



Economic Affairs Interim Committee

66th Montana Legislature

SENATE MEMBERS

JASON ELLSWORTH
NATE MCCONNELL
FRANK SMITH
GORDON (GORDY) VANCE

HOUSE MEMBERS

DEREK HARVEY
JOSH KASSMIER
MARK NOLAND
VINCE RICCI
SHARON STEWART PEREGOY
KATIE SULLIVAN

COMMITTEE STAFF

PATRICIA MURDO, Research Analyst
JAMESON WALKER, Staff Attorney
FONG HOM, Secretary

MINUTES LOG

June 6, 2019
Room 102, 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.

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COMMITTEE MEMBERS PRESENT

SEN. JASON ELLSWORTH
SEN. NATE MCCONNELL (by phone)
SEN. FRANK SMITH
SEN. GORDON (GORDY) VANCE (by phone)

REP. DEREK HARVEY
REP. JOSH KASSMIER
REP. MARK NOLAND
REP. VINCE RICCI
REP. SHARON STEWART PEREGOY
REP. KATIE SULLIVAN

COMMITTEE MEMBERS EXCUSED

STAFF PRESENT

PATRICIA MURDO, Research Analyst
JAMESON WALKER, Staff Attorney
FONG HOM, Secretary

VISITORS' LIST ([Attachment 1](#))
AGENDA ([Attachment 2](#))

COMMITTEE ACTIONS

The Economic Affairs Interim Committee took the following actions at its June 6, 2019, meeting:

- Voted unanimously to use majority voting for the full committee instead of voting majority by House and Senate members;
- Voted unanimously to allow the use of proxies; and
- Elected Rep. Sharon Stewart Peregoy as presiding officer and Rep. Vince Ricci as vice presiding officer.

Separately, Rep. Stewart Peregoy named Rep. Derek Harvey and Rep. Josh Kassmier as liaisons to the Montana State Fund and Sen. Frank Smith and Rep. Kassmier as liaisons to the Rail Service Competition Council.

CALL TO ORDER AND ROLL CALL

13:04:28 Sen. Gordon Vance called the meeting to order at 1:04 p.m. The secretary called roll. ([Attachment 3](#))

13:05:49 Introduction of committee members and staff.

ADMINISTRATIVE MATTERS - Pat Murdo, Committee Researcher

13:11:05 Pat Murdo discussed administrative matters: interim committee duties, staff roles and responsibilities, Legislative Guidelines ([Exhibit 1](#)), distribution of bill actions ([Exhibit 2](#)), committee travel claims, review of Montana State Fund liaison duties, brief overview of work plan and studies ([Exhibit 3](#)).

DISCUSSION ON VOTING

13:18:46 Sen. Vance discussed voting guidelines.

13:19:09 Rep. Mark Noland said that he would like to leave the voting as a majority vote.

13:19:34 Sen. Jason Ellsworth agreed to keep it as majority vote.

13:19:53 Sen. Nate McConnell agreed with keeping the voting the way it has been done.

Motion/Vote

13:20:30 Rep. Vince Ricci moved to keep the vote as a majority vote even with two extra House members voting. The motion passed unanimously by voice vote.

DISCUSSION ON PROXY VOTING

13:22:02 Sen. Ellsworth said that during session, proxy voting was allowed.

13:22:57 Rep. Noland commented on concerns that proxy voting could be used as an

13:23:01 excuse for not attending the meeting.
Rep. Ricci concurred.

Motion/Vote

13:23:15 Rep. Derek Harvey moved to allow proxy votes in the Economic Affairs Interim Committee. The motion passed unanimously by voice vote.

ELECTION OF PRESIDING OFFICER AND VICE PRESIDING OFFICER

Nomination for Chair

13:24:26 Rep. Noland moved to nominate Rep. Ricci as chair of the Economic Affairs Committee.

13:24:42 Sen. McConnell made a substitute motion to nominate Rep. Sharon Stewart Peregoy as chair of the Economic Affairs Committee.

Discussion

13:28:15 Sen. Ellsworth commented on the history of electing chairs and vice chairs.
13:29:13 Rep. Katie Sullivan supported the nomination of Rep. Stewart Peregoy as chair.
13:29:59 Sen. Vance asked Jameson Walker, Committee Attorney, if the committee will be voting on Sen. McConnell's substitute motion.

Roll Call Vote

13:30:04 Sen. McConnell's substitution motion passed on a roll call vote, 6-4, with Sen. Frank Smith, Sen. Vance, Rep. Harvey, Rep. Sullivan, Rep. Stewart Peregoy, and Sen. McConnell voting yes, and Sen. Ellsworth, Rep. Josh Kassmier, Rep. Noland, and Rep. Ricci voting no. **(Attachment 4)**

Nomination for Vice-Chair

13:33:05 Sen. Vance moved to nominate Rep. Ricci as vice-chair.

13:34:50 **Recess**

Vote

13:40:03 The motion passed unanimously by voice vote.

13:41:05 *Sen. McConnell left the meeting at 1:41 p.m.*

APPOINTMENTS BY PRESIDING OFFICER

Montana State Fund liaisons

13:41:49 Rep. Stewart Peregoy appointed Rep. Harvey and Sen. Ellsworth as liaisons to the Montana State Fund.

Rail Service Competition Council

13:44:10 Rep. Stewart Peregoy appointed Rep. Kassmier and Sen. Frank Smith as liaisons to the Rail Service Competition Council.

PUBLIC COMMENT ON WORK PLAN AND PLANS FOR ASSIGNED STUDIES

13:45:44 Stuart Doggett, Montana Lodging and Hospitality Association, commented on Senate Joint Resolution 24.

13:47:56 Joe Triem, Legislative Fiscal Division, discussed House Bill 715, a study of long-term financial stability of the state, local government, and pensions. **(Exhibit 4)**

Questions

13:52:19 Rep. Stewart Peregoy asked about coal resources in terms of severance tax income to the state.

13:56:44 Rep. Stewart Peregoy asked if the Legislative Fiscal Division will be looking into possible impacts of tariffs on agricultural products.

14:00:03 Ms. Murdo noted additional public comment in a letter from Elsie Arntzen, State Superintendent of Public Instruction. **(Exhibit 5)**

COMMITTEE DISCUSSION ON WORK PLAN

14:01:05 Ms. Murdo gave an overview of the Economic Affairs Interim Committee proposed work plan. **(Exhibit 3)**

Discussion

14:12:30 *Sen. Vance left the meeting at 2:13 p.m*

14:13:11 Rep. Noland suggested studying the insurance industry.

14:17:47 Sen. Ellsworth suggested studying fiber optic cable and high speed internet and commented on the meat inspection study.

14:22:53 Rep. Noland discussed the problem of driving under the influence in the state,

(Exhibit 6: Handouts) and suggested the study of alcoholism as a no. 1 member issue priority of the committee.

14:31:54 There was a discussion regarding equity amongst various alcohol industry participants, gambling, bringing back live horseracing, active supervision and the monitoring of the boards, brucellosis and chronic wasting disease, custom meat processors, co-location of diagnostic laboratories, franchise opportunities in Montana, and credit card processing and processing fees.

14:54:02 Rep. Stewart Peregoy said that the committee will adopt the work plan at the next Economic Affairs meeting.

RULE REVIEW - Jameson Walker, staff attorney

15:00:07 Mr. Walker presented an Overview of Administrative Rulemaking **(Exhibit 7)** and the May 2019 Administrative Rule Report **(Exhibit 8)**.

PUBLIC COMMENT ON ANY ITEM NOT ON AGENDA

None

NOTICE ABOUT CSG, NCSL MEETINGS IN JULY AND AUGUST

15:15:29 Ms. Murdo discussed the dates for the CSG Big Sky Conference in July and the National Conference of State Legislatures meeting in August. She also noted the next Economic Affairs Interim Committee meeting date in September.

15:18:42 Sen. Ellsworth asked whether the appointment of the Montana State Fund liaisons had to represent House and Senate. Statute does not require any distinction except majority and minority representation. Sen. Ellsworth said he would decline his appointment in favor of a House member. Rep. Stewart Peregoy appointed Rep. Kassmier to replace Sen. Ellsworth as the liaison.

ADJOURNMENT

15:22:26 With no further business before the committee, Rep. Stewart Peregoy adjourned the meeting at 3:22 p.m.

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