



PO BOX 201706  
Helena, MT 59620-1706  
(406) 444-3064  
FAX (406) 444-3036

## Economic Affairs Interim Committee

---

### 65th Montana Legislature

**SENATE MEMBERS**  
EDWARD BUTTREY  
TOM FACEY  
GORDON VANCE  
LEA WHITFORD

**HOUSE MEMBERS**  
NATE MCCONNELL  
MARK NOLAND  
VINCE RICCI  
SHARON STEWART-PEREGOY

**COMMITTEE STAFF**  
PATRICIA MURDO, Lead Staff  
JAMESON WALKER, Staff Attorney  
FONG HOM, Secretary

# MINUTES LOG

June 14, 2017  
Room 137, Capitol Building  
Helena, Montana

**Please note:** This document is a Minutes Log and provides a notation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video record of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative Branch home page at <http://leg.mt.gov>. On the left-side menu of the home page, select Committees, then Interim. Once on the page for Interim Committees, scroll down to the appropriate committee. The written Minutes Log, along with the audio and video recordings, is listed by meeting date on the interim committee's web page. Each of the Exhibits is linked and can be viewed by clicking on the Exhibit of interest. All Exhibits are public information and may be printed.

Please contact the Legislative Services Division at 406-444-3064 for more information.

### **COMMITTEE MEMBERS PRESENT**

SEN. EDWARD BUTTREY  
SEN. TOM FACEY  
SEN. GORDON VANCE  
SEN. LEA WHITFORD

REP. NATE MCCONNELL  
REP. MARK NOLAND  
REP. SHARON STEWART-PEREGOY (participated by phone)  
REP. VINCE RICCI

### **STAFF PRESENT**

PATRICIA MURDO, Lead Staff  
JAMESON WALKER, Staff Attorney  
FONG HOM, Secretary

### **VISITORS' LIST** ([Attachment 1](#))

### **AGENDA** ([Attachment 2](#))

## **COMMITTEE ACTIONS**

Economic Affairs Interim Committee Actions at the June 14, 2017 meeting:

- voted to have Sen. Gordon Vance as presiding officer and Rep. Nate McConnell as vice presiding officer;
- named Rep. Vince Ricci and Rep. Sharon Stewart-Peregoy as liaisons to Montana State Fund;
- named Rep. Ricci and Sen. Tom Facey as liaisons to the Rail Service Competition Council;
- voted to have Sen. Vance and Sen. Lea Whitford as EAIC members of the HB 661 study of the Veterinary Diagnostic Lab and other labs;
- voted to have Sen. Ed Buttrey and Rep. Mark Noland serve on the HJR 20 subcommittee if the Children, Families, Health, and Human Services Interim Committee chooses to have a subcommittee with expanded membership;
- voted to allow member proxies at meetings if the member is absent;
- agreed on a September 14 meeting date for the next EAIC meeting;
- asked to get information from studies previously done on the status of Montana State Fund; and
- agreed to send a letter to Governor Steve Bullock and Labor and Industry Commissioner Pam Bucy to recommend renewal of the Labor-Management Advisory Council.

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

00:00:01 Sen. Facey called the meeting to order at 12:32 p.m. The secretary called roll. Rep. Stewart-Peregoy was not present but participated by phone. ([Attachment 3](#))

## **INTRODUCTIONS OF COMMITTEE AND STAFF**

00:01:00 The committee members and staff introduced themselves.

## **ELECTION OF OFFICERS**

00:09:50 Rep. Ricci nominated Sen. Vance as Chair and Rep. McConnell as Vice Chair.  
00:10:11 Rep. Noland moved to close the nominations. The nominations were accepted unanimously by voice vote.

## **ADMINISTRATIVE MATTERS**

00:11:13 Ms. Murdo reviewed the following:

- Rules, Procedures, and Guidelines for Interim Committees ([Exhibit 1](#))
- Committee budget/travel claims
- Staff roles and responsibilities
- Public comment guidelines ([Exhibit 2](#))
- Review of liaison duties for the Montana State Fund and the Rail Service Competition Council
- The work plan ([Exhibit 3](#)), proposed meeting dates ([Exhibit 4](#)), and the interim calendar

00:25:47 Sen. Vance said that all meetings of the Economic Affairs Committee will be held in Helena.

### **APPOINTMENTS BY PRESIDING OFFICER**

- 00:27:42 Sen. Facey discussed serving on the Rail Service Competition Council as the Senate member.
- 00:29:10 Sen. Vance asked if there is a House member from the committee who would like to serve on the Rail Service Competition Council.
- 00:29:43 Sen. Vance said that Rep. Ricci will serve as a liaison to the Montana State Fund.
- 00:30:54 Sen. Whitford said that Rep. Stewart-Peregoy also had expressed a desire to serve as a State Fund liaison. (See minutes at 34:14)
- 00:31:38 Pat Murdo
- 00:32:13 Rep. Ricci volunteered to serve on the Rail Service Competition Council.

### **APPOINTMENTS BY COMMITTEE**

#### **HB 661 Study**

- 00:33:02 Sen. Vance gave background information on the HB 661 Study.
- 00:34:27 Sen. Whitford said that she would like to be on that committee.
- 00:34:33 Rep. Stewart-Peregoy participated in the meeting by phone.
- 00:34:50 Sen. Vance asked Rep. Stewart-Peregoy about being a liaison to the Montana State Fund committee.
- 00:35:14 Rep. Stewart-Peregoy confirmed her interest.
- 00:35:55 Sen. Whitford commented that she would like to also serve on the HB 661 Study committee.
- 00:37:13 Sen. Vance said that Sen. Whitford and he would serve on that committee.

#### **Motion/Vote**

- 00:37:25 Sen. Buttrey moved that Sen. Vance and Sen. Whitford serve on the HB 661 Study. The motion passed unanimously by voice vote.

#### **HJR 20 Study - Health Care Price Transparency**

- 00:37:51 Sen. Buttrey gave a presentation on the HJR 20 Study and said that he would like to serve on a subcommittee if the Children, Families, Health and Human Services committee has a subcommittee on this study and opens it to the EAIC members.
- 00:39:13 Ms. Murdo
- 00:39:52 Sen. Vance discussed whether or not there were other committee members willing to serve on the HJR 20 Study.
- 00:40:04 Rep. Mark Noland said that he would participate on the HJR 20 committee.

#### **Motion/Vote**

- 00:40:10 Rep. McConnell moved that Sen. Buttrey and Rep. Noland serve on the HJR 20 subcommittee if EAIC members are invited. The motion passed unanimously by voice vote.
- 00:40:33 Ms. Murdo
- 00:40:55 Sen. Vance said that according to rules, all work done by a subcommittee has to be presented to the full committee, so a subcommittee can have any makeup of

- members it considers necessary.
- 00:41:14 Sen. Buttrey said when the Legislative Council suggested that a subcommittee be formed for HJR 20, it was suggested that two members from the EAIC committee serve on the subcommittee.
- 00:41:32 Sen. Facey commented that no matter what party affiliation makes up the subcommittee, that subcommittee will do good work.

### **DISCUSSION ON OTHER STUDIES**

#### **SJR 27 Study - Worker's Comp**

- 00:41:44 Sen. Vance discussed the number of committee hours devoted to the study and suggested forming a subcommittee for SJR 27 comprised of EAIC members with other stakeholders.
- 00:45:14 Sen. Vance discussed the EAIC's budget and said that the stakeholders' expenses will not be paid by the EAIC committee.

#### **SJR 20 Study - Unemployment Overview**

- 00:46:13 Sen. Buttrey discussed the SJR 20 Study on unemployment in high-poverty areas.
- 00:46:30 There was a discussion about panel presentations and if the unemployment rates reflect what is going on in Indian Country and in the state.
- 00:51:41 Sen. Vance asked if Sen. Whitford and Rep. Stewart-Peregoy could put together information for Ms. Murdo for future panel presentations.

#### **SJR 32 Study - Emergency Care Provider Training and Scope of Practice and their Role in the Health Care System**

- 00:52:17 Sen. Buttrey discussed the SJR 32 Study.
- 00:52:56 Sen. Facey discussed the number of hours that are scheduled for the study.
- 00:54:15 Rep. Ricci said that there is a group of volunteers that want to help veterans and that qualifications are a concern.
- 00:54:34 Sen. Buttrey discussed the concerns of proponents and informational witnesses.
- 00:55:39 Sen. Vance asked if Sen. Buttrey and Rep. Ricci would come up with names and organizations that should be involved in the study.

### **PUBLIC COMMENT ON WORK PLAN AND STUDY PLANS**

- 00:56:25 Bruce Spencer, representing National Council on Compensation Insurance and America's Health Insurance Plans
- 00:58:26 Steve Sibner, National Council on Compensation Insurance
- 00:58:48 Peter Burton, National Council on Compensation Insurance
- 01:00:02 Brent Campbell, WGM Group, a comprehensive planning and design firm, Missoula, Montana
- 01:01:24 Nancy Butler, Deputy State Auditor
- 01:01:55 Kevin Braun, Montana State Fund
- 01:02:45 Chris Cavazos, Montana AFL/CIO
- 01:03:41 Bridger Mahlum, Montana Chamber of Commerce
- 01:04:57 Kendall Cotton, Policy Advisor, Commissioner of Securities and Insurance
- 01:05:43 Jennifer Hensley, Pacific Source Health Plans

## **COMMITTEE DISCUSSION ON WORK PLAN, ASSIGNED STUDIES, MEMBER ISSUES**

- 01:07:59 Sen. Facey discussed the economic development authorizations in statute. He would like to add that to the work plan as a member issue.
- 01:08:51 Ms. Murdo referred the committee to page 18 of the Work Plan.
- 01:09:28 Rep. McConnell discussed broadband issues, specifically regulatory reform and how broadband affects economic development, and what benefits can accrue to the state as a result of investing in public/private partnerships.
- 01:11:02 Sen. Vance requested that Rep. McConnell gather the information that he referenced and present that to Ms. Murdo for the work plan.

### **Committee comments on work plan**

- 01:12:34 Ms. Murdo discussed the September 14 meeting date.
- 01:13:35 Sen. Facey discussed the issue of proxy voting.
- 01:14:45 Sen. Vance discussed the difficulties of scheduling future meetings.
- 01:15:40 Rep. Ricci discussed possibly attending some worker's comp meetings.

## **COMMITTEE ACTION ITEMS**

### **Adoption of Proxy Voting Procedures**

- 01:17:52 Sen. Facey discussed proxy voting.

### **Motion/Vote**

- 01:18:25 Sen. Facey moved to allow proxy votes for EAIC during the 2017-18 interim. The motion passed 6-1, with Rep. Noland voting no and Rep. Stewart-Peregoy not audible on the phone.

### **Discussion on the work plan**

- 01:19:30 Sen. Vance discussed proceeding with the work plan in terms of scheduling.
- 01:20:11 Sen. Buttrey asked if Children and Families committee will be scheduling the HJR 20 meetings.
- 01:20:19 Ms. Murdo
- 01:20:52 Rep. McConnell asked about the number of meetings that are in the work plan.
- 01:21:43 Ms. Murdo
- 01:24:48 Sen. Vance commented that he would like to spend more time and resources for subcommittee meetings having to do with the studies.
- 01:25:52 Sen. Facey commented on the September 14 meeting date and use a committee poll for future meeting dates availability.
- 01:26:20 Sen. Vance asked if the committee is amenable to the September 14 meeting.
- 01:26:42 Ms. Murdo
- 01:27:13 Sen. Buttrey would like to set a tentative meeting date in November.
- 01:27:40 There was a discussion on setting a November meeting date.
- 01:30:11 Sen. Vance asked if members could get their availability dates to Ms. Murdo prior to the September meeting.
- 01:30:33 Ms. Murdo
- 01:30:53 Sen. Vance discussed the liquor control issue that had been brought to his attention.
- 01:31:32 There was a discussion on how that liquor control issue came about.
- 01:33:55 Ms. Murdo
- 01:34:56 Jameson Walker

01:36:29 Ms. Murdo discussed the renewal of the Labor-Management Advisory Council and asked if the committee is interested in writing a letter regarding the renewal.  
01:37:47 Sen. Facey said he would like a letter written regarding renewal of the Labor-Management Advisory Council.  
01:39:10 Sen. Vance discussed limiting the scope of SJR 27.  
01:40:47 Sen. Buttrey said that the committee needs to look at the workers' compensation system that we have, how can that system be replaced, and how to bring more competition into the market.  
01:41:42 Sen. Facey said he is interested in the residual market, the Old Fund, what happens to the Montana State Fund's surplus, and looking at options: do nothing, mutualizing Montana State Fund, or privatize.  
01:42:53 Rep. Ricci commented on the State Fund building.  
01:44:05 Sen. Whitford requested that the committee receive information from past studies on State Fund.  
01:46:39 Sen. Vance asked if Ms. Murdo could provide the information requested.  
01:46:54 Ms. Murdo  
01:47:24 Sen. Vance asked if there was committee consensus that staff write a letter to the governor and the commissioner of labor and industry urging the renewal of the Labor-Management Advisory Council.  
01:47:51 Ms. Murdo

#### **PUBLIC COMMENT ON ANY ITEM NOT ON AGENDA**

None.

#### **RULE REVIEW**

01:49:11 Jameson Walker, Staff Attorney, gave an overview of administrative rulemaking and rule review ([Exhibit 5](#)) and the Administrative Rule Report ([Exhibit 6](#)).

#### **DIRECTIONS TO STAFF, NEXT MEETING DATE**

01:52:26 Sen. Vance confirmed the next meeting date of September 14, 2017.  
01:52:48 Ms. Murdo gave a brief summary of what was assigned to her and informed the committee that the Interim Newsletter is now available online.

#### **ADJOURNMENT**

01:54:20 With no further business before the committee, Sen. Vance adjourned the meeting at 2:27 p.m.