

# ***Economic Affairs Interim Committee Work Plan for the 2011 - 2012 Interim***

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## **Summary**

This Work Plan for the 2011-2012 Economic Affairs Interim Committee (EAIC) contains an introduction regarding EAIC duties and a proposed schedule in which to accomplish those duties. The subsequent sections of the Work Plan provide details related to the EAIC's statutory duties, outline plans for a required study on professional and occupational licensing boards and a study of health insurance exchanges assigned by Legislative Council to the EAIC, and describe additional options that EAIC members or staff have proposed pursuing. A matrix provides options for maximum, medium, and minimal involvement on issues before the EAIC; a mix of activities is optimal. EAIC members are asked to review all activities with their associated workloads in mind and a recognition of limited staff resources.

EAIC members may choose to revise the Work Plan at any time, taking into consideration budget and timing. Members are asked to adopt a work plan within the first two meetings.

## **I. *Introduction***

In line with the statutory duties of interim committees (detailed in the next section), the Economic Affairs Interim Committee (EAIC or Committee) has responsibility for:

- reviewing rules of certain executive agencies under the EAIC's purview (see page 2);
- monitoring certain executive agencies' programs and providing a preliminary review of those agencies' draft legislation; and
- studying and reporting to the next Legislature on any issues assigned to the EAIC by the Legislative Council.

The EAIC members also may choose to study or hear reports on various subjects of interest to the members. A list of proposed topics is in Appendix A.

In addition to the traditional duties assigned to interim committees, the EAIC presiding officer has the responsibility to name two EAIC members as liaisons to the State Fund and two EAIC members (one from each party and each legislative body), with vice presiding officer concurrence, to the Rail Service Competition Council, which has not existed since late 2004. The EAIC may want to suggest legislation terminating the Rail Service Competition Council.

<b>Agencies assigned to Economic Affairs Committee, Divisions, Areas of Interest</b>		
<b>Department of Agriculture</b> <ul style="list-style-type: none"> <li>• Agricultural Development Division</li> <li>• Agricultural Sciences Division</li> <li>• Central Services</li> <li>• State Grain Laboratory</li> </ul>	MT Wheat & Barley Cmte	Hail Insurance Board
	Noxious Weed related advisory councils	
	Alfalfa Seed Committee	Organic Advisory Committee
	Cherry Advisory Committee	Potato Advisory Committee
	Mint Committee	Pulse Crop Advisory Com'te
<b>Department of Commerce</b> <ul style="list-style-type: none"> <li>• Business Resources</li> <li>• Community Development</li> <li>• Director's Office</li> <li>• Energy Division</li> <li>• Housing Division</li> <li>• Montana Promotion Division (Office of Tourism/Film Office)</li> </ul>	Board of Housing	MT Facility Finance Authority
	Board of Investments	Montana Heritage Commsn.
	Board of Research and Commercialization	Small Business Development Center Advisory Council
	Economic Development Advisory Council	State Tribal Economic Development Commission
	Coal Board	Tourism Advisory Council
	Hard-rock Mining Impact Board	Workforce Training Grant Review Committee
<b>Department of Labor &amp; Industry</b> <ul style="list-style-type: none"> <li>• Business Standards Division</li> <li>• Centralized Services Division</li> <li>• Employment Relations Division</li> <li>• Unemployment Insurance Division</li> <li>• Workforce Services Division</li> <li>• Workers' Compensation Court</li> </ul>	Professional and Occupational Licensing Boards	
	Building Codes Bureau	Occupational Safety/Health
	Weights and Measures Lab	Apprenticeship Training
	Montana Human Rights Commission	Incumbent Worker Training Program
	Brd of Personnel Appeals	Foreign Labor Certification
	Board of Labor Appeals	MT State Employers Council
	Labor-Management Advisory Council	State Workforce Investment Board
<b>Department of Livestock</b> <ul style="list-style-type: none"> <li>• Animal Health Division</li> <li>• Brands Enforcement Division</li> <li>• Centralized Services Division</li> </ul>	Livestock Loss Reduction & Mitigation Board	Meat and Poultry Inspection Milk & Egg Inspection/Milk Control Bureau
	Board of Horseracing	Diagnostic Laboratory
<b>State Auditor's Office</b> <ul style="list-style-type: none"> <li>• Insurance Division</li> <li>• Securities Division</li> </ul>	Insure Montana (program)	MT Comprehensive Health Assn. (attached nonprofit)
	Exchange Stakeholder Involvement Council	
<b>Governor's Office of Economic Development</b>	Statutory duties	
<b>Montana State Fund</b>	Statutory duties	

### ***Budget and Meeting Dates***

The EAIC budget for the 2011-2012 biennium is \$31,429, slightly less than the \$31,685 from the last interim. For the first meeting, the EAIC will be able to tap money left over from the last interim to cover expenses, which means the \$31,429 is able to cover 10 days of meetings after the organizational meeting.

Of the total, the bulk of the budget is for members' travel and per diem costs for meetings.

Remote meeting technologies like MetNet interactive broadcasts or teleconferencing provide less costly ways of bringing public input from across the state. Subcommittees are an additional cost, even with fewer people attending meetings, and require staff time, so that the addition of a subcommittee requires serious consideration based on budget and staffing concerns. If held separately from full committee meetings, a subcommittee uses resources that otherwise are allotted to the full committee, and thus should result in a reduced number of days for full committee meetings. Stakeholder meetings to which staff time is assigned also result in less work being done for other committee assignments. In short, resources as well as budget are finite.

#### General Meeting Topics

Organizational meeting

Boards (4 to review)

Boards (4 to review)

Boards (4 to review)

Boards (3 to review)

Boards (1 to review)

Legislation Review/Final meeting

#### Proposed Date

June 3, 2011 (Friday)

August 23-24 (Tuesday/Wednesday)

October 5-6 (Wednesday/Thursday)

January 19-20 (Thursday/Friday)

April 11-12 (Wednesday/Thursday)

May 31 (Thursday)

August 28 (Tuesday)

The costs for two EAIC members to serve as liaisons to the Montana State Fund are separately identified in the Legislative Services Division budget.

The study resolutions require that interim committee work, including final reports, recommendations, and any proposals for legislation, be completed by September 15, 2012. In order to get the final report completed before legislation is due to be drafted, staff has suggested making the final meeting in August 2012.

**Decision point:** Do EAIC members see a need for subcommittees or stakeholder meetings? If so, how will the work plan be affected? See matrix for options.

## **II. *Statutory Obligations and Review of Duties***

**5-5-215. Duties of interim committees.** (1) Each interim committee shall:

- (a) review administrative rules within its jurisdiction;
- (b) subject to 5-5-217(3), conduct interim studies as assigned;
- (c) monitor the operation of assigned executive branch agencies with specific attention to the following:

- (i) identification of issues likely to require future legislative attention;
  - (ii) opportunities to improve existing law through the analysis of problems experienced with the application of the law by an agency; and
  - (iii) experiences of the state's citizens with the operation of an agency that may be amenable to improvement through legislative action;
  - (d) review proposed legislation of assigned agencies or entities as provided in the joint legislative rules; and
  - (e) accumulate, compile, analyze, and furnish information bearing upon its assignment and relevant to existing or prospective legislation as it determines, on its own initiative, to be pertinent to the adequate completion of its work.
- (2) Each interim committee shall prepare bills and resolutions that, in its opinion, the welfare of the state may require for presentation to the next regular session of the legislature.
  - (3) The legislative services division shall keep accurate records of the activities and proceedings of each interim committee.

## **Duties in statute**

### **A. Rule Review**

Under 5-5-215, MCA, an interim committee "shall review administrative rules within its jurisdiction". EAIC legal staff typically reviews rulemaking notices from all the agencies that the EAIC monitors and provides information to the Committee on rules considered to be noncompliant with legislative intent. The EAIC may request that the legal staff provide a synopsis of all rules and not just those that are considered noncompliant. The EAIC also could request the committee attorney to pay particular attention to rules affecting constituent concerns, if any. According to the Montana Administrative Procedure Act (MAPA), the committee charged with reviewing agency rules may:

- request agency rulemaking records for ensuring compliance with MAPA;
- submit recommendations regarding the adoption, amendment, or rejection of a rule;
- require that a hearing be conducted;
- participate in proceedings;
- review the conduct of administrative proceedings.

**Decision Point:** The EAIC decided on moderate involvement, with descriptive reports. See matrix.

### **B. Program Monitoring**

Pursuant to 5-5-215, MCA, the Committee shall monitor the operation of assigned agencies with specific attention paid to:

- identifying issues likely to require future legislative attention;
- improving existing law; and
- seeking the input of citizens regarding the operation of agencies.

The EAIC monitors the:

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

**Decision point:** Choose a level of involvement for agency monitoring. See matrix for options.

### C. Draft Legislation Review

Draft legislation review is intended both for an interim committee's suggested legislation and for legislation to be proposed by agencies monitored by the committee. When the interim committee is proposing its own legislation, it is listed under both "requester" and "requested by". A requestor must be a legislative entity. The "requested by" entity may be a state agency.

The requester role sometimes is seen by the public as the committee endorsing the bill, when in fact the requester is just enabling drafting of the legislation and is not taking a stand on the contents of the bill. However, an interim committee may choose not to request drafting of a particular bill requested by an agency, which means only that the agency has to find a legislator who will introduce the bill (and the committee then generates some perhaps unnecessary ill will). Early review by legislators also allows for outside suggestions that agencies may or may not take under consideration.

Two reasons for review of agency legislation by interim committees are:

- to provide early drafting for agencies, which presumably know in advance which policies they are seeking to amend, remove, or establish; and
- to improve the work flow so that staff can begin drafting legislation before elections and handle agency legislation before the onslaught of newly elected legislators' bill requests.

Because agencies are expected to have submitted their proposals to the Governor's Office by June in the year preceding the legislative session, interim legislative committees can begin as early as June to review the legislation. The EAIC often has reviewed agency legislation at its last meeting of the interim. According to Joint Rule 40-40(5)(a): "Unless requested by an individual member, a bill draft request submitted at the request of an agency must be submitted to, reviewed by, and requested by the appropriate interim or statutory committee." Some agencies provide drafts of their legislation. Others review only the concepts. If the EAIC wants to review actual drafts, the members should give early notice to each of the agencies.

The 2009-2010 Economic Affairs Interim Committee handled the following agency bill requests:

Department of Agriculture

2 (2 bills became law)

Department of Commerce	3 (1 bill became law)
Department of Labor and Industry	14 (6 bills became law, 6 drafts canceled)
Department of Livestock	0
State Auditor and Insurance Commissioner	9 (4 bills became law, 1 draft canceled)
Governor's Office of Economic Development	0
State Fund	0
Total:	28 (13 bills became law)

**Decision point:** Verify that department-requested legislation will be reviewed at the EAIC's last interim meeting.

**D. Maintain Adequate Records of Activities**

House Bill No.120 provided for both audio recordings and written records of meetings. Legislative Council has decided that the audio recording stands as the official record, but the EAIC can request abbreviated or summary minutes, with abbreviated minutes bearing a time stamp with the speaker identified and summary minutes identifying speaker and items of discussion in summary form.

As for other records of activities, staff relies on communication with EAIC members using both e-mails and letters. If an EAIC member prefers communication in only one form, then the staff will adjust to match preferences. Information will be sent to the EAIC members approximately 2 weeks prior to a meeting and may be sent in more than one batch. That information also will be posted to the committee website, and legislators may refer constituents or interested parties to the website for information or to sign up for electronic notification of EAIC activities. The website is: [http://leg.mt.gov/css/Committees/Interim/2009\\_2010/Economic\\_Affairs/default.asp](http://leg.mt.gov/css/Committees/Interim/2009_2010/Economic_Affairs/default.asp).

**Decision point:** Determine level of summary minutes that are preferred.

**E. Additional statutory duties**

- Licensing Board or Program Review. As part of its monitoring duties related to the Department of Labor and Industry, to which professional and occupational licensing boards are administratively attached, the EAIC is responsible for deciding if any particular licensing board or program is not needed or if the financial solvency of the board or program is questionable. Under 2-8-404, MCA, the EAIC is required to notify the department if the Committee itself wants to review boards or programs for the purpose of sunseting them or combining them with another board. This process will be incorporated into the HB 525 study of boards but the EAIC also is responsible for addressing any immediate insolvency of a board not scheduled for review in this interim.
- Under 22-3-1002, MCA, the EAIC is required to review the administrative fee negotiated between the Montana Heritage Preservation and Development Commission and the Department of Commerce.
- The creation of the Wood Product Industry Loan Program in the Department of Commerce included a requirement that the Department of Commerce report to the EAIC

about the status of the distressed wood products industry loan account.

- The Rail Services Competition Council (RSCC) under 2-15-2511, MCA, is to "report to any standing or interim legislative committee that is assigned to study or has oversight duties for rail service competition issues". There apparently have been no Rail Services Competition Council meetings since 2009, when the Council completed its strategic plan, and the EAIC may want to have a committee bill to repeal this statute or at least the provisions requiring appointment of liaisons from EAIC to the RSCC.
- Another statutory requirement, just introduced by House Bill 142, is for each interim committee to review advisory councils and reports to determine if they are serving their purpose or no longer necessary. Economic Affairs monitors agencies that have the following Advisory Councils, whether appointed by statute or under department authority:
  - ▶ Tourism Advisory Council (Commerce)
  - ▶ Economic Development Advisory Council (Commerce)
  - ▶ Advisory Council on Continuing Education for Insurance Licensees (SAO)
  - ▶ Advisory Council on Risk Management Activities (SAO)
  - ▶ Noxious Weed Management Advisory Council (Agriculture) 80-7-805, MCA
  - ▶ Montana Noxious Weed Seed Free Forage Advisory Council (Agriculture)
  - ▶ Montana Noxious Weed Summit Advisory Council (Agriculture)
  - ▶ Organic Commodity Advisory Council (Agriculture)
  - ▶ Montana Agriculture Development Council (Agriculture) 2-15-3015, 90-9-103, MCA
  - ▶ Montana Alfalfa Seed Committee (Agriculture) 2-15-3004, MCA
  - ▶ Montana Cherry Advisory Committee (Agriculture) created under 80-11-510, MCA
  - ▶ Mint Committee 2-15-3006, MCA (Agriculture)
  - ▶ Montana Potato Advisory Committee (Agriculture)
  - ▶ Montana Pulse Crop Advisory Committee (Agriculture)
  - ▶ Montana Wheat and Barley Committee (Agriculture)
  - ▶ Board of Hail Insurance (Agriculture) 2-15-3003, MCA, and Title 80, ch. 2, part 2.

The following reports are required. The Economic Affairs Committee either is specifically assigned to receive a report or the report is under an agency for which the EAIC is responsible:

- ▶ State Agency and County Weed District Biennial Noxious Weed Report (Agriculture)
- ▶ Montana Board of Investments Annual Report (Commerce)
- ▶ Apprenticeship and Training Program Biennial Report (Dept. of Labor and Industry)
- ▶ Livestock loss reduction Report (to be made to Legislature and Board of Livestock)
- ▶ Distressed Wood Industry Report (Commerce)

The Economic Affairs Committee may want to include reviews of the following boards to determine whether they remain needed under current state and federal law:

- ▶ State Workforce Investment Board (Dept. of Labor and Industry)
- ▶ Board of Personnel Appeals (Dept. of Labor and Industry)
- ▶ Board of Labor Appeals (Dept. of Labor and Industry)
- ▶ Board of Housing (Commerce)
- ▶ Coal Board (Commerce)
- ▶ Board of Research and Commercialization (Commerce)
- ▶ Hard-rock Mining Impact Board (Commerce)
- ▶ State Tribal Economic Development Commission (Commerce)

- ▶ SBDC (Small Business Development Center) Advisory Council (Commerce)
- ▶ Montana Heritage Commission (Commerce)
- ▶ Montana Facility Finance Authority (Commerce)
- ▶ Board of Investments (Commerce).

The Economic Affairs Committee may decide that a board is too integral to the functions of the state to review in a half hour or hour. If so, staff recommends that the members choose which of the boards, councils, and committees are to be reviewed for termination rather than monitoring. By narrowing the list, the members will have more time to provide an indepth review or spend more time on member issues. To estimate the time, determine which boards, councils, or committees to review and multiply by either 0.5, 1 or 1.5 hours. Spending 1/2 hour on the 35 councils, reports, and boards mentioned about would take 17.5 hours of committee time, or up to 3 hours at 6 meetings.

**Decision point:** Briefing papers have been prepared for some, not all, of the advisory councils. For those advisory councils that do not have briefing papers, you may request a briefing paper be done. You may choose any for more review. All the reports must be reviewed. If you question whether any of the boards, councils, or committees remain relevant, then you should ask that they be reviewed.

### III. *Study Activities*

The Legislative Council on May 13, 2011, assigned the following to the EAIC:

- **House Bill No. 525** -- Introduced by Rep. Jonathan McNiven, HB 525 requests a review of one-half of the licensing boards currently in existence, or about 17 boards, to determine if they serve a purpose for public health, safety, or welfare.

**Decision point:** The EAIC may refine the list of boards to be reviewed in this interim and suggest questions to be asked of board members. (Questions are listed in a Appendix C.)

- **HJR 33** -- Introduced by Rep. Gary MacLaren, this resolution is designed to look at issues related to a state-based or regional health insurance exchange and how Montana may prepare for an exchange. The study resolution also allows a review of state health insurance for state employees and whether that could be handled by an exchange.

**Decision point:** The EAIC chose to refine the tasks listed in HJR 33 to focus on particular aspects of a health insurance exchange. See Appendix B.

- **SJR 15** -- Introduced by Sen. Bruce Tutvedt, this resolution is designed to look at ways to update bonding requirements for agricultural commodities and the grain industry, and in particular who pays and how much. The Legislative Council suggested that a white paper be written on the subject, with at least one meeting of the EAIC to report on the material and stakeholder involvement.

**Decision point:** The EAIC may decide to have reports at one or two meetings on the progress being made on the white paper, with stakeholder comments at one or both. See matrix.

Senate Joint Resolution No. 26 also may influence the Economic Affairs Committee's workload, based on the SJR 26 request that the Legislative Finance Committee and the Legislative Council collaborate to undertake performance monitoring of certain issues. Those within the Economic Affairs Committee's purview, based either on a study assigned to the Economic Affairs Committee or an agency being one over which Economic Affairs has monitoring responsibilities, include:

- ▶ integration of Medicaid eligibility determination in the health insurance exchange;
- ▶ impacts of implementing components of federal health insurance reform on the state's Technology Services Division (under the Department of Administration);
- ▶ reports under SB 3 from the historic preservation officer, which are to go to an appropriate interim committee. Most likely these will go to the Education and Local Government Committee, but the Montana Heritage Preservation and Development Commission traditionally has reported to the Economic Affairs Committee. This could be revised, based on the statutory requirement simply to report to the appropriate legislative interim committee (22-3-1002, MCA), although the report is based on an indirect administrative rate negotiated with the Department of Commerce. (Past reports have generally just described the commission's activities because the indirect cost rate is more of a given than a negotiation.)
- ▶ the State Auditor's Office and Insure Montana;
- ▶ the impact of PPACA on the state employee group plan with respect to its grandfathered plan status, the receipt and use of early retiree reimbursements, and constraints on benefit design and premium and cost share decisions; and
- ▶ the Department of Agriculture and the aquatic nuisance species benchmarks and report.

Legislative Services staff recommended that the Legislative Finance Committee take the lead on these issues, but the Economic Affairs Committee may choose to be more or less involved in monitoring, based on the above SJR 26 recommendations.

**Decision point:** Choose which recommendations in the SJR 26 study listed above that the Economic Affairs Committee wants to explore in more depth. Each aspect would take at least 1 hour of Committee time, possibly more if a panel and public comment are invited.

#### **IV. *Other Interim Activities***

The EAIC's opportunity to "accumulate, compile, analyze, and furnish information" related to its assigned duties and related to existing or prospective relevant legislation means that guest speakers may be scheduled to provide information on relevant topics. Members may propose investigation of emerging issues at any time during the interim. Agencies also may request that the Committee study an emerging issue that has resulted from court decisions, federal actions, or another cause. Emerging issues are not necessarily member issues, and may be raised by an agency or by staff. But to be on the agenda, the issue must be requested by the presiding officer or the other EAIC members. Staff resources are limited, so additions in a work plan must be accompanied by deletions to maintain balance.

#### **V. *Member Issues***

EAIC members have an opportunity to put more or less emphasis on agriculture and ranching, tourism and commerce of all types, and the service industries as they address policy concerns related to economic activity, workforce issues, and the general business environment in Montana. EAIC members have recommended various topics for possible meeting consideration (see Appendix A). Depending on the amount of time spent on other activities, the Committee may choose to adopt some or all of the member issues for agenda items.

**Decision point:** The EAIC members may suggest which topics to address or allow the presiding officer to schedule member issues over the course of the interim. The time to address member issues is limited to time not spent on required tasks. See Appendix A for a list of issues.

**VI. Staff Recommendations for Additional Activities**

If additional issues arise, staff will inform members for their discussion and determination regarding further background information or action.

**VII. Tentative Interim Calendar**

The following tentative schedule has been proposed:

Date	Phase	Research Tasks/Policy Issues
June 3, 2011	Organizational	*Elect Officers *Appoint liaisons to State Fund *Refine work plan (Determine involvement in rule review, extent of agency monitoring, meeting times)
	Agency Monitoring	Montana State Fund - update/report  Reports related to assigned studies from: --Dept. of Labor and Industry - Business Services Div
	Rule Review	--State Auditor's Office

<p>August 23-24, 2011</p>	<p>Work Plan Studies  Agency Monitoring  Rule Review  Member Issues</p>	<p>Adoption  *HB 525 review of Board of Pharmacy, Board of Chiropractors, Board of Veterinary Medicine, and Board of Dentistry  *HJR 33 - Presentation by U.S. Health &amp; Human Services Official regarding federal exchanges  *Overview of SJR 15 - Panel of Stakeholders  Department of Agriculture Department of Livestock</p>
<p>October 5-6, 2011</p>	<p>Studies  Agency Monitoring  Rule Review  Member Issues</p>	<p>*HB 525 reviews of Board of Hearing Aid Dispensers, Board of Medical Examiners, Board of Funeral Services, and Board of Nursing Home Administrators  *HJR 33  Department of Labor and Industry - Employment Relations, Board of Personnel Appeals, Board of Labor Appeals, Human Rights Commission HB 142 Reviews</p>
<p>January 19-20, 2012</p>	<p>Studies  Agency Monitoring  Rule Review  Member Issues</p>	<p>*HB 525 reviews of Board of Public Accountants, Board of Outfitters, Board of Nursing, and Board of Optometry  Department of Commerce, Governor's Office of Economic Development HB 142 Reviews</p>
<p>April 11-12, 2012</p>	<p>Studies  Agency Monitoring  Member Issues  Rule Review</p>	<p>*HB 525 reviews of Board of Plumbers, Electrical Board, and Board of Land Surveyors and Professional Engineers *HJR 33  State Auditor's Office Insure MT HB 142 Reviews</p>

May 31	Studies  Agency Monitoring  Member Issues  Rule Review	*HB 525 reviews of Board of Psychologists, any board for which further review is considered important  *HJR 33  *SJR 15 - White paper report/Stakeholder comment  Department of Labor and Industry - Unemployment Insurance, Workforce Development HB 142 Reviews
August 28	Studies  Member Issues  Rule Review  Legislation Review  Monitoring	HB 525 Legislation Review if any sunset bills are needed  WRAP UP  Any agency with proposed legislation  Reports from: -The MT Heritage Preservation & Development Commission on negotiated indirect admin rate -Distressed Wood Products Industry (Dept of Com.) -Livestock Loss Reduction & Mitigation Board

**VIII. Web Resources**

Information about the Committee is available through the legislative website, under Committees, Interim, Economic Affairs. At that site, staff will post information regarding Committee activities, minutes, agendas, study reports, and relevant information. The site also provides links to the websites of agencies for which the Committee is responsible.

Legislative Services:

<http://leg.mt.gov/css/default.asp>

**IX. Matrix for Prioritizing the Focus of Meetings**

The following table provides a brief description of the Committee's involvement over the course of the interim. The columns provide members with options for allocating their time. It is anticipated that choosing the most involvement for each activity will seriously tax the EAIC's time, staff resources, and budget. As an estimate, the table is intended to be flexible, providing a visual approach to time allocation. A second table provides an indication of the amount of committee time and staff time needed for the various activities. Staff time is limited by the amount of vacation and compensatory time off accumulated but not used during the legislative session and the time leading up to the session.

## EAIC Matrix for Setting Priorities for Interim Committee Activities

ACTIVITY	Most Involvement	Moderate Involvement	Minimal Involvement
<p><i>RULE REVIEW</i></p> <p><i>Chosen option</i></p>	<ul style="list-style-type: none"> <li>▶ Request a written or oral report by legal staff at each meeting on all proposed rules or adoption notices for each agency monitored.</li> <li>▶ Request copies of rules from agencies for legislators' personal review.</li> <li>▶ Seek public comment on rules of concern.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Request written, one-sentence description prior to committee meetings of all rules (from this meeting on).</li> <li>▶ Review in committee only topics that:               <ol style="list-style-type: none"> <li>1) legislators flag as important or of concern; or</li> <li>2) a member of the committee has asked be placed on the EAIC agenda.</li> </ol> </li> </ul> <p>xx</p>	<ul style="list-style-type: none"> <li>▶ Hear information only on issues that Committee legal staff considers to be out of compliance with statutes or legislative intent.</li> </ul>
<p><i>DRAFT LEGISLATION REVIEW</i></p> <p><i>Chosen option</i></p>	<p>Work throughout the interim with agencies on potential legislative proposals, using panel presentations to help members become familiar with issues.</p>	<p>Provide time at 2 meetings for initial concept review. The second meeting would allow for follow-up briefings and comments if an agency requests complex legislation.</p>	<p>Overview of concepts at final meeting on each item of legislation.</p>
<p><i>AGENCY MONITORING</i></p> <p><i>Chosen option</i></p>	<ul style="list-style-type: none"> <li>▶ Each agency division would give a 30- to 45-minute presentation at one or more meetings.</li> <li>▶ Any agency with further statutory reporting requirement give an oral report to the EAIC.</li> <li>▶ EAIC members would specify follow-up reports on program specifics.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Each agency would provide a 20- to 30-minute presentation including all divisions.</li> <li>▶ Any agency with further statutory reporting requirement give an oral report to the EAIC.</li> <li>▶ EAIC members could designate subjects on which they would like a report.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Agencies would introduce staff and present an overview of agency functions in one 30-minute presentation.</li> <li>▶ Any agency with further statutory reporting requirement give an oral report to the EAIC.</li> </ul>
<p><i>HB 142 REVIEWS - A review of the necessity of 35 advisory councils, etc., or reports linked to agencies that EAIC monitors.</i></p> <p><i>Chosen option</i></p>	<ul style="list-style-type: none"> <li>▶ All 35 possible advisory councils/reports would receive a half hour or 1 hour review with public comment followed by a vote by the committee on whether to retain.</li> <li>▶ Briefing paper for each.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Review up to 18 advisory councils, reports using a 1/2 hour review to determine necessity, with public comment and vote of committee.</li> <li>▶ Briefing paper for each.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Review up to 9 advisory councils or reports for necessity. Public comment and vote of committee.</li> <li>▶ Briefing paper for each.</li> </ul>

ACTIVITY	Most Involvement	Moderate Involvement	Minimal Involvement
<p><b>MONITORING IMPORTANT ACTIVITIES</b> (may be based on member issues -- see below)</p> <p><i>Chosen option</i></p>	<ul style="list-style-type: none"> <li>▶ Outline up to 5 topics chosen at the first meeting to be addressed at subsequent meetings.</li> <li>▶ Include staff-prepared "white papers" on each topic.</li> <li>▶ Discussion by EAIC</li> </ul>	<ul style="list-style-type: none"> <li>▶ Outline up to 3 topics chosen at the first meeting to be addressed at subsequent meetings.</li> <li>▶ Staff briefing papers on topics of interest.</li> <li>▶ Discussion by EAIC</li> </ul>	<ul style="list-style-type: none"> <li>▶ Topics limited to those presented by interested persons who ask to be on agenda.</li> <li>▶ Copies of relevant reports provided to Committee.</li> <li>▶ No staff briefing or "white papers".</li> </ul>
<p><b>MEMBER ISSUES</b> (see also Emerging Issues above)</p> <p><i>Chosen option</i></p>	<ul style="list-style-type: none"> <li>▶ Each meeting would have 1 member issue on the agenda, with presentation by an identified expert (8 topics in total).</li> <li>▶ Provide a white paper on designated issues.</li> <li>▶ Draft related legislation.</li> </ul>	<ul style="list-style-type: none"> <li>▶ 4 or 5 member issues would be addressed, with a presentation by an identified expert (4 or 5 topics in total).</li> <li>▶ Instruct staff to prepare briefing papers or draft legislation as issues arise.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Address no more than 2 member issues as time allows, with staff providing copies of relevant outside reports to EAIC.</li> <li>▶ No staff briefing or white papers.</li> <li>▶ 1 or 2 presentations, if any.</li> </ul>
<p><b>ASSIGNED STUDY: HB 525</b> - reviewing licensing boards (all options include minimum activity level)</p> <p><i>Chosen option</i></p>	<ul style="list-style-type: none"> <li>▶ Review half of all licensing boards at one meeting and schedule a second meeting for any concerns.</li> <li>▶ Prepare overview report/questions to be addressed at meeting</li> <li>▶ Stakeholder comment at each meeting.</li> <li>▶ Vote by EAIC whether to retain or request sunset legislation.</li> <li>▶ Background information to include report on financing of Business Standards Division.</li> <li>▶ Survey for concerns of nonlicensees/licensees.</li> <li>▶ Follow-up meeting to address concerns raised in presentation.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Review half of all licensing boards</li> <li>▶ Prepare overview report/questions to be addressed at meeting</li> <li>▶ Stakeholder comment at one meeting.</li> <li>▶ Vote by EAIC on whether to retain or request sunset legislation.</li> <li>▶ Background information to include report on financing of Business Standards Division.</li> <li>▶ Survey for concerns of nonlicensees/licensees.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Review half of all licensing boards</li> <li>▶ Prepare overview report/questions to be addressed at meeting</li> <li>▶ Stakeholder comment at one meeting.</li> <li>▶ Vote by EAIC on whether to retain or request sunset legislation.</li> </ul>

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ACTIVITY	Most Involvement	Moderate Involvement	Minimal Involvement
<p><i>ASSIGNED STUDY:</i> <b>SJR 15</b> - reviewing agricultural bonding requirements</p> <p><i>Chosen option</i></p>	<ul style="list-style-type: none"> <li>▶ Presentations at 2 meetings both with public comment: one meeting for an overview and panel presentation and one for final report, with most of work done in stakeholder meetings with a briefing paper.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Panel presentation at one meeting.</li> <li>▶ Staff work with Department of Agriculture to provide white paper.</li> <li>▶ Staff present white paper to EAIC, with public comment.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Panel presentation at one meeting.</li> <li>▶ Staff work with Department of Agriculture to provide white paper.</li> <li>▶ Public comment on white paper.</li> </ul>
<p><i>ASSIGNED STUDY:</i> <b>HJR 33</b> - reviewing a state or a regional health insurance exchange and related components and potential participants</p> <p><i>Chosen option</i></p>	<p>Presentations at 7 to 8 meetings on:</p> <ul style="list-style-type: none"> <li>▶ what other states are doing related to exchanges;</li> <li>▶ insurance roles (of producers and agents) in an exchange;</li> <li>▶ the technological components of an exchange;</li> <li>▶ how to address state mandates whether an exchange is state, regional, or federal;</li> <li>▶ the idea of insurance competition especially if allowed across state lines;</li> <li>▶ ideas of aggregating premiums for employees with multiple employers;</li> <li>▶ the interaction of the state health plan and an exchange.</li> </ul> <p>EAIC would seek additional public comment, and request legislation, if any.</p>	<ul style="list-style-type: none"> <li>▶ Panel presentations of 4 to 6 of the options listed under "most involvement"</li> <li>▶ Staff white papers on other issues</li> <li>▶ EAIC would review options and request bill drafts, if any.</li> </ul> <p>xx</p>	<ul style="list-style-type: none"> <li>▶ Panel presentations of 2 to 3 of the options listed under "most involvement"</li> <li>▶ EAIC would request white papers on selected issues from the topics listed in the legislation (or described under the "most involvement" option)</li> <li>▶ EAIC would review report and request possible legislation.</li> </ul>
<p><i>STAFF Suggestions</i></p> <p><i>Chosen option</i></p>	<ul style="list-style-type: none"> <li>▶ Incorporate ongoing issues into regular schedule after discussion with presiding officer.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Provide background information in packets.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Make information available if time permits.</li> </ul>

In calculating the EAIC's allocation of its meeting time and staff time, the following table may be helpful.

<b>Responsibilities</b>	<b>% of Total</b>	<b>Hours Each Meeting</b>	<b>Total Meeting Hours</b>	<b>Staff Hours*</b>
Administrative & statutory duties (Agency Monitoring included below)  --Agency legislation review  --Rule review	~ 3%	--10 minutes for rule review at ea meeting.  --3 hours at least for legislation review	~4.5	480 to 540 hours
--Agency Monitoring, including HB 142 reviews	12% to 37%	1/2 to 1 hr for minimal up to 2 hrs for maximum	4.5-minimal 9 hours - medium 17.5 hours for most involvement	135 to 525 hours
HB 525 Review of licensing boards	50%	4 hrs + intro (~ 1 hr)	37	Estimated 900-1,000 hours
HJR 33 - health insurance exchange study**	9% to 13%	4 to 6 times 1.5 hours for moderate	6 to 9 hrs.	180 to 270 hours
SJR 15 - white paper on agricultural bonding issues**	2% to 4%	based on level of involvement	1.5 to 2.5 hrs.	30 to 45 hours
Member/emerging issues**	3% to 14%	based on level of involvement	2 to 10+ hrs.	60 to 300 hours
Total	may not surpass 100%	~7 hrs	70 (total of 10 meeting days at 7 hrs each)	740 ( low) 1995 (high) (1900 hours available)

\*Staff hours are calculated at approximately 30 hours for every 1 hour of committee time except for the agency monitoring, which may take more time because of outside meetings. Rule review is done by the attorney as are any legal opinions requested by the committee. Research is done by the staff analyst along with meeting logistics.

\*\*Depending on the level of involvement (see Matrix), the hours will range from the minimum to the maximum and cannot all be at the maximum level. Staff will abbreviate some tasks depending on time needed for member issues and the assigned studies. Shading indicates the time is set..

The Committee decided at its June 2011 meeting on a moderate level of involvement for the HJR 33 study.

## Appendix A:

### Member Issues and Possible Emerging Issues

The following topics include suggestions from EAIC members (and staff) for issues that might be addressed in the 2011-2012 interim in addition to regular committee activities and assigned studies. Options include presentations, issue briefs, and nonstaff reports.

<b>Topic</b>	<b>Possible activity</b>	<b>Date</b>
Unemployment issues	Report from Dept. of Labor and Industry regarding: <ul style="list-style-type: none"> <li>▶ the UI Trust Fund balance</li> <li>▶ the unemployment situation overall in Montana and on reservations in particular</li> <li>▶ the method of calculating unemployment (what is included and what is not)</li> <li>▶ an update on appeals</li> <li>▶ use of any extended benefit options</li> </ul>	
Monitoring of medical assistance programs	Follow up on HB 25 regarding medical assistance programs and responses by the four boards participating in the programs: Board of Medical Examiners, Board of Dentistry, Board of Nursing, Board of Pharmacy	
Professional and Occupational Board Licensing Oversight (beyond HB 525)	Follow up on SB 165 regarding restraint of trade for nonlicensees and how the boards are implementing the nondiscrimination directive in SB 165.	Incorporate into HB 525 study
Insurance Competition	Examine the dominance of Blue Cross Blue Shield of Montana in the Montana health insurance market and any related concerns.	
Insure Montana	Follow up to determine if recommendations made in a 2010 Legislative Audit are being implemented (including verification of eligibility and administrative changes).	
Monitor Medical Malpractice Insurance	Include information from Montana Medical Legal Panel filings/lawsuits and information from the State Auditor's Office on growth or decrease in insurance providers for medical insurance.	
Workplace safety	Follow up on the work of WorkSafeMT and reports from OSHA regarding private sector contacts whether for citations or recommended changes.	
Wood industry revolving loan program	Follow up on implementation of HB 669 in the 2009 session regarding a distressed wood products industry revolving loan account within the Dept. of Commerce.	
Workforce development	Reports on: <ul style="list-style-type: none"> <li>▶ incumbent worker training</li> <li>▶ foreign labor certification program</li> </ul>	
<b>Topic</b>	<b>Possible activity</b>	<b>Date</b>

Workers' compensation	Follow up on changes in workers' compensation claims related to HB 334, particularly rates, how are workers are being affected, implementation of the stay-at-work/return-to-work programs. Possibility of surveys, regular reports.	
Workers' compensation for firefighters under cooperative equipment agreements	Work with the Montana Association of Counties and the Department of Natural Resources and Conservation Forestry Division to address the contract requirement that calls for work comp for users of DNRC equipment. This is an issue raised under HJR 38, which Legislative Council decided not to assign to a committee. Panel discussion?	
Housing	Reports from Board of Housing on incentives to encourage first-time home buyers, issues related to Montana cities where housing is difficult-to-rent and difficult-to-own and options for dealing with the difficulties.	
Investments	Reports from the Board of Investments, including in-state investments.	
Consumer protection	Report from the Attorney General's office on complaints related to consumer protection and areas that might crossover with agencies monitored by the EAIC (e.g. steering of automotive repair work).	
Brucellosis and the Designated Surveillance Area	Follow up on work of the 2009-2010 EAIC regarding the Board of Livestock and the Department of Livestock actions related to brucellosis in the areas near Yellowstone National Park.	
Brand Rerecord Process	Follow up on a 2010 Legislative Audit performance report on the rerecording process for brands to determine what changes the Department may be making to improve operations.	
Meat processing system	Review the number of state and federal meat inspectors available for processing plants in Montana to determine if competition is affected by limited numbers.	
Farm Bill 2012 updates	As Congress prepares to write a new farm bill, the EAIC may want to monitor proposals to determine what changes may be needed in state law, if any.	
Eminent domain concerns	The Environmental Quality Council has this topic under review, which provides an opportunity for an EQC staff update on this issue.	
Other?		

**Appendix B:**

Working List Regarding Priority Study Areas for HJR 33 study on health insurance exchange:  
Mark whether high, medium, or low priority and make comments

<b>ISSUE: The preferred scope of service, plan components, and how to address state mandates whether an exchange is state, regional, or federal</b>				
<b>Comments</b> This and the issue below will be combined. (See note below.)	<b>Priority Level</b>			<b>Schedule</b>
	H-3	M-3	L-2	
<b>ISSUE: The technological components of an exchange and what is needed for a state, regional, or federal interface</b>				
<b>Comments</b> Although the vote was split (adding H+M=M+L), one person referenced "technological" components in a way that indicated confusion about this and the previous issue.	<b>Priority Level</b>			<b>Schedule</b>
	H-3	M-2	L-3	
<b>ISSUE: Roles of insurance producers and agents in an exchange</b>				
<b>Comments</b> A split vote (H+M = M+L). Not scheduled.	<b>Priority Level</b>			<b>Schedule</b>
	H-3	M-2	L-3	
<b>ISSUE: Insurance competition in Montana and possible impacts if insurance sales are allowed across state lines</b>				
<b>Comments</b> A split vote (H+M = M+L) Not scheduled.	<b>Priority Level</b>			<b>Schedule</b>
	H-3	M-2	L-3	
<b>ISSUE: The factors related to aggregation of premiums for employees with multiple employers</b>				
<b>Comments</b> One wants to see factors considered. Generally will not be addressed (H+M is less than M+L)	<b>Priority Level</b>			<b>Schedule</b>
	H-2	M-2	L-4	
<b>ISSUE: The interaction of an exchange with Medicaid and the potential for premium assistance and Medicaid waivers</b>				
<b>Comments</b> Expand to IHS and nonreservation Indians	<b>Priority Level</b>			<b>Schedule</b>
	H-3	M-4	L-1	August 2011
<b>ISSUE: The interaction of the state health plan and an exchange.</b>				
<b>Comments</b> Not scheduled (H+M is less than M+L)	<b>Priority Level</b>			<b>Schedule</b>
	H-2	M-2	L-3	
<b>ISSUE: Other? Insure MT</b>				
<b>Comments</b> Not scheduled (H+M is less than M+L)	<b>Priority Level</b>			<b>Schedule</b>
	H-2	M-2	L-3	
<b>ISSUE: Other? Exchange not tied to PPACA (Exclusive of PPACA)</b>				
<b>Comments</b>	<b>Priority Level</b>			<b>Schedule</b>
	H-2	M-1	L-2	

<b>ISSUE:</b> Other? Like the exchange idea			
<b>Comments</b>	<b>Priority Level</b>		<b>Schedule</b>
Need as much time as possible if we can get it done	H-1	M-1	L

Goals

- 1) Maximum flexibility for consumers
  - 2) Ease of price comparison between providers and pricing of different coverages.
- 
- 1) Create a PPACA exchange or not. If yes - then create design and do it early in the committee work.

## Appendix C

### The Economic Affairs Committee asks that Board Representatives Answer the Following Questions during the Board Review under House Bill No. 525:

- What is the public health, safety or welfare rationale for licensing and regulating your profession/occupation?
- If your profession/occupation were not licensed, what public protection would be lost?
- If a license is necessary (for health, safety, or welfare), does the profession/occupation need a board for oversight? If yes, please explain why and describe the purpose of creating a board.
- Does your board deal with unlicensed practice issues? If yes, what types of issues?
- People who are not licensed but are qualified in an occupation or profession may feel that a licensing board is preventing them from earning a living -- what is your response?
- How does your board monitor bias among board members toward a particular licensee, an applicant, or a respondent (to unlicensed practice)? How does your board monitor bias toward a particular profession/occupation, if more than one profession or occupation is licensed by the board?
- Does the profession or occupation have one or more associations that could provide oversight without the need for a licensing board? Why not use the association as the oversight body?
- Is a licensing board needed in order for the practitioner to bill to receive insurance (for example, health insurance)? If so, is there an alternate method for billing that may be recognized rather than having a license or being regulated by a licensing board?
- What are the benefits of a board being part of the licensing and discipline process instead of the department handling one or both?
- Is there an optimum ratio between licensees, board size, or public representation?
- If a board's purpose includes protecting public welfare, would that consumer protection be handled better by the Attorney General's office than by a board? (In other words, is there a value in a disinterested third party? If yes, why? If not, why not?) Who should be responsible for monitoring fraud within the profession or occupation?
- If boards have overlapping scopes of practice, should there be a third-party to determine whether there is intrusion into the other's practices? If so, who should be the judge? If not, why not? Should each be allowed to operate on the other's turf without repercussions?
- Should any board have the ability to limit use of certain terminology to only a licensee? (see for example under the Board of Psychologists,, the exemption from definitions:

**37-17-104. Exemptions.** (1) Except as provided in subsection (2), this chapter does not prevent:

(a) qualified members of other professions, such as physicians, social workers, lawyers, pastoral counselors, professional counselors licensed under Title 37, chapter 23, or educators, from doing work of a psychological nature consistent with their training if they do not hold themselves out to the public by a title or description incorporating the words "psychology", "psychologist", "psychological", or "psychologic"....

(2) Those qualified members of other professions described in subsection (1)(a) may indicate and hold themselves out as performing psychological testing, evaluation, and assessment, as described in 37-17-102(4)(b), provided that they are qualified to administer the test and make the evaluation or assessment.