRES

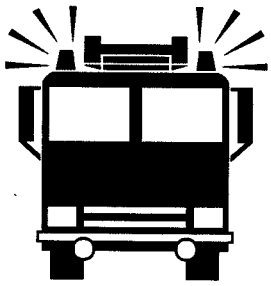
FROM



Horseracing

EXHIBIT 1
DATE 01/10/2013
HB 41

TO



Firefighting

All in an Interim's Work for the Economic Affairs Interim Committee

Published By

Legislative Services Division

Legislative Services Division
P.O. Box 201706
Helena, MT 59620-1706
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http://leg.mt.gov/
By Pat Murdo, Legislative Research Analyst

December 2012

Before the close of each legislative session, the House and Senate leadership appoint lawmakers to interim committees. The members of the EAIC, like most other interim committees, serve one 20-month term. Members who are reelected to the Legislature, subject to overall term limits and if appointed, may serve again on an interim committee.*

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*This information is included in order to comply with section 2-15-155, MCA.
**Sen. Balyeat resigned from the Legislature in June 2012. Sen. Murphy was appointed to the EAIC in Sen. Balyeat's place.

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Overview of EAIC Tasks

Under the general theme of reviewing industries and employment, the Economic Affairs Interim Committee (EAIC) reviews topics as expansive as Montana's skies. As with most interim committees, there's always something that stimulates questions and curiosity. In the 2011-2012 interim the EAIC continued its monitoring activities of the following agencies:

- ⇨ the Department of Agriculture;
- ⇨ the Department of Commerce;
- ⇨ the Department of Labor and Industry;
- ⇨ the Department of Livestock;
- ⇨ the Governor's Office of Economic Development;
- ⇨ the Montana State Fund; and
- ⇨ the State Auditor's Office.

Associated with the monitoring of these agencies were what staff called House Bill No. 142 reviews of reports or advisory councils attached to these agencies. HB 142 reviews took place at many of the EAIC's seven meetings. Similarly, over the 16-month span of meetings the EAIC reviewed 16 professional and occupational licensing boards as required under HB 525 and spent a moderate level of time on the House Joint Resolution (HJR) No. 33 study of health insurance exchanges. Much of the HJR 33 study was put on hold because the 2010 Affordable Care Act that requires states to have either a state-based or a federally facilitated exchange was the subject of constitutional challenges before the U.S. Supreme Court. Once the Supreme Court had decided in June 2012 on the constitutionality of the Affordable Care Act, the EAIC had one meeting left. Both the HB 525 reviews and the HJR 33 study are discussed briefly here; more details are available in separate reports.

Two other studies that Legislative Council did not assign but that involved topics of interest to the EAIC were one involving workers' compensation for volunteer firefighters, which was related to HJR 38, and another related to agricultural commodity liens, which was a topic of Senate Joint Resolution (SJR) No. 15. The EAIC

appointed a subcommittee to study volunteer firefighters' workers' compensation and had stakeholders interested in the agricultural commodity liens discuss their concerns at two separate meetings.

As with all interim committees, the EAIC spent significant time monitoring its assigned agencies and exploring areas of concern, as well as monitoring rulemaking by the agencies. While monitoring the Department of Livestock, the EAIC learned of a budget shortfall of more than $600,000 in fiscal year 2012 for the Board of Horseracing, which is a board administratively attached to the Department of Livestock. The board, and a special committee appointed by Gov. Brian Schweitzer, negotiated a loan with the Department of Administration to avoid ending fiscal year 2012 in the red. Both the loan and board activities came under scrutiny by the EAIC.

While monitoring the Department of Livestock, the EAIC learned of a budget shortfall of more than $600,000 in fiscal year 2012 for the Board of Horseracing, which is a board administratively attached to the Department of Livestock.

The EAIC had a membership change in June 2012 when the senior senator on the committee, Sen. Joe Balyeat, resigned his legislative seat for personal reasons. Sen. Terry Murphy was named as Sen. Balyeat's replacement on the committee. Sen. Balyeat also had been the legislative liaison named by the EAIC to the Montana State Fund, along with Rep. Chuck Hunter. With concurrence from Sen. Tom Facey, the committee's vice chair, Rep. Berry appointed Sen. Ed Walker as the liaison to Montana State Fund in Sen. Balyeat's place. Other appointments made by Rep. Berry as presiding officer were to the Rail Services Competition Council to which he named Sen. Jonathan Windy Boy and himself. These appointments are required by statute.

Proposed Committee Bills

The EAIC chose at its final 2011-2012 interim meeting to sponsor three committee bills. One, Senate Bill No. 54 (LC 353), was the product of the subcommittee discussions of a bill to require workers' compensation for volunteer firefighters. Sen. Tom Facey, who chaired the subcommittee, is the sponsor of SB 54. In addition to requiring workers' compensation coverage for volunteer firefighters who are not now currently covered by workers' compensation, SB 54 provides a funding mechanism in the form of a permissive levy, which would not be subject to the caps on mill levies imposed on local governments under 15-10-420, MCA.

The other committee-sponsored bills are:

The EAIC chose at its final 2011-2012 interim meeting to sponsor three committee bills.

- House Bill No. 41 (LC 351), which would expand the EAIC's interim duties by putting monitoring responsibility for the financial services industry under the EAIC's duties. Currently, the State Administration and Veterans' Affairs Interim Committee monitors the financial services industry as part of its duties to monitor the Department of Administration. Prior to the 2001 transfer of the Division of Banking and Financial Institutions to the Department of Administration, the division was in the Department of Commerce, which is under the EAIC's purview. The rationale for the transfer to the EAIC is that because the EAIC includes members of the Business and Labor standing committees of the House and the Senate, there would be continuity in the interim for members of those standing committees who heard banking and financial services bills during the session. Rep. Carolyn Squires is the sponsor of HB 41.
- HB 60 (LC 352), which provides an earlier termination date to the sunset reviews required by HB 525. Currently HB 525, codified as 37-1-142, MCA, requires a total of two full reviews of professional and occupational licensing boards, with half of the boards reviewed in the first interim and half reviewed in the next interim. The process then is to be repeated. EAIC members expressed concern that the reviews were taking more people away from their jobs to

participate in the reviews than was necessary. The earlier termination date of Dec. 31, 2014, will provide time to complete the reviews of all existing licensing boards. Rep. Berry is the sponsor of HB 60.

Key Activities

HB 525 Review of Licensing Boards

The EAIC recommended that all licensing boards reviewed in the 2011-2012 interim be retained. Because of concerns raised by members of occupations regulated by some of the boards and by members of the public, the members urged followup oversight and activities for the Board of Dentistry and the Board of Hearing Aid Dispensers. At its Sept. 11, 2012, meeting the EAIC heard concerns voiced by social workers and professional counselors and asked that monitoring of that board be continued. See Table 1 for a list of boards reviewed during the 2011-2012 interim. The table includes under "actions" some followup activities that may not have been strictly part of the HB 525 review of whether to retain the board. The additional actions are included here for ease of finding the dates on which the committee discussed the board's activities.

The EAIC recommended that all licensing boards reviewed in the 2011-2012 interim be retained.

Scheduled for reviews in the 2013-2014 interim are the following professional and occupational licensing boards: Alternative Health Care, Architects and Landscape Architects, Athletic Trainers, Barbers and Cosmetologists, Clinical Laboratory Science Practitioners, Occupational Therapy Practice, Physical Therapy Examiners, Private Alternative Adolescent Residential or Outdoor Programs, Private Security, Radiologic Technologists, Real Estate Appraisers, Realty Regulation, Respiratory Care Practitioners, Sanitarians, Social Workers/Professional Counselors, Massage Therapists, and Speech Language Pathologists and Audiologists.

For more information on the concerns raised by dental hygienists, denturists, and dentists as well as by members of the Board of Hearing Aid Dispensers see the semi-final report on HB 525.

Table 1: HB 525 Reviews of Licensing Boards Reviewed 2011-2012 (alphabetical order)

Licensing Board	Review Date	Actions
Chiropractors	Aug. 24, 2011	• Voted to continue board as is
Dentistry	Aug. 23, 2011 Jan. 20, 2012	• Requested to review again in January 2012 with proposal to split boards • Endorsed committees of denturists/dental hygienists. Urged board to resolve problems among practitioners. Voted to continue board as is.
Electrical	April 20, 2012	• Voted to continue board as is
Professional Engineers and Professional Land Surveyors	April 20, 2012	• Voted to continue board as is
Funeral Service	Oct. 6, 2011 Jan. 20, 2012	• Decision postponed to January 2012 • Voted to continue board as is
Hearing Aid Dispensers	Oct. 5, 2011 April 20, 2012 Sept. 11, 2012	• Decision postponed to April 2012 • Voted in April to continue board as is • Update of discussions between Board staff and Dept. of Justice regarding consumer protection, prosecutions
Medical Examiners	Oct. 6, 2011 June 12, 2012	• Voted to continue board as is • Review of licensing procedures
Nursing	Jan. 20, 2012	• Voted to continue board as is
Nursing Home Administrators	Oct. 6, 2011	• Voted to continue board as is
Optometry	Jan. 20, 2012	• Voted to continue board as is
Outfitters	Jan. 19, 2012	• Voted to continue board as is
Pharmacy	Aug. 23, 2011	• Voted to continue board as is
Plumbers	April 20, 2012	• Voted to continue board as is
Psychologists	June 12, 2012	• Voted to continue board as is
Public Accountants	Jan. 19, 2012	• Voted to continue board as is
Veterinary Medicine	Aug. 24, 2011	• Voted to continue board as is

▮▮■ *HJR 33 Study of a Health Insurance Exchange*

The EAIC chose as part of its 2011-2012 work plan to spend a moderate amount of time on the HJR 33 study of a health insurance exchange. At the first meeting in June

2011, the EAIC members ranked the aspects of the HJR 33 work plan that they wanted to study. More information on the HJR 33 study is included in the final report, printed separately. See the HJR 33 Study under the EAIC website at http://leg.mt.gov/css/Committees/interim/2011-2012/Economic-Affairs/Assigned-Studies/HJR33/HJR33.asp.

▮▮■ *Board of Horseracing Financial Troubles*

Near the end of calendar year 2011 the Department of Livestock (DoL) discovered that the Board of Horseracing, a seven-member board administratively attached to the department, had run into financial troubles. The department fired the person appointed to serve as the executive secretary of the board and began to try to unravel the contracts related to simulcast operations that were determined to be the primary problem behind the budgetary shortfalls. A timeline and financial history provided by the DoL to the EAIC at its June 2012 meeting showed that revenues and cash on hand surpassed expenditures until the fiscal year ending June 30, 2010. See Table 2. From then on, the fund balance shrank and then turned negative. In order to avoid a negative fund balance upon the June 30, 2012, closing of the 2012 fiscal year, the DoL worked with the Governor's Office and a special committee consisting of the DoL executive officer Christian Mackay, Sen. Cliff Larsen, and Department of Commerce Director Dore Schwinden to resolve the Board of Horseracing's own version of a fiscal cliff. In March 2012 the committee arranged for a $609,638 loan from the Department of Administration to be paid back over 8 years. By the time the fiscal year ended, the Board of Horseracing had additional debt that resulted in a revised loan of $628,428 to be repaid over 10 years. Annual payments are projected at $62,842.70.

Near the end of calendar year 2011 the Department of Livestock discovered that the Board of Horseracing, a seven-member board administratively attached to the department, had run into financial troubles.

Table 2: Board of Horseracing Revenues, Expenditures, Cash, Annual Balance

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues	$86,538	$182,848	$460,924	$494,092	$368,105	$882,101	$236,155
Expenditures	$158,790	$150,994	$399,841	$582,630	$429,852	$905,526	$461,138
Cash on hand	$332,578	$219,166	$26,144	$242,197	$29,219	-$29,135	-$270,704
Annual Balance*	$260,326	$251,020	$336,074	$153,659	-$32,528	-$52,560	-$495,687

*The annual balance is not the same as the over-time fund balance. The fund balance remained positive until going negative in 2011.

Payments for the loan are to be from an operations account, which includes revenue from advance deposit wagers and fantasy sports. Money for loan payments may also be available from a simulcast account, which is revenue earned under a contract with Montana Simulcast Racing, a new organization that contracted to run the simulcast operations in 2012. Earnings from the advance deposit wagers and from the fantasy sports program, which the Board of Horseracing has contracted to be run by the Montana Lottery, as permitted under 23-4-201, MCA, are expected to be sufficient to pay off the loan. As provided in 23-4-302, MCA, about 16% of the proceeds from fantasy sports is to be deposited in the Board of Horseracing's special revenue account. The statute says no more than 10% of that amount is to be used for operations with the rest to be used for live purse races or the "good of the existing horseracing industry"; the phrase "good of the existing horseracing industry" has a fair amount of leeway for interpretation. Table 3 shows annual revenue projections from major sources as indicated in calendar 2012. Included are licenses for hosting race meets. In 2012, as a result of the financial problems of the board, only Miles City's Bucking Horse Sale conducted a live meet.

Table 3: Board of Horseracing Operations Revenues, Annual Loan Payment, 2012

	Annual amount (approximately)	Amount for Loan
Operations Revenues (Fund 02029)	$97,970 - $104,970	$62,842.70
• Advanced Deposit Wagering	$55,000 - $60,000	
• Fantasy Sports	$35,000 to $37,000	
• Licenses (for Miles City races)	$7,970	--
Simulcast Revenues (Fund 02063)	$61,612 (as of 12/4/12)	--

The income streams from simulcast operations reportedly improved in 2012, after a new contractor took over from the Board of Horseracing and a new board chairman began to provide more structured accountability. Heading into the new fiscal year, the new board chairman, former Missoula senator Dale Mahlum, stated in an email to the EAIC that the Board of Horseracing's only spending would be from what is "in the bank". Mahlum and several new board members along with holdovers from the old board agreed to allow a Missoula tavern owner to work with other tavern owners who had invested in simulcast facilities to keep the simulcast operations running. This money from simulcast is expected to enable the Board of Horseracing to set live race meets in the upcoming years in Montana towns that apply to run those meets.

The income streams from simulcast operations reportedly improved in 2012, after a new contractor took over from the Board of Horseracing and a new board chairman began to provide more structured accountability.

Although no wrongdoing ever was alleged, the recent financial problems reportedly began to unravel as part of the economic downturn and a change in the contractor handling the simulcast races. The feed for the simulcasts costs money, and revenues failed to generate sufficient income to cover the associated costs. Cash and a positive fund balance offset the growing discrepancy after 2008 between revenues and expenditures until both the fund balance and cash plummeted in the fiscal year ending June 30, 2012. Further complicating the flow of funds was the Board of Horseracing's decision to assume the operation of the simulcast contracts after passage of SB 116 in the 2011 session. That bill allowed the Board of Horseracing either to operate the simulcast contracts itself or contract out. Late in 2011 the department became aware of the financial troubles of the Board of Horseracing. For at least the next 6 months the department and interested parties struggled to sort through the budgetary mess, including obtaining copies of contracts to determine how much money eventually was owed and to whom. A disconnect between the department, to which all bills eventually came, and the Board of Horseracing's executive secretary who was not providing up-to-the-minute information on bills coming due and revenues exacerbated the problem. That executive secretary was replaced temporarily with the head of the department. The administrative attachment statute, 2-15-121, also complicates the situation because the Board of Horseracing theoretically carries out its duties independently

from the Department of Livestock but relies on the Department of Livestock to handle budgeting and recordkeeping as well as appointing staff.

See Table 4 for a list of handouts provided at the EAIC meetings related to Board of Horseracing concerns as well as other concerns. One June 11, 2012, handout, which addresses the role of administrative attachment for boards, similarly is relevant to better understanding the relationship between the Board of Horseracing and the Board of Livestock.

■■■ *Volunteer Firefighter Workers' Compensation Bill*

If a volunteer firefighter were to be injured and not have workers' compensation coverage, then the agreement might cause problems for both the counties and the DNRC, which loaned out the firefighting equipment under the agreement.

In requesting at the EAIC's first meeting in June 2011 that the EAIC consider working on HJR 38, a study of local fire protection, firefighters, and emergency medical technicians, Harold Blattie of the Montana Association of Counties told committee members that contracts being signed by counties for use of state-loaned firefighting equipment acknowledge that the firefighters, whether volunteer or not, have workers' compensation coverage. Given the variety of firefighting volunteer units in a county, not all of them funded by government or under government control, the signed acknowledgment in the contract may have been more hopeful than realistic. If a volunteer firefighter were to be injured and not have workers' compensation coverage, then the agreement might cause problems for both the counties and the Department of Natural Resources and Conservation (DNRC), which loaned out the firefighting equipment under the agreement. DNRC was similarly concerned that volunteer firefighting companies throughout the state might not get firefighting equipment if they failed to sign the agreement because they had no workers' compensation coverage, and that could increase the difficulty of speedily responding to wildfires. Information provided to the subcommittee and subcommittee meetings are described in Table 5 of this report.

Agricultural Commodity Liens

Legislators in the 2011 session passed SJR 15 to study the current bonding requirements for Montana commodities and to determine what bonding levels might be adequate and what mechanisms might be needed to get bonding appropriate to the asset value. Although the study did not garner enough points in the postsession vote on interim studies to be carried out, the EAIC agreed to include stakeholder presentations on the bonding subject. At Aug. 24, 2011, and April 20, 2012, meetings, stakeholders from the following organizations or agencies described their concerns about commodity liens:

- Department of Agriculture;
- Montana Farm Bureau;
- Montana Farmers' Union;
- Montana Grain Elevators Association; and
- Montana Grain Growers Association.

Concerns focused on whether any new bonding requirements were needed and, if so, who would pay and how much. Also discussed was whether more commodities should be added (for example pulse crops).

Under current laws:

- a commodity dealer has a $1 million bonding requirement (80-4-405, MCA);
- an applicant for a commodity dealer license must file a surety bond or its equivalent, established by rule, with a minimum of $20,000, according to 80-4-604, MCA, which also notes that the maximum is the $1 million set in 80-4-405, MCA;
- a commodity dealer who has unpaid contracts that exceed 90% of the dealer's bond or equivalent must either pay off an amount of the contract that reduces its claim against the bond to less than 90% or increase the value of the bond, as required by 80-4-601, MCA;
- a commodity dealer is required under 80-4-608, MCA, to pay 90% of the purchase price to the producer upon delivery of the commodities but may have a different agreement under a contract;

- ⇨ a warehouse operator has a bond required by rule under 80-4-504, MCA, and a separate bond limited under 80-4-505, MCA, to at least $20,000 but no more than the $1 million, using a cost based on weight;
- ⇨ an applicant for a warehouse operator license who cannot show positive working capital may provide a bond, a certificate of deposit, or an irrevocable letter of credit valued at $2,000 for each $1,000 of deficit, which is in addition to the bond required in 80-4-505, MCA.

The purpose of the bonds is to provide protection for the initial producer who may not get full payment from a commodity dealer or warehouse operator pending final sale to a distributor or endstream user of the commodity. Problems have developed in other states, on occasion, when a middleman purchaser without ties to a community has obtained commodities from various producers but then failed to deliver an agreed-upon price.

The purpose of the bonds is to provide protection for the initial producer who may not get full payment from a commodity dealer or warehouse operator pending final sale to a distributor or endstream user of the commodity.

At the April 2012 meeting, the stakeholders noted that they were not able to come to a definitive recommendation to the EAIC because each stakeholder group would want to assess and then vote on the recommendation and some of the groups were not meeting again until during the 2013 session. The Department of Agriculture arranged a day-long meeting in Great Falls for the stakeholders to discuss various bonding proposals in February. These were among the proposals briefly outlined for the EAIC in April.

The Montana Grain Growers Association, the Montana Farmers' Union, and the Montana Farm Bureau all have voted to support the following language in general, while the remaining stakeholder, the Montana Grain Elevators Association does not meet until after session begins in January. The approved policy recommendations are:

- ⇨ increase the commodity dealers' bond to 5% of annual business and raise the cap to $3 million for each dealer (the Farmers' Union choice) or for each location (the Grain Growers' preference);

- ⇨ include in statute that contracts require a "deadman's switch", which is an opt-out clause for commodity contracts if a grain dealer files for bankruptcy; and
- ⇨ require in deferred contracts (those not paid within 90 days) language that says no bond covers the contracted amounts and the seller may want to consider buying insurance to protect against insolvency of a buyer.

❙❙■ *HB 142 Reports*

Under HB 142 an interim committee is required to "review statutorily established advisory councils and required reports of assigned agencies to make recommendations to the next legislature on retention or elimination of any advisory council or required reports pursuant to 5-11-210, MCA. Although the EAIC routinely has reviewed required reports, usually a review of advisory councils came only if requested by committee members. During this interim, the EAIC heard from members of 8 statutory advisory councils and either reviewed 15 statutorily required reports or heard from those representatives responsible for compiling the reports. Table 4 includes information on the HB 142 reviews regarding when advisory councils and statutorily required reports were before the EAIC.

During this interim, the EAIC heard from members of 8 statutory advisory councils and either reviewed 15 statutorily required reports or heard from those representatives responsible for compiling the reports.

❙❙■ *Agency Monitoring*

All interim committees that have agencies assigned to them are responsible for both monitoring the agencies' activities and requesting early drafting for agency-sponsored legislation. As mentioned in the Overview, the EAIC monitors the following agencies:

- ⇨ the Department of Agriculture;
- ⇨ the Department of Commerce;
- ⇨ the Department of Labor and Industry;
- ⇨ the Department of Livestock;
- ⇨ the Governor's Office of Economic Development;

- ⇨ the Montana State Fund; and
- ⇨ the State Auditor's Office.

Summary of EAIC and Subcommittee Meetings and Handouts

The EAIC had meetings in 8 months, with four of those meetings 2-day meetings. The first meeting in June 2011 was primarily on organizational meeting. The last meeting in September 2012 included a review of agency bill draft requests among other routine agenda items. At each meeting there was a brief summary of rules proposed by agencies monitored by the EAIC. No rules reviewed during this period featured either alarms by legislators or by the general public. There is a page on the committee website to access both the rule review and rules. http://leg.mt.gov/css/Committees/interim/2011-2012/Economic-Affairs/Assigned-Studies/Rule-review/rules.asp. For other handouts see Table 4, below, or check the Committee Materials page: http://leg.mt.gov/css/Committees/interim/2011-2012/Economic-Affairs/Meeting-Documents/meetings.asp. Table 5 lists EAIC subcommittee meetings.

Table 4: Economic Affairs Committee Meetings and Handouts

June 3, 2011 - Organizational Meeting		
	Subject	Handouts
Topics Covered	• Reviewed work plan for committee • Comments on HJR 33 work plan • HB 525 • Update on health insurance exchange • Montana State Fund rate presentation	• EAIC draft work plan • HJR 33 study plan, state statistics • HB 525 study plan, budget briefing paper, board budgets, Business Standard Division review • State Auditor's Office information on health insurance exchange • HB 334 impacts, including Montana State Fund workers' compensation rate impact
Aug. 23-24, 2011		
Agency Monitored	• Department of Livestock - Brucellosis update • Department of Agriculture updates	• Board of Livestock information on changes to designated surveillance area for brucellosis
HB 142 Reviews		• Biennial Noxious Weed Report, FY 2008-2009

	Subject	Handouts
Licensing Boards Reviewed	• Board of Pharmacy (Aug. 23) • Board of Dentistry (Aug. 23) • Board of Chiropractors (Aug. 24) • Board of Veterinary Medicine (Aug. 24)	• Letter from Mike Bertagnolli for Board of Pharmacy responding to EAIC questionnaire • Board of Pharmacy survey responses • Response by Board of Dentistry to questionnaire (Dr. Chamberlain and Dr. Johnston) • Letters from: --Montana Dental Hygienists Association 8-23-11 --Lorrie Merrick, dental hygienist 8-23-11 --Dr. Rob Neill, Montana Dental Association --Allen Casteel, Denturist Association of Montana • EAIC questionnaire for HB 525 survey
Other Topics Covered	• HJR 33 Health Insurance Exchange - presentation by Marguerite Salazar of Denver regional DHHS office and phone discussion with CCIIO representatives • HJR 33 panel discussion on Medicaid and impacts of health reform on tribal health • SJR 15 commodity bonding panel • Overview of eminent domain activities	• Memo to Center for Consumer Information and Oversight, DHHS, from Economic Affairs Committee regarding health insurance exchange • Response from CCIIO to EAIC letter 8-18-11 • Public Knowledge diagram of exchange eligibility process
Oct. 5-6, 2011		
Agency Monitored	• Department of Labor and Industry (Oct. 5) - overview -- Workforce Services Division -- Unemployment Insurance Division -- Employment Relations Division updates on workers' compensation changes • Governor's Office of Economic Development (Oct. 5) • Department of Commerce (Oct. 6)	• Department of Labor and Industry briefing paper, report • Workforce Services Division information on jobs agenda + Job Service Office Map • Unemployment Insurance Division information on types of unemployment insurance, fact sheets, the Unemployment Insurance trust fund, reimbursement updates • Background on Board of Personnel Appeals • Information on the Small Business Credit Initiative • Department of Commerce briefing paper
HB 142 Reviews	• Board of Investments reports (Oct. 5) • Tourism Advisory Council • Economic Development Advisory Council (Oct. 6) • Montana Agricultural Development Council (Oct. 6)	• Briefing papers on: --Board of Investments + 2 reports, including one on pension investments --Tourism Advisory Council --Economic Development Advisory Council + report --Agriculture Development Council + report

	Subject	Handouts
Licensing Boards Reviewed	• Board of Hearing Aid Dispensers (Oct. 5) • Board of Nursing Home Administrators (Oct. 5) • Board of Funeral Service (Oct. 6) • Board of Medical Examiners (Oct. 6)	• Background information on: --Board of Hearing Aid Dispensers + survey response --Board of Nursing Home Administrators + survey response --Board of Medical Examiners + survey response --Board of Funeral Service + survey response and wrriten comments --Public comment on licensing boards
Other Topics Covered	• Information from Insurance Exchange discussions in Denver • Information on Rail Services Competition Council	• News release from State Auditor's Office on insurance exchange stakeholder meetings • Information from DHHS on state partnership options • Rail Service Competition Council briefing paper
Jan. 19-20, 2012		
Agency Monitored	Department of Labor and Industry: - Employment Relations Division (including panel discussion of work safety issues) Department of Commerce - Montana Facility Finance Authority	• Handout from Employment Relations Division • Handout from Montana Facility Finance Authority
HB 142 Reviews	• Montana Noxious Weed Management Advisory Council • Montana Noxious Weed Seed Free Forage Advisory Council • Organic Commodity Advisory Council	• Background on: -- Noxious Weed Management Advisory Council -- Noxious Weed Seed Free Forage Advisory Council -- Organic Commodity Advisory Council • State Agency and County Weed District Biennial Noxious Weed Report, FY 2008-2009
Licensing Boards Reviewed	• Board of Public Accountants (Jan. 19) • Board of Outfitters (Jan. 19) • Board of Dentistry (revisited Jan. 20) • Board of Funeral Services (revisited Jan. 20) • Board of Nursing • Board of Optometry • Unlicensed Practice and Restraint of Trade Concerns about Licensing Boards	• Background information on: --Board of Public Accountants + survey response --Board of Outfitters + survey response --Board of Nursing + survey response --Board of Optometry + survey response • Letters from dentists, dental hygienists • Complaint forwarded regarding Board of Funeral Service • Handouts on unlicensed practice concerns from Deb Kimmet, Susan Good Giese
Other Topics Covered	• Workplace Safety • Volunteer Firefighters' Workers' Compensation Coverage • Workers' Compensation Reforms from the 2011 Session and Expectations	• Report on State Agency Workers' Compensation premiums, use of credits, charts • Response from Montana State Fund, chart • Briefing paper on volunteer firefighter workers' compensation • HB 334 review - response from Mike Marsh

	Subject	Handouts
April 20, 2012		
Agency Monitoring	State Auditor's Office	• Background on State Auditor • Leif Associates report to MT Exchange Stakeholder Involvement Council, 2-24-2012 • State Auditor's Office report on Affordable Care Act Update/Federally Facilitated Exchange 2-24-2012
HB 142 Reviews	• Advisory Council on Continuing Education for Insurance Licensees • Advisory Council on Risk Management Activities regarding Malpractice Insurance	• John Bebee letter for Insurance CE Advisory Council 4-20-2012
Licensing Boards Reviewed	• Further review of Board of Hearing Aid Dispensers • Electrical Board • Board of Plumbers • Board of Professional Engineers and Professional Land Surveyors • Review of Board of Medical Examiners' application process	• Board of Hearing Aid Dispensers followup • Electrical Board background • Responses to HB 525 questionnaire from the Electrical Board • Board of Plumbers background • Letter on plumbers board from Scott Lemert • Letter on plumbers board from Pete Crow, International Association of Plumbing & Mechanical Officers 4-20-2012 • Board of Professional Engineers and Professional Land Surveyors background • Responses to HB 525 questionnaire from the Board of Professional Engineers and Professional Land Surveyors • Montana Society of Engineers Letter 4-20-2012 • Montana Association of Registered Land Surveyors Letter 4-17-2012 • HB 525 draft outline • Rep. Elsie Arntzen letter on Board of Medical Examiners 4-20-2012
Other Topics Covered	• Review of Montana CO-OP Insurance Health Plan • Update on SJR 15 stakeholders' meeting on agricultural liens • Update on Board of Horseracing • Building Code Bureau review • Public Comment: Americans for Prosperity	• Montana Health CO-OP, 4-17-12 report • Board of Horseracing background • Building Codes Program budget information • Elevator Licensing Program budget information • Boiler Program budget information • Americans for Prosperity testimony • Americans for Prosperity petition/signatures
June 11-12, 2012		
Agency Monitoring	• Department of Livestock - Board of Horseracing update (June 11)	• Department of Livestock - Board of Horseracing update 6-11-2012
HB 142 Reviews	• Update on HB 142 reports (June 11)	• Bill draft to remove requirement for medical malpractice advisory council, LCmalp

	Subject	Handouts
Licensing Boards Reviewed	• Board of Hearing Aid Dispensers revisited - June 11 • Board of Psychologists - June 12	• Board of Psychologists background • Board of Psychologists answers to EAIC questions
Other Topics Covered	• Panel on access to primary care (related to HJR 33 report) - June 11 • Discussion on rules vs. position papers (related to HB 525 licensing boards) June 11 • Overview of administrative attachment (related to agency monitoring) June 11 • Restraint of Trade Concerns/Unfair Trade Practices - June 11 • State Auditor's review of Montana State Fund financial compliance audit - June 11 • Insurers' responses to Affordable Care Act - June 11 • Presentation on presumptive disease for firefighters • Panel Discussion on medical provider licensing concerns • Committee review of medical malpractice advisory council bill draft	• Data Challenges: Primary Care Workforce • Physicians and Primary Care Physician Workforce in Montana, county and practice specific • Montana Medical Association letter 6-10-12 (1) • Montana Medical Association letter 6-11-12 (from Dr. Carter Beck) • Montana Medical Association letter 6-10-12 (2) • Tomorrow's Doctors for Montana presentation • Outline for HJR 33 report • Statutes regarding administratively attached agencies • Montana Commissioner of Securities and Insurance Actuarial Report on Montana State Fund Reserves, 5-18-12 • Commissioner of Securities and Insurance report on commercial insurers • Testimony of Ray Kuntz regarding the Montana Health CO-OP 6-11-12 • Robertson Baldwin latter, 2-17-11, on firefighter presumptive diseases • Information from Montana Professional Fire Fighters and Fire Chiefs • NY Times article on 9/11 health fund and cancer coverage • HB 505 from 2011 session on presumptive diseases • Information from Dr. Gayatri Reddy on firefighter presumptive disease • Signatures of members of the Montana Association of Medical Staff Services regarding concerns about medical licensing timeliness • Response by Board of Medical Examiners to questions from Economic Affairs Committee on medical licensing concerns • Board of Medical Examiners' physician license application • Benefis Hospital letter on medical licensing

	Subject	Handouts
Sept. 11, 2012		
Agency Monitoring	Review of Agency Bill Draft Requests • Department of Agriculture - 2 requests • Department of Livestock - 4 requests • Department of Labor and Industry - • State Auditor's Office - 12 requests	• Dept. of Labor and Industry summary • State Auditor's Office summary
HB 142 Reviews	• 14 reports provided. See handouts.	• A tally of HB 142 reports and statutory references. • Separate reports on: the Livestock Loss Program, the Noxious Weed Report, Wood Products, Research and Commercialization, Federal Land Management Reviews by the Department of Commerce, Quality Schools Grants, Veterans Home Loans with a fact sheet, the Montana Heritage Preservation Commission, the State Tribal Economic Development Commission, data on unemployment insurance for certain employees, licensing boards, coal jobs, and updates on the prescription drug registry and the apprenticeship and training biennial report.
Licensing Boards Reviewed	None in September 2012 but the Board of Social Work Examiners and Professional Counselors raised concerns and the EAIC asked that these be further investigated and reported on.	Staff provided a draft report on HB 525.
Other Topics Covered	• Staff provided a draft report on HJR 33. • Montana State Fund provided a report. • Stakeholders in medical licensing issues did followup reports. • Stakeholders regarding elevator licensing provided an update. • Volunteer firefighter draft bills and other committee bills. • Update on presumptive disease for firefighters.	• HJR 33 draft report • Montana State Fund review of oversight and other related matters. • Drafts of LCvlfr, LCbnfi, LC brds, and LCmalp • NCCI review of presumptive disease, email, and cost report.

Table 5: EAIC Subcommittee Meetings and Handouts

Meeting Date	Topics Covered	Handouts
March 23, 2012	• Review of Montana Structural Fire Entities - Map • Stakeholder Discussion of Workers' Compensation Coverage by Firefighting Entities	• State map of legal entities that fight structure fires • Yellowstone County mill levies for firefighting • Description of firefighting entities - Harold Blattie • Staff report on volunteer firefighting issues • Paper on volunteer firefighters by the National Council on Compensation Insurance (NCCI) • Montana State Fund responses to questions • DNRC Cooperative Equipment Agreement, Contract, and Legal Memo
June 12, 2012	• Should work comp coverage be mandatory for firefighters? • Should emergency medical technicians be included in bill? • If a permissive levy is proposed, what groups are to be in or out of levy? • Should there be a single source of volunteer firefighter work comp coverage?	• Bill draft options
Sept. 5, 2012	• How should premiums be determined? • What wage-loss benefits are to be available, if any?	• Bill draft LCvlfr

Cl0206 2352pmxa.

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50 copies of this public document were published at an estimated cost of $2.87 per copy, for a total cost of $143.42, which includes $143.42 for printing and $0.00 for distribution.