

# Economic Affairs Interim Committee

## 2019-2020

### *Interim Work Plan*

This work plan provides an outline of what the Economic Affairs Interim Committee will work on throughout 2019-2020 interim over what period for each topic. The plan provides guidance to and a blueprint for the committee, staff, and the public through the end of the committee’s interim in mid-September 2020. The committee may revise the work plan periodically, dependent on budget, emerging issues, and timing.

*Revised 11/7/2019*

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## Introduction

The statutory duties of all interim committees include monitoring assigned agencies and conducting studies assigned by the Legislative Council. See Table 1 for the assigned agencies and entities to be

monitored. In addition, the interim committees traditionally have taken the initiative to address areas of concern that may lead to legislation in their areas of influence.

Monitoring includes:

- Reviewing rules;
- Responding to questions about or issues raised regarding any of the monitored entities or their programs and reports;
- Identifying issues from the past legislative session or that may lead to future legislation; and
- Providing a preliminary review of the monitored entities’ draft legislation.

**Table 1: Agencies or Entities Assigned to the EAIC and Areas of Interest**

| Assigned Entity   | Areas of Interest   |  |
|---|---|--|
| <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>  | Montana Wheat & Barley Committee                                    | Hail Insurance Board                         |
|   | Noxious weed-related advisory councils (2)                          | Alfalfa Seed Committee                       |
|   | Cherry Advisory Committee   | Organic Advisory Committee                   |
|   | Potato Advisory Committee   | Montana Pulse Crop Committee                 |
| <b>Department of Commerce</b> <ul style="list-style-type: none"> <li>• Director’s Office</li> <li>• Community Development Division</li> <li>• Housing Division</li> <li>• Office of Tourism and Business Development</li> </ul>   | Board of Housing  | Montana Facility Finance Authority           |
|   | Board of Investments  | Montana Heritage Commission                  |
|   | Board of Research and Commercialization (repealed 2019)             | Small Business Development Advisory Council  |
|   | Economic Development Advisory Council (repealed 2019)               | State Tribal Economic Development Commission |
|   | Coal Board  | Tourism Advisory Council                     |
|   | Hard Rock Mining Impact Board                                       | Board of Horseracing                         |
| Department of Labor and Industry <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 (33)                 |  |
|   | Building Codes Bureau   | Occupational Safety / Health                 |
|   | Weights and Measures Bureau   | Apprenticeship / Training                    |
|   | Montana Human Rights Commission                                     | Incumbent Worker Training                    |
|   | Board of Personnel Appeals  | Foreign Labor Certification                  |
|   | Unemployment Insurance Appeals Board                                | Montana State Employers Council              |
|   | Labor-Management Advisory Council                                   | Workforce Innovation Board                   |
| Department of Livestock - <a href="#">Overview</a> <ul style="list-style-type: none"> <li>• Animal Health and Food Safety</li> <li>• Brands Enforcement</li> <li>• Central Services</li> </ul>  | Livestock Loss Board  | Board of Milk Control                        |
|   | Veterinarian Diagnostic Laboratory and Milk Laboratory              |  |
| State Auditor’s Office - <a href="#">Overview</a> <ul style="list-style-type: none"> <li>• Insurance Division</li> <li>• Securities Division</li> </ul>   | Statutory Duties  |  |
| Governor’s Office of Economic Development   | Statutory Duties  |  |
| Financial Institutions Division   | Statutory Duties  |  |
| Alcohol Control Division  | Statutory Duties  |  |
| Montana State Fund  | Statutory Duties, including budget review required by SB 379 (2015) |  |

## Statutory Obligations and Descriptions of Duties

The following statute lists the duties of interim committees, which are further described below:

**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, if requested by any member of the interim committee, the 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;
- (e) review proposed legislation of assigned agencies or entities as provided in the joint legislative rules; and
- (f) 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.

### Rule Review

The ways of doing rule review range from in-depth analysis to general oversight, depending on the Committee's choice. In the past, EAIC legal staff typically reviewed rulemaking notices from all of the agencies that the EAIC monitors and provided information to the Committee on generally significant rules but only raised flags on a rule if the attorney considered the rule to be noncompliant with legislative intent or otherwise not meeting the Montana Administrative Procedure Act (MAPA). The EAIC could request the Committee attorney to pay particular attention to rules affecting constituent concerns, if any.

According to 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; or
- review the conduct of administrative proceedings.

### Conduct Assigned Studies

Legislative Council assigned three studies to the Economic Affairs Interim Committee in May:

- HJ 29, a study of meat inspection laws and activities in Montana;
- SJ 18, a study of occupational licensing barriers faced by those with criminal records; and
- SJ 24, a study of the uses of the lodging and facilities use tax.

The study resolutions require that interim committee work, including final reports, recommendations, and any proposals for legislation, be completed by September 15, 2020.

#### **DECISION POINTS:**

- At its September meeting, the committee decided not to study HJ 29 and returned that study to Legislative Council with a recommendation not to do that study, primarily because meat inspection laws must meet federal laws over which the committee has no sway.
- The committee decided to adopt moderate levels of study for SJ 18 and SJ 24.

### Program Monitoring

The Committee is to monitor the operation of assigned agencies (listed in Table 1) with specific attention paid to:

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

EAIC members can use their opportunity to "accumulate, compile, analyze, and furnish information" (as related to EAIC assigned duties or existing or prospective legislation) through identifying emerging issues or member issues of concern. Guest speakers or agency personnel can be scheduled to provide information on relevant topics.

### Emerging Issues

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. However, to be on the agenda, the presiding officer or other EAIC members must request agenda time. Staff resources are limited, so additions to a work plan must be accompanied by deletions to retain scheduling balance.

### Member Issues

EAIC members have requested member issues to be listed under Appendix D, which also includes some staff-generated suggestions based on current or past topics or legislation. Depending on whether members put greater or less emphasis on their statutory duties related to interim studies and agency

monitoring, they have more time to focus on EAIC-relevant member issues. A matrix in Table 3 provides an overview of duties along with choices for determining how much time the EAIC members and staff will devote to the topics.

**DECISION POINT:** At its September meeting the committee decided to pursue three member issues:

- exploring potential changes in alcohol laws;
- studying broadband access and financial assistance; and
- examining the impacts of adding presumptive disease to firefighters' workers' compensation coverage.

### Draft Legislation Review

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." 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 proposes its own bill draft, the committee is listed under both "requester" and "requested by." A requester 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. An interim committee may choose not to request drafting of a particular bill requested by an agency, which means only that the agency must find a legislator who will introduce the bill (and the committee then, perhaps, generates some 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 workflow so that staff can begin drafting legislation before November elections and the onslaught of newly elected legislators' bill requests.

### Important for the 2020 Legislation Review

Because the current governor is term-limited, agencies under directors appointed by the governor are likely to have new directors and perhaps new policy directions in 2021. Often agency-requested bills in these cases are housekeeping or bills without policy overtones. That is not always true, however.

The State Auditor's Office also will be open to a new occupant and legislation requested by that office will be subject to Joint Rule 40-40(5)(b) and exempt from preintroduction deadlines.



Agencies are expected to submit their proposals to the Governor's Office by June in the year preceding the legislative session, which means interim legislative committees can begin as early as that June to review the legislation. The EAIC often has reviewed agency legislation at its last meeting of the interim. Typically, agency draft legislation is not ready by September, so the agencies present only the concepts.

### Maintain Adequate Records of Activities

The EAIC, along with other interim committees, is to operate under the Rules, Procedures, and Guidelines for Interim Committees adopted by the Legislative Council. The Legislative Council has decided that an audio recording stands as the official record. Under 2-3-212, MCA, if an audio recording is designated as the official record, written records of meetings must also be kept to provide assistance to the public in accessing relevant portions of the meeting. Unless otherwise requested by the Committee, the written material regarding minutes will be a log or guideline to topics, the times that they were addressed, the names of those who spoke on the subject, and exhibits. For this type of record, there is no need for the Committee to approve the minutes log. The audio recording is the official record.

As for other records of activities, staff relies on communication with EAIC members using both e-mail and letters. If an EAIC member prefers communication in one form only, please let staff know and they will adjust to match preferences. Information will be sent to the EAIC members approximately 2 weeks prior to a meeting by mail and will be posted on the Committee website, unless the EAIC member directs electronic notification only. Material may be sent in more than one mailing. 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:

<https://leg.mt.gov/committees/interim/2019eaic/http://leg.mt.gov/css/Committees/Interim/2017-2018/Economic-Affairs/default.asp> or simply <http://leg.mt.gov/eaic>.

### Additional Statutory Duties

Included among the other activities of the EAIC are receiving reports from or reviewing activities of:

- **the Department of Administration's Advisory Council on Co-Located Laboratory for Facilities that Conduct Animal Testing for Pathogens.** House Bill No. 586 requires the Department of Administration to develop a plan for a lease that provides an option to purchase a co-located laboratory and requires an advisory council consisting of legislators and representatives of the Department of Livestock, the Department of Fish, Wildlife, and Parks, the Department of Agriculture, and two members representing Montana State University, one from the President's Office and one for MSU Extension. Reports to EAIC are to be made quarterly.

### New in 2019-2020

- Advisory Council on Co-Located Laboratories
- Reports on Pesticide Applicator Training
- Report from Board of Horseracing on Historical Races
- Report on Reinsurance Operations/Finances
- Last report of the Rail Service Competition Council



- **the Department of Agriculture regarding Pesticide Applicator Recertification Training and Online Recertification.** HB 221 says the Department of Agriculture is to report to the Economic Affairs Interim Committee by Sept. 1, 2020, on pesticide recertification and online training efforts.
- **The Board of Horseracing as to historical horseracing options.** Under SB 183, the Board of Horseracing is specifically authorized to conduct public hearings and rulemaking, contract with the Department of Justice for a memorandum of understanding regarding parimutuel gambling, and otherwise develop legislation to present to the Economic Affairs Interim Committee regarding implementation of historical horseracing in Montana. The bill does not authorize historical horseracing.
- **The Montana Reinsurance Association.** SB 125 creating the Montana Reinsurance Association and program requires submission by June 30, 2020, of an annual review performed by an independent certified public accountant of the program's solvency and compliance with SB 125 requirements. Information on the association is at <http://reinsurance.mt.gov/>.
- **Montana State Fund.** Under 5-5-223, MCA, the statute creating the EAIC, subsection (2) states that Montana State Fund shall annually provide a report on its budget to the EAIC. Also, under 2-15-1019, MCA, the EAIC's presiding officer is to appoint liaisons to MSF: one from the majority party and one from the minority party. Liaisons can count on attending approximately four Montana State Fund meetings a year. Quarterly meetings are anticipated in March, June, September, and December.
- **Licensing Boards.** 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.

Separately, HB 141 in 2017 required EAIC to monitor the active supervision done by the Department of Labor and Industry to determine whether any board actions are considered by the Commissioner of Labor and Industry to be anticompetitive or violative of antitrust laws. The EAIC may initiate further hearings, backstop the Commissioner of Labor and Industry, or provide an alternative process for those alleging possible antitrust activities by boards or licensees. The active supervision statute terminates July 1, 2021, unless the 2021 Legislature decides to remove the termination date.

- **the Montana Heritage Preservation and Development Commission** regarding its indirect administrative rate negotiated with the Department of Commerce, as required under 22-3-1002(1), MCA.
- **The Distressed Wood Products Industry Loan Account**, on which the Department of Commerce is to report to the EAIC under 90-1-503, MCA.
- **The Rail Service Competition Council**, which was terminated under HB 59 from the 2019 session, was prior to its termination on June 30, 2019, to report under 2-15-2511(3), MCA, "to any standing or interim legislative committee that is assigned to study or has oversight duties for rail service competition issues."
- **Advisory Councils and Reports** associated with the entities that EAIC monitors. Each interim committee, at the request of any member of the interim committee, shall review advisory councils and reports that must be provided to the Legislature to determine whether they are serving their purpose or are no longer necessary. Among advisory councils eligible for EAIC review are:
  - Tourism Advisory Council (Commerce) created under 2-15-1816, MCA;



- Advisory Council on Continuing Education for Insurance Licensees (SAO) created under 33-17-1204, MCA;
- Advisory Council on Risk Management Activities (SAO), related to medical malpractice concerns, created under 33-23-520, MCA;
- Noxious Weed Management Advisory Council (Agriculture) created under 80-7-805, MCA;
- Montana Noxious Weed Seed Free Forage Advisory Council (Agriculture) created under 80-7-904, MCA;
- Organic Commodity Advisory Council (Agriculture) created under 80-11-601, MCA; and
- Vertebrate Pest Management Advisory Council (Agriculture) established under 80-7-1104, MCA.

The following required reports are under EAIC auspices, whether because they say specifically that the EAIC is to receive the 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), 7-22-2151, MCA;
- Montana Board of Investments Annual Report (Commerce), 17-5-1650, MCA;
- Apprenticeship and Training Program Biennial Report (Labor and Industry), 39-6-101 and 5-11-210, MCA;
- Business and Industrial Development Corp. report if a BIDCO is created.
- Livestock Loss Reduction Report (to be made to the Legislature and the Board of Livestock), 2-15-3113, MCA;
- Distressed Wood Industry Report (Commerce), 90-1-503 and 5-11-210, MCA;
- Unemployment benefits for victims of domestic violence, sexual assault, or stalking (to be made to the Legislature), 39-51-2111, MCA;
- Montana State Fund, which is to provide a report on its approved budget to the EAIC (this happens annually after budget approval in the spring); and
- Reinsurance operations and finance annual report due to EAIC by June each year, starting in 2020 (pursuant to SB 125 in the 2019 session).

The following boards, committees, or other entities may contain an advisory function but either are not specifically termed advisory councils or created statutorily. The following have not had a review since at least 2014. The 2019-2020 EAIC may choose to review one, none, or many.

- Montana Agriculture Development Council (Agriculture) provided for in 2-15-3015 and 90-9-103, MCA;
- Montana Alfalfa Seed Committee (Agriculture) under 2-15-3004, MCA;
- Montana Cherry Advisory Committee (Agriculture) under 80-11-510, MCA (a statute giving the department general creation authority);
- Montana Potato Advisory Committee (Agriculture);
- Montana Pulse Crop Committee (Agriculture) under 2-15-3007, MCA;
- Montana Wheat and Barley Committee (Agriculture) under 2-15-3002, MCA;
- Board of Hail Insurance (Agriculture) created under 2-15-3003 and Title 80, ch. 2, part 2, MCA;
- Montana State Workforce Innovation Board (Labor and Industry) under 53-2-1203, MCA;
- Board of Personnel Appeals (Labor and Industry) under 2-15-1705, MCA;
- Unemployment Insurance Appeals Board (Labor and Industry) under 2-15-1704, MCA;
- Board of Housing (Commerce) under 2-15-1814, MCA;
- Coal Board (Commerce) under 2-15-1821, MCA;
- Board of Research and Commercialization Technology (Commerce) under 2-15-1819, MCA -- repealed as of June 30, 2019;
- Hard-rock Mining Impact Board (Commerce) under 2-15-1822, MCA;
- State Tribal Economic Development Commission (Commerce) under 90-1-131, MCA;
- SBDC (Small Business Development Center) Advisory Council (Commerce);

- Montana Heritage Preservation and Development Commission (Commerce) under 22-3-1002, MCA;
- Montana Facility Finance Authority (Commerce) under 2-15-1815, MCA;
- Board of Investments (Commerce) under 2-15-1808, MCA; and
- Montana Council on Developmental Disabilities (Commerce) under 2-15-1869, MCA.

## Budget/Meeting Dates

**EAIC Budget \$42,200** The EAIC budget for the 2019-2020 biennium is about \$42,200, higher than in past ~ interims with the addition of 2 more House members. For the first meeting, the EAIC tapped money left over from the last interim, which means the budgeted amount for the FY2019-FY2020 biennium can cover 9 proposed meeting days, with additional funds for travel, conferences, or a subcommittee if needed. A decision to have a subcommittee reduces the main EAIC staffing, budget, and meeting times.

The bulk of the budget is for members' travel and per diem costs for meetings but allows for additional expenditures, such as the use of remote meeting technologies, meetings out of Helena, conferences, or other meetings related to the EAIC's work. Table 2 has meeting options.

**MSF Liaison Budget \$7,738** The cost for two EAIC members to serve as liaisons to the Montana State Fund, separately identified in the Legislative Services Division budget, is about \$7,700. Liaisons submit their claims separately to the Legislative Services Division.

## Interim Calendar

The schedule in Table 2 provides an overall road map for accomplishing required duties.

**Table 2: Meeting Dates and Proposed Topics and Tasks**

| Date           | Phase              | Research Tasks/Policy Issues   |
|----------------|--------------------|--|
| June 6, 2019   | Organizational     | *Elect Officers<br>*Appoint liaisons to Montana State Fund   |
|                | Rule Review        | *Review work plan (involvement in rule review, extent of agency monitoring, member issues, meeting times)              |
|                | Studies            | *Work plans related to assigned studies  |
| Sept. 11, 2019 | Work Plan          | *Determine final work plan: level of intensity for studies, advisory council/committees to review, number of meetings. |
|                | Agency Monitoring  | *Overviews from: --State Auditor's Office<br>--Department of Livestock<br>--Montana State Fund (2019 budget)           |
|                | Rule Review        |  |
|                | Legislative Fiscal | *Presentation of fiscal reports, information on Legislative Week   |

| Date             | Phase   | Research Tasks/Policy Issues   |
|------------------|---|--|
| Nov. 7, 2019     | Studies<br><br>Agency Monitoring<br><br>Assigned Duties<br><br>Rule Review<br><br>Member Issues | *Determine scope of SJ18 (occupational licensing for those with criminal convictions) and SJ24 studies (lodging facility use tax)<br><br>*Overviews from: --Department of Labor and Industry<br>--Financial Institutions Division<br>--Governor’s Office of Economic Development<br><br>*Quarterly Labs Report<br>*Active Supervision Overview – Department of Labor and Industry<br>*Determine licensing boards to sunset/combine; notify Department<br><br>Regular Reviews + Public Comment on Board of Dentistry Rule (that EAIC objected to at its September meeting)<br><br>Overview & Scoping: --Broadband<br>--Alcohol Laws |
| Jan. 15, 2020    | * Legislative Week<br><br>Member Issue  | Broadband Introduction and Discussion of Incentives for building fiber optic and coaxial cable.  |
| Feb. 12-13, 2020 | Studies<br><br>Agency Monitoring<br><br>Assigned Duties<br><br>Member Issues<br><br>Rule Review | *SJ 18 Panel Discussion, Briefing Paper on Past Legislation<br><br>*SJ 24 Presentations, Briefing Paper on Tourism Bureau Funding<br><br>*Overviews from: --Department of Commerce<br>--Alcoholic Beverage Control Division<br><br>*Broadband Followup and Discussion of SB 239 (2019 session)<br>*Report from Stakeholders in Alcohol 3-Tiered System   |
| April 28, 2020   | Studies<br><br>Agency Monitoring<br><br>Assigned Duties<br><br>Member Issues<br><br>Rule Review | *SJ 18 – Proposed Legislation<br>*SJ 24 – Proposed Legislation<br><br>*Overviews from: --Montana State Fund 2020 budget<br><br>*Report by Board of Horseracing on historical horseracing options<br>*Quarterly Labs Report<br><br>*Panel Presentations on Alcohol Law Changes<br>*Presentations on Broadband Financing Options   |

| Date                 | Phase             | Research Tasks/Policy Issues   |
|----------------------|-------------------|--|
| June 30-July 1, 2020 | Studies           | *SJ 18 Legislation Refinement / Draft of Final Report<br>*SJ 24 Legislation Refinement / Draft of Final Report   |
|                      | Agency Monitoring | *Report on Reinsurance<br>*Possible early legislation presentation   |
|                      | Assigned Duties   | *Quarterly Labs Report   |
|                      | Member Issues     | *Panel presentation for workers' compensation premiums related to presumptive disease for firefighters<br>*Broadband Legislation / Draft of Final Report<br>*Alcohol Legislation / Draft of Final Report |
|                      | Rule Review       |  |
| Sept. 9, 2020        | Studies           | *SJ 18 Legislation Refinement / Revisions to Final Report<br>*SJ 24 Legislation Refinement / Revisions to Final Report   |
|                      | Agency Monitoring | *Agency Legislation Review / Requests<br>*Required Reports   |
|                      | Assigned Duties   | *Quarterly Labs Report   |
|                      | Member Issues     | *Broadband Legislation / Draft of Final Report<br>*Alcohol Legislation / Draft of Final Report<br>Other Committee Legislation  |
|                      | Rule Review       |  |

## Matrix for Prioritizing Meeting Focus

Table 3 outlines most, moderate, or minimum involvement options for the Committee during the interim. Each option represents committee time and staff time (FTE). Choosing the most involvement for each activity is not possible in the allotted EAIC budget and meeting times, so members are urged to determine how best to use the meeting times, staff resources, and budget. An allocation guide is that 1 FTE represents 2100 hours between July 1, 2019, and September 2020 or 0.1 FTE equals 210 hours.

**Table 3: EAIC Matrix for Setting Priorities for Interim Committee Activities**

| Activity           | Most Involvement   | Moderate Involvement  | Minimum Involvement   |
|--------------------|--|---|---|
| <b>Rule Review</b> | <ul style="list-style-type: none"> <li>Includes items from "minimal" and "moderate" except that reports would be more in-depth and include analysis by legal staff of reported public concerns.</li> </ul> | <ul style="list-style-type: none"> <li>Request brief written description of all rules prior to Committee meetings.</li> <li>Review topics in Committee that:</li> </ul> | <ul style="list-style-type: none"> <li>Brief written description of all rules prior to Committee meetings.</li> <li>Hear information only on issues that Committee or legal staff considers to be out of</li> </ul> |

|                                  |  |  |  |
|----------------------------------|--|--|--|
|                                  | <ul style="list-style-type: none"> <li>Request copies of rules from agencies for legislators' own review.</li> <li>Seek public comment on rules of concern.</li> </ul>   | <ol style="list-style-type: none"> <li>Legislators flag as important or of concerns; or</li> <li>A member of the committee has asked to be on agenda.</li> </ol> <ul style="list-style-type: none"> <li>Public comment on flagged rules</li> </ul> | compliance with statutes or legislative intent.  |
| <b>FTE</b>                       | 0.15 FTE (315 hours)   | 0.1 FTE (210 hours)  | 0.075 FTE (~160 hours)   |
| <b>Committee Time</b>            | 10-20 minutes each meeting   | 10-20 minutes each meeting   | 10-20 minutes each meeting   |
| <b>Chosen Option</b>             |  |  | xx   |
| <b>Activity</b>                  | <b>Most Involvement</b>  | <b>Moderate Involvement</b>  | <b>Minimum Involvement</b>   |
| <b>Active Supervision Review</b> | <ul style="list-style-type: none"> <li>Incorporate "minimal" and "moderate" options and decide if polling of the Legislature is needed to determine legislative intent for issues under consideration.</li> <li>Conduct more than one public comment at more than one meeting.</li> </ul>                                  | <ul style="list-style-type: none"> <li>Incorporate minimal options and decide if briefing paper or more information is needed, including comparisons with other states.</li> <li>Require reports back to the committee.</li> </ul>                 | <ul style="list-style-type: none"> <li>Hear information only on issues that Commissioner of Labor and Industry considers to be anticompetitive.</li> <li>Decide if letters need to be written.</li> <li>Hold public comment if letters sent.</li> </ul>    |
| <b>FTE</b>                       | ~ 0.2 FTE (420 hours), depending on # of issues, degree of interest  | ~ 0.1 FTE (210 hours) depending on # of issues   | ~ 0.1 FTE (210 hours)  |
| <b>Committee Time</b>            | 3-5 hours  | ~ 0.5 to 2.5 hours   | 10 minutes or more per meeting   |
| <b>Chosen Option</b>             |  |  | xx??   |
| <b>Agency Legislation Review</b> | <ul style="list-style-type: none"> <li>Incorporate panel presentations after February 2020 on potential legislative requests from agencies related to proposals submitted in early 2020 to the Office of Budget and Program Planning, recognizing that agency turnover may result when new Governor is elected.</li> </ul> | <ul style="list-style-type: none"> <li>Provide time at June and September 2020 meetings, one for initial concept preview and the other a follow-up briefing.</li> </ul>  | <ul style="list-style-type: none"> <li>Overview of concepts on each item of legislation at final meeting.</li> <li>Staff time involves checking for availability, listing bill subjects.</li> </ul> <p>NOTE: Some agencies do not propose legislation.</p> |
| <b>FTE</b>                       | 0.02 FTE (42 hours)  | ~0.01 FTE (31 hours)   | ~0.01 FTE (21 hours)   |
| <b>Committee Time</b>            | 4 hours  | 2-3 hours  | 0 to 15 minutes to 1 hour/agency   |
| <b>Chosen Option</b>             |  |  | xx   |
| <b>Agency Monitoring</b>         | <ul style="list-style-type: none"> <li>Minimal and moderate involvement activities.</li> <li>Form subcommittee to study areas germane to agency-related emerging issues.</li> </ul>  | <ul style="list-style-type: none"> <li>Minimal involvement activities plus:</li> <li>EAIC members specify what follow-up reports they want, with additional briefing papers if not covered earlier.</li> </ul>                                     | <ul style="list-style-type: none"> <li>Each agency head provides a brief overview of activities.</li> <li>Agencies with further statutory reporting requirement gives an oral report.</li> <li>Briefing paper on each agency.</li> </ul>                   |

|  |  |   |   |
|--|--|---|---|
|  | <ul style="list-style-type: none"> <li>Staff briefing papers on emerging issues identified for subcommittee review.</li> </ul>   |   |   |
| <b>FTE</b>   | ~0.3 FTE (630 hours)   | ~0.25 FTE (525 hours)   | ~0.175 FTE (367 hours)  |
| <b>Committee Time</b>  | ~ 15 hours maximum   | Between 9 and 15 hours  | ~ 9 hours minimum   |
| <b>Chosen Option</b>   |  |   | xx  |
| <b>Activity</b>  | <b>Most Involvement</b>  | <b>Moderate Involvement</b>   | <b>Minimum Involvement</b>  |
| <p><b>HB 142 Reviews</b></p> <p>A review of the necessity of advisory councils, etc., or reports by agencies that the EAIC monitors.</p> | <ul style="list-style-type: none"> <li>Review the 35 or so advisory councils/reports and advisory groups of all types associated with agencies monitored by the EAIC.</li> <li>Include briefing papers, presentations by key persons, public comment for each.</li> <li>Determine if the EAIC needs to do a “sunset” review with public comment and vote on drafting legislation to retain or revise.</li> </ul> | <ul style="list-style-type: none"> <li>Have presentations on up to all 13 statutory advisory councils and reports required for review, with public comment and votes by the Committee to retain or revise. See councils and reports on pp. 7-9.</li> </ul>                                  | <ul style="list-style-type: none"> <li>Provide a briefing paper for each of the 13 statutory advisory councils and reports, with the Committee deciding if up to 2 need a review. If a review is sought, there would be public comment and a vote of the Committee on whether to retain or revise.</li> </ul> |
| <b>FTE</b>   | ~0.5 FTE (32 hours each ~ 1,050 hours)   | ~ 0.2 FTE (same as minimum)   | ~ 0.2 FTE (~ 32 hours each x 13 or ~ 416 hours)   |
| <b>Committee Time</b>  | 10-17 hours  | 1-9 hours   | 0.5 hours   |
| <b>Chosen Option</b>   |  |   | xx  |
| <p><b>Monitoring Important Activities</b></p> <p>(May be based on member issues below)</p>   | <ul style="list-style-type: none"> <li>Outline up to 5 topics to include in the work plan.</li> <li>Include staff-prepared briefing papers on each topic.</li> <li>Panel presentations on selected topics.</li> </ul>  | <ul style="list-style-type: none"> <li>Outline up to 3 topics chosen at the first/second meeting to be addressed at subsequent meetings.</li> <li>Staff briefing papers on topics of interest.</li> <li>Panel presentations.</li> </ul>   | <ul style="list-style-type: none"> <li>Topics limited to those presented by interested persons who ask to be on the agenda.</li> <li>Copies of relevant reports provided to the Committee.</li> <li>No staff briefing or “white papers”.</li> </ul>   |
| <b>FTE</b>   | ~ 0.25 FTE (520 hours)   | ~ 0.1 FTE (210 hours)   | ~0.005 FTE (10 hours)   |
| <b>Committee Time</b>  | 5-8 hours  | 2-4 hours   | 0.5 – 1 hour  |
| <b>Chosen Option</b>   |  |   |   |
| <p><b>Member Issues</b></p> <p>(See Appendix E)</p>  | <ul style="list-style-type: none"> <li>Each meeting would have 1 member issue on the agenda (up to 10 topics in total or multiples of a topic)</li> <li>Briefing papers on designated issues</li> <li>Presentation by an identified expert or panel discussions</li> <li>Possible draft legislation</li> </ul>   | <ul style="list-style-type: none"> <li>3 to 4 member issues, with presentations by an identified expert or panel discussions. (Panel discussions take more time to set up than single speakers.)</li> <li>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 members.</li> <li>No staff briefing or white papers</li> <li>Up to 2 presentations, if any</li> </ul>   |

|   |  |  |   |
|---|--|--|---|
|   | -- OR --<br><ul style="list-style-type: none"> <li>Committee as a whole could choose 1-2 issues to explore at 3 to 5 meetings.</li> </ul>  |  |   |
| <b>FTE</b>  | 0.25 FTE (520 hours)   | ~ 0.175 FTE (~ 360 hours)  | ~ 0.1 FTE (~ 200 hours)   |
| <b>Committee Time</b>   | 5-6 hours  | 2-4 hours  | 0.5 – 1 hour  |
| <b>Chosen Option</b>  | <b>xx</b>  |  |   |
| <b>Activity</b>   | <b>Most Involvement</b>  | <b>Moderate Involvement</b>  | <b>Minimum Involvement</b>  |
| <b>Assigned Study:</b><br><br><b>HJ 29 – Study of Meat Inspection Laws</b>  | <ul style="list-style-type: none"> <li>Overview</li> <li>Briefing papers for minimum/moderate involvement</li> <li>2-3 presentations of which: <ul style="list-style-type: none"> <li>1 panel presentation from stakeholders regarding their views and concerns</li> <li>1 on custom butchers</li> <li>1 on wild game issues</li> </ul> </li> <li>Legislation</li> <li>Public comment opportunity</li> </ul>   | <ul style="list-style-type: none"> <li>Overview</li> <li>Briefing papers (federal laws, Montana situation)</li> <li>1 panel presentation from stakeholders regarding their views and concerns</li> <li>Public comment opportunity</li> </ul>   | <ul style="list-style-type: none"> <li>Overview of issues behind the study.</li> <li>Briefing paper on federal laws governing state meat inspectors.</li> <li>Public comment opportunity</li> </ul>   |
| <b>FTE</b>  | ~0.4 FTE (840 hours)   | ~ 0.25 FTE (520 hours)   | ~ 0.1 FTE (200 hours)   |
| <b>Committee Time</b>   | 3-4 hours  | 2-3 hours  | 1-2 hours   |
| <b>Chosen Option</b>  |  |  | <b>Voted not to do study.</b>   |
| <b>Assigned Study:</b><br><br><b>SJ 18 – Study of Occupational Licensing Barriers for those with Criminal Convictions</b> | <ul style="list-style-type: none"> <li>Overview</li> <li>Briefing papers listed at right (restoration of rights, legislative efforts, and what other states are doing)</li> <li>2 to 3 panels or individual presentations on changing laws to help those with criminal convictions get evaluated on skills and merits. Include model legislation or guidelines for licensing boards in evaluating applicants.</li> <li>Determine if legislation is to be introduced and, if so, convene related presentations.</li> <li>Public comment opportunity.</li> </ul> | <ul style="list-style-type: none"> <li>Overview</li> <li>Briefing papers listed at right plus briefing paper on what other states are doing to address employment of those with criminal records.</li> <li>Panel presentation from stakeholders, including applicants with criminal convictions and board members.</li> <li>Determine if legislation is to be introduced and, if so, have presentations related to bill drafts.</li> <li>Public comment opportunity</li> </ul> | <ul style="list-style-type: none"> <li>Overview</li> <li>Briefing paper on legal issues regarding restoration of rights</li> <li>Briefing paper on past legislative efforts regarding criminal convictions and employment</li> <li>Determine if legislation is to be introduced and, if so, have presentations related to the bill drafts.</li> <li>Public comment opportunity</li> </ul> |
| <b>FTE</b>  | ~ 0.25 FTE (525 hours)   | ~ 0.1 FTE (210 hours)  | ~0.05 FTE (105 hours)   |

|  |  |  |   |
|--|--|--|---|
| <b>Committee Time</b>  | 5-8 hours  | 2-4 hours  | 1-2 hours   |
| <b>Chosen Option</b>   |  | xx   |   |
| <b>Activity</b>  | <b>Most Involvement</b>  | <b>Moderate Involvement</b>  | <b>Minimum Involvement</b>  |
| <b>Assigned Study:</b><br><br><b>SJ 24 – Study of the Distribution of Lodging Facility Use Taxes</b> | <ul style="list-style-type: none"> <li>• Overview</li> <li>• More in-depth briefing papers on Tourism Advisory Council and local tourism commissions' recommendations related to distributions.</li> <li>• Fiscal overview of all tourism-related funding and unmet tourism needs</li> <li>• Determination of whether legislation is to be introduced.</li> <li>• 2-3 presentations related to bill drafts if any are proposed.</li> <li>• Public comment opportunity</li> </ul> | <ul style="list-style-type: none"> <li>• Overview</li> <li>• Grant briefing paper</li> <li>• More in-depth briefing paper on Tourism Advisory Council and local tourism commissions' recommendations related to distributions.</li> <li>• Determine if legislation is to be introduced.</li> <li>• 1-2 presentations related to bill drafts if any are proposed</li> <li>• Public comment</li> </ul> | <ul style="list-style-type: none"> <li>• Overview</li> <li>• Briefing paper on grant process</li> <li>• Briefing paper related to Tourism Advisory Council and local tourism commissions' recommendations as related to distributions</li> <li>• 1 panel presentation on ways to improve distributions</li> <li>• Public comment opportunity</li> </ul> |
| <b>FTE</b>   | ~ 0.2 FTE (420 hours)  | ~ 0.15 FTE (310 hours)   | ~ 0.1 FTE (210 hours)   |
| <b>Committee Time</b>  | 7-8 hours  | 5-6 hours  | 2-4 hours   |
| <b>Chosen Option</b>   | xx   |  |   |
| <b>SUMMARY</b>   |  |  |   |
| <b>FTE</b>   | 1.11 FTE   |  |   |
| <b>Committee Time</b>  | 46 of 60 hours minimum   |  |   |
| Total Committee Time = 9 days  | About 7 hours per meeting day  | Staff time from July 2019 to September 2020 = about 1 FTE (2100 hours of both JW + PM time)  | All Pat's time (1524) + half of Jameson's time (580) = 2104 (Removes comp time, vacation, and time spent on other duties.)  |
| Of which:<br>2 2-day meetings<br>5 1-day meetings<br>~ 60 hours                                      |  | 0.01 FTE = 21 hours<br>0.1 FTE = 210 hours<br>0.25 FTE = 525 hours   |   |

In calculating the EAIC's allocation of its meeting time, the following may be helpful:

| <b>Responsibilities</b>  | <b>Time Needed</b>  | <b>Total Meeting Hours</b>   |
|--|---|--|
| Administrative & statutory duties: <ul style="list-style-type: none"> <li>• Rule review</li> <li>• Agency monitoring</li> <li>• Agency legislation review</li> </ul> | <ul style="list-style-type: none"> <li>• Rule Review – 10 minutes at each meeting unless a concern arises.</li> <li>• Agency monitoring – up to 1 hour for each agency monitored, unless a concern arises (++)</li> </ul> | = 1 hr rule review<br>= 9 hrs monitoring<br>= 3 hrs legislation review<br>~ 13 hours |



|   | <ul style="list-style-type: none"> <li>• Legislation review – Varies from 0 to 15 minutes or an hour for 1 agency.</li> </ul>  |   |
|---|--|---|
| <b>Responsibilities</b>   | <b>Time Needed</b>   | <b>Total Meeting Hours</b>  |
| HB 142 reviews  | 20 minutes to 45 minutes for each  | = 0.5 if only briefing papers and reports offered. Otherwise, depends on number of reviews chosen |
| Review of active supervision on board antitrust issues  | 5 minutes to 10 minutes for each issue (unless public comment on an issue – then 30 mins to 1 hour)  | Not expecting many issues, so 30 minutes to about an hour (with public comment)                   |
| <b>Studies</b> <ul style="list-style-type: none"> <li>• HJ 29</li> <li>• SJ 18</li> <li>• SJ 24</li> </ul>  | <ul style="list-style-type: none"> <li>• HJ 29 – Committee voted not to do study</li> <li>• SJ 18 – Committee voted moderate time</li> <li>• SJ 24 – Committee voted maximum time</li> </ul>         | HJ 29 = 0<br>SJ 18 = 2-4 hours<br>SJ 24 = 7-8 hours   |
| <b>Member Issues</b> <ul style="list-style-type: none"> <li>• Alcohol Laws/Changes</li> <li>• Broadband</li> <li>• Presumptive Disease for Firefighters' Work Comp</li> </ul> | <ul style="list-style-type: none"> <li>• Alcohol Issues – Committee vote ¼ time</li> <li>• Broadband – Committee voted moderate</li> <li>• Presumptive Disease – Committee voted moderate</li> </ul> | Alcohol = 15 hrs<br>Broadband = 2-3 hrs<br>Presumptive = 2 hrs                                    |
| <b>Budget: \$3,000 for 1-day meeting</b>  |  |   |
| <b>TOTAL COMMITTEE TIME</b>   |  | 46 hours minimum  |

## Appendix A: HJ 29 Study of Meat Inspection Laws

|                             |  |
|-----------------------------|--|
| Interim Study Poll Rank: 18 | Staff Recommendation: Assign to Economic Affairs Interim Committee |
|-----------------------------|--|

**Staff Recommendation:** Assign to Economic Affairs Interim Committee

**Committee Determination:** Recommend Do Not Do Study, based on meat inspection requirements having federal origins. Committee sent study back to Legislative Council.

### Preliminary Analysis

#### **Issue(s) as listed in legislation:**

1. Federal meat packing laws form the basis for inspections of Montana meatpackers.
2. Federal inspectors regulate meatpackers that sell products across state lines. State inspectors regulate those who don't sell outside of Montana. Custom butchers are exempt from certain inspection provisions.
3. A study of the relationship between federal, state, and exempt regulations is warranted to answer questions posed by some in the meatpacking industry.

#### **Preliminary study approach:**

- Review relevant state and federal laws and rules.
- Review state and federal inspection practices and processes.
- Seek input from meatpackers, custom butchers, consumers, inspectors, public health officials, and others.

#### **Deliverables; end products:**

- Report, including findings, recommendations, and draft legislation.

**Role for LFD or LAD staff?** \_\_\_ Yes xx No

**Role for Executive agency?** Yes – Input from the Department of Livestock

**Additional costs, over meetings?** \_\_\_ Yes xx N

**Estimated LSD staff time:** 288 hours (Interim FTE Equivalents)

## Appendix B: Study of Occupational Licensing Barriers for those with Criminal Convictions

|                             |  |
|-----------------------------|--|
| Interim Study Poll Rank: 15 | Staff Recommendation: Assign to Economic Affairs Interim Committee |
|-----------------------------|--|

### Preliminary Analysis

#### **Issue(s) as listed in legislation:**

- 1) As many as 1 in 3 American adults has a criminal record.
- 2) Finding and retaining employment after release from prison is difficult for many reasons, including lack of relevant skills and stigmas regarding a criminal record.
- 3) Employment of a person with a criminal record is seen as a way to further the principles outlined in the Montana Constitution in which crimes are to be punished in light of “prevention, reformation, public safety, and restitution for victims”.
- 4) The application process for professional licensure can create additional barriers for a person with a criminal record and may keep someone with a criminal record from accessing higher-paying employment, which means fewer potentially eligible employees in the hiring pool.
- 5) A balance is needed between protecting public safety and enabling an individual with a criminal record to achieve the goals of prevention, restitution, and avoiding recidivism.
- 6) A legislative interim committee is well-positioned to weigh the balance for appropriate occupational licensing practices, preservation of public safety, health, and well-being, and enabling those with a criminal record to succeed in a job.

#### **Preliminary study approach:**

- Review:
  - the Montana Constitution regarding restoration of rights after a criminal conviction and related statutes, for licensing boards and for crimes monitored after the convicted individual has paid a debt to society. Review case law, if any.
  - Montana legislative efforts regarding criminal convictions and employment.
  - licensing boards’ use of sex-offender registries or other information not on license applications to determine if applicants have criminal records.
  - actions taken in other states to handle applications for professional licensing from those with a criminal conviction and federal requirements for compliance with re-entry provisions.
- Request data for all professional and occupational licensing boards as to:
  - applicants with criminal records compared with those who receive licenses; and
  - the number of licensees with criminal records who have had licenses revoked because of new crimes.

- Compile practices of licensing boards for considering an applicant with a criminal history, including use of criminal background reports and reasons for denying licenses.

**Deliverables; end products:**

- Briefing paper detailing the number of individuals with a criminal record who apply for an occupational or professional license, the number denied, the number granted, the number of licenses revoked because of a subsequent offense or the finding of an application with discrepancies as to criminal records.
- Briefing paper regarding actions in other states and federal compliance requirements related to licensing of those with criminal records.
- Panel discussions or presentations regarding constitutional and statutory aspects of restoration of rights after a criminal conviction.
- Panel discussion by selected board members to describe how they weigh public safety with restoration of rights to a person with a criminal conviction, including whether any analysis is done of system requirements for an applicant licensed in another state who may have a criminal record.
- Legislation, if recommended by the committee, to set guidelines for licensing boards to use in balancing public safety and the restored rights of individuals with criminal records.
- Legislation on other issues determined by the committee to improve appropriate hiring or licensing of those with criminal backgrounds, including a review of the appropriate use of registries or publications and time frames for which posting or consideration of the record is appropriate.

**Role for LFD or LAD staff?**     Yes     No

**Role for Executive agency?** Yes – The Business Standards Division of the Department of Labor and Industry, which handles licensing boards. Possible role for the Department of Justice and the Department of Corrections.

**Additional costs, over meetings?**     Yes     No

**Estimated LSD staff time:** 144 hours

**Other comments:** This study has a split focus. One aspect relates to what licensing boards do when faced with applicants with a criminal record. The other relates to what the justice community consider as barriers to employment. The Economic Affairs Interim Committee deals with licensing boards. The Law and Justice Committee deals with reentry concerns and sex offender registries. Regardless of committee assignment the study may not achieve both.

## Appendix C: Study of Revenue and Distribution of the Lodging Facility Use Tax

Interim Study Poll Rank: 4

Staff Recommendation: Assign to Economic Affairs Interim Committee

### Preliminary Analysis

#### **Issue(s) as listed in legislation:**

- The lodging facility use tax of 4% of the accommodation charge has been in effect since enacted in 1987 and preceded the 3% lodging sales tax imposed in 2003 along with a 4% rental car sales tax. The 3% lodging sales tax will increase as of January 1, 2020, by 1% under Senate Bill No. 338. The distribution of each lodging tax differs by statute.
- Collection of both accommodation taxes is handled by the lodging facilities.
- There is a broad distribution of the lodging facility use tax, minus certain deductions, to the Department of Commerce for tourism promotion and promotion of the state as a location for motion pictures and television commercials as well as to regional nonprofit tourism corporations and local nonprofit convention and visitors bureaus.
- The resolution suggests the importance of periodic legislative review to determine if the public-private partnership continues to benefit the state from various stakeholders' views.

#### **Preliminary study approach:**

- Obtain and review recommendations for expenditures from the Tourism Advisory Council and from local heritage preservation and cultural tourism commissions and obtain information on expenditures to see alignment with recommendations.
- Request input from stakeholders in the tourism industry on whether changes are necessary in how the 22.5% of funding that goes to regional nonprofit tourism corporations or to nonprofit convention and visitors bureaus is being spent.
- Compile information on the grant-making process from the Department of Commerce and others who make grants from the accommodations tax to determine if the playing field is level, made unnecessarily complicated, or equitable.

#### **Deliverables; end products:**

- Briefing paper regarding grants made under the accommodations tax.
- Briefing paper regarding processes used to make grants.
- Presentations from stakeholders about the key uses of the accommodations tax
- Panel discussion from stakeholders about proposed changes in accommodation tax uses.
- Legislation, if recommended by the committee, to implement changes.

**Role for LFD or LAD staff?**      xx   **Yes (LFD help in determining grants)**         **No**

**Role for Executive agency?** Yes – The Department of Commerce regarding its grants and grant processes.

**Additional costs, over meetings?**         **Yes**          xx   **No**

**Estimated LSD staff time:**   288   **hours**

**Other comments:** This study is primarily aimed at the portion of the lodging facility accommodations tax that is distributed by the Department of Commerce, although discussions may include the 3% (soon to be 4%) tax that goes to the general fund.

## Appendix D: Member Issues and Possible Emerging Issues

The following table includes suggestions from EAIC members (and staff) and provides space for you to include suggestions for "other" topics of consideration. Dates TBD.

| <b>Topic</b>   | <b>Possible Activity</b>   | <b>Date</b> |
|--|--|-------------|
| <b>Agriculture</b>   |  |             |
| Population declines in rural communities and options for jobs, income  | 1) Review federal programs like the conservation reserve program, H2-1B Visas, regarding links to population declines and workarounds. Examine changes in technology, including broadband, that help ag jobs.  |             |
| Genetically modified or engineered organisms -- current status in Montana  | 2) Although a proposed study of GMO impacts on Montana agriculture crops did not pass, some people are concerned about GMO impacts on agricultural trade. A panel discussion on the pros/cons and concerns may be informative.   |             |
| Trade issues   | 3) Congressional approval of the United States, Mexico, Canada Agreement is pending. Trade with Canada and Mexico has impacts on Montana agriculture in particular. A panel on trade with Canada and Mexico might shed light on the importance of these countries in Montana trade.  |             |
| Other?   |  |             |
| <b>Alcohol</b>   |  |             |
| Montana's quota system   | 4) Review Dept. of Revenue implementation of <a href="#">HB 35</a> and <a href="#">SB 5</a> from the 2017 special session regarding license auctions.  |             |
| All alcohol licensing in general   | 5) <a href="#">HJ 54</a> (2019) was a liquor study resolution that might provide some components that EAIC members could incorporate into member issues either in part or in total.  |             |
| Montana's 3-tiered system  | 6) Changes have occurred in the alcohol industry since 1999 when the legislature allowed small brewers to have tasting rooms and charge. These changes may be among the reasons for the lines being blurred between the 3 tiers of manufacturing, distribution, and retail of liquor in Montana. Are the laws equitable among the 3 tiers? Is there a need to explore changes in the statutes?   |             |
| Examine education and related programs intended to reduce driving under the influence.   | 7) Alcohol laws are intended to protect public health, welfare, and safety. What measures can the industry take to help reduce the number of driving under the influence charges that occur each year?   |             |
| Other?   |  |             |
| <b>Economic Development</b>  |  |             |
| Broadband, Cellular and Satellite Uses<br><br>For map - see p. 3 of data from the Montana State Library <a href="#">website</a> :<br><br>Also see Pew Charitable Trusts' State Broadband Policy Explorer Tool at | 8) Federal money is available to states that have a broadband plan. Montana's plan was compiled by key industry leaders as part of the Main Street Montana Program prior to 2019. The Montana Telecommunications Association publishes a map showing wide variation in access. In looking at options for broadband assistance: <ul style="list-style-type: none"> <li>• Could the state lead coordination to improve siting of cell towers, fiber distribution, etc.?</li> <li>• What are the impacts on businesses, students, government, and others if Montana's broadband access lags other states? Will</li> </ul> |             |

|  |   |  |
|--|---|--|
| Pew Trusts.org (and <a href="#">article</a> ).   | <p>Montana be disadvantaged if download speeds are lower than in other states?</p> <ul style="list-style-type: none"> <li>• Is broadband access a question of: less regulation or more funding?</li> <li>• What can legislators do to boost access/affordability?</li> </ul>  |  |
| Other?   |   |  |
| <b>Employment/Unemployment/Labor</b>   |   |  |
| Workforce development  | <p>9) Reports on:</p> <ul style="list-style-type: none"> <li>• The imbalance between supply and demand in various Montana labor markets;</li> <li>• Incumbent worker training;</li> <li>• Foreign labor certification program.</li> </ul>   |  |
| Ban the box options for employment applications  | <p>10) This subject area may be part of the SJ18 study on occupational licensing and barriers to those with criminal convictions. But the issue is greater than licensing. In both the 2017 and 2019 sessions bills sought to change the way job applications ask for information. Other states also are looking at:</p> <ul style="list-style-type: none"> <li>• Banning questions about how much an employee made in previous jobs;</li> <li>• Banning a requirement to put a first name on a job application or a box regarding gender; and</li> <li>• Banning a question as to whether an applicant has a criminal record.</li> </ul> <p>What, if anything, should the state do to facilitate employment and public safety?</p> |  |
| <b>Gambling</b>  |   |  |
| Implementation of SB183 regarding public hearings and possible rulemaking for historical horseracing | <p>11) SB183 says the Board of Horseracing is to present the findings of its public hearings and any proposed legislation regarding historical horseracing to the Economic Affairs Interim Committee.</p>   |  |
| Implementation of gambling laws enacted in 2019  | <p>12) Gambling falls under the purview of the Dept. of Justice, which is monitored by the Law and Justice Interim Committee. The gambling bills enacted in 2019 went before the House/Senate Business and Labor Committees. Two questions:</p> <ul style="list-style-type: none"> <li>• Does the EAIC want to be apprised of implementation?</li> <li>• Does the EAIC want the gambling division oversight moved in statute to the EAIC duties (as happened with the Alcohol Division? This would require a committee or legislator bill draft.</li> </ul>   |  |
| Other?   |   |  |
| <b>Housing/Finance/Investments</b>   |   |  |
| Housing affordability in Montana   | <p>13) Two studies were proposed in 2019 but did not pass both houses. Both looked at affordability, with one seeking to formulate regulations to ease use of tiny homes and the other looking at both rent and purchase of affordable homes in general. The issue is particularly problematic in certain areas of the state.</p>   |  |
| Successor liability -- for unpaid water bills, etc.  | <p>14) A 2017 bill to allow liens for unpaid water bills failed due to some technical concerns, which remain unaddressed. Although this is probably a local government issue, the use of liens often is a business/labor issue. This also relates to real estate sales. Possible panel discussion.</p>  |  |



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| Landlord-tenant laws  | 15) As a real estate business, home rentals and property management are an area that come under the EAIC's purview. Various changes in the landlord-tenant act were made in the 2017 and 2019 Legislatures. What have the impacts of these changes been on the balance of landlord-tenant rights and adequate rental housing supply? What is the role of government, if any, related to rentals of private property? Possible panel discussion.   |  |
| Montana's Board of Housing and the Veterans Home Loan Program - How are they working?                           | 16) The Board of Housing in the Department of Commerce is under the EAIC oversight/monitoring umbrella. Is the Board of Housing fulfilling its responsibilities? Are changes needed in legislation to improve its success? Are veteran home loans being made statewide? Possible presentation.  |  |
| How investments in cows, liquor licenses, or other nontraditional items affect business developments in Montana | 17) How lending works outside the normal boxes would involve a discussion among panelists from the State Auditor's Securities Office and the Commissioner of Banking and Financial Institutions. Possible discussion would include loans or investments based on a tangible commodity other than land, like an all-beverage license.  |  |
| Other?  |   |  |
| <b>Insurance</b>  |   |  |
| Health insurance changes  | 18) What impacts are expected in Montana's health insurance market from Congressional actions and from bills passed in 2019? Updates from the State Auditor's Office on this subject once or twice or more?   |  |
| Insurance competition   | 19) The committee may want to examine competition in the insurance industry, whether related to workers' compensation insurance, medical malpractice insurance, health insurance, or other types of insurance. Would changes in law be needed to encourage competition or is lack of population a driving factor?   |  |
| Other?  |   |  |
| <b>Livestock</b>  |   |  |
| Budget issues   | 20) Review the Dept. of Livestock budget and structural balances to determine whether the department is on solid footing. This was an issue in 2016 and remains a concern.  |  |
| Per Capita Fee issues   | 21) Review how the Dept. of Livestock and Dept. of Revenue conduct the per capita fee notification and collection. Determine if large groups are not responding.  |  |
| Brucellosis and the Designated Surveillance Area  | 22) 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. Among issues are: <ul style="list-style-type: none"> <li>• Are veterinarians paid too much, too little for brucellosis checks/vaccinations?</li> <li>• What action is the Interagency Bison Management group taking to limit the spread of brucellosis in elk?</li> </ul> Schedule at least one presentation regarding the Interagency Management Plan and the work of multiple agencies related to bison. |  |
| Veterinary Diagnostic Laboratory and other laboratories   | 23) Quarterly reports are due to the EAIC from an advisory council on co-located labs. Additional followup on the issue may be of interest.   |  |

|  |  |  |
|--|--|--|
| Other?   |  |  |
| <b>Professional/Occupational Licensing</b>   |  |  |
| Monitor use of active supervision (as allowed under HB 141)  | 24) Determine the Commissioner of Labor's workload under HB 141, the active supervision bill. The active supervision law expires July 1, 2021. Has the law been effective in answering questions about anticompetitiveness within licensing boards?  |  |
| Monitor boards, including solvency and whether funding for boards should be part of the main state budget or offline, like an enterprise fund. | 25) Determine which boards need additional oversight or monitoring based on budget, numbers of complaints, etc.?<br>26) Look at the Board of Public Accountants' approach to budgeting and determine if that is a model for other boards.<br>27) A 2017 <a href="#">federal law</a> allows over-the-counter sales of hearing aids. Will hearing aid dispensers still need licensing? |  |
| Other?   |  |  |
| <b>Workers' Compensation</b>   |  |  |
| Presumptive illness for firefighters   | 28) Monitor SB 160 implementation regarding presumptive illness for firefighters, to determine if volunteer firefighters have dropped workers' compensation coverage or if premiums went up. Presentation by insurers, firefighters, state auditor's office regarding whether premiums are discriminatory, excessive, or inadequate as provided in 33-16-201, MCA.                   |  |
| Drug formulary development   | 29) Monitor implementation now that a drug formulary is in effect. Presentation from the Department of Labor and Industry  |  |
| Workplace safety   | 30) Follow up on the work of WorkSafeMT and reports from OSHA regarding private-sector contacts, whether for citations or recommended changes.   |  |
| Authorization to share medical information   | 31) Is there an approach to sharing medical information that protects injured workers' privacy (particularly related to medical conditions that may impact healing of a work-related injury) and that satisfies the need-to-know about return-to-work by the employer but still protects private medical information? What do other states allow?                                    |  |
| Examine the use of mod factors, subrogation, and no fault in work comp in light of pooled insurance risk                                       | 32) Even if an employer is not at fault for an injury, the employer's premiums may go up based on claims, which affect the employer's mod factor for 3 years. Is there a way of distinguishing for no-fault situations, including 3rd party cases that are difficult to subrogate, so that the no-fault employer is held harmless or harmed for less time? Panel discussion.         |  |
| Other?   |  |  |

## Appendix E: Work Load Associated with Selected Member Issues

Member issues may be included in the EAIC work plan depending on available time. They fall under the statutory duties of identifying emerging issues likely to require future legislative attention and improving existing laws.

The following topics are listed in Appendix D and were mentioned by EAIC members at the June 2019 organizational meeting. The true "minimum involvement" can be zero time spent. However, for purposes of planning time for the interim, each option is given some "meat" for each level of involvement. Minimum involvement is greater for staff time if the subject area is complex and not a typical EAIC topic.

| <b>Member Option 1</b>   | <b>Most Involvement</b>  | <b>Moderate Involvement</b>  | <b>Minimum Involvement</b>  |
|--|--|--|---|
| <b>Alcohol Industry Concerns</b><br><br>Subtopics: <ul style="list-style-type: none"> <li>• (1A) Quota system</li> <li>• (1B) Alcohol licensing</li> <li>• (1C) 3-tiered system</li> <li>• (1D) Education and programs to reduce driving under the influence.</li> </ul> | Incorporate minimum and moderate involvement and expand number of topics considered from 1A through 1D to include 3 or all topics.<br><br>This option includes presentations, committee bill(s), and public comment.         | Incorporate minimum involvement and offer more depth on one or two of (1A through 1D) issues. <ul style="list-style-type: none"> <li>• One or two presentations related to chosen topics from 1A through 1D.</li> <li>• Public comment on topic and proposed committee bill(s).</li> <li>• Briefing papers on chosen topics</li> </ul> | High-level review of (1A) through (1D): <ul style="list-style-type: none"> <li>• Reports on issues of agreement (if any) from alcohol coalition members at 2/2020 meeting</li> <li>• Overview from Alcohol Control Division.</li> <li>• Propose legislative changes.</li> </ul> |
| <b>FTE</b>   | ~ 0.15 FTE (~ 310 hours)   | ~ 0.1 FTE (~ 210 hours)  | ~ 0.02 FTE (~ 40 hours)   |
| <b>Committee Time</b>  | 4-8 hours  | 2-3 hours  | 0.5-1 hour  |
| <b>Chosen Option</b>   | <b>xx</b>  |  |   |
| <b>Member Option 2</b>   | <b>Most Involvement</b>  | <b>Moderate Involvement</b>  | <b>Minimum Involvement</b>  |
| <b>Implementation of Firefighter Presumptive Disease statutes</b>  | <ul style="list-style-type: none"> <li>• Overview, presentation, and panel discussion.</li> <li>• NCCI presentation of implementation in other states and whether costs increased, decreased, or stayed the same.</li> </ul> | <ul style="list-style-type: none"> <li>• Overview and comment opportunity (listed at right)</li> <li>• Panel discussion by insurers and firefighter representatives.</li> </ul>  | <ul style="list-style-type: none"> <li>• Overview of changes in law and implementation by workers' compensation insurers.</li> <li>• Public comment opportunity</li> </ul>  |
| <b>FTE</b>   | ~0.04 FTE (~ 80 hours)   | ~0.03 FTE (~ 60 hours)   | ~0.02 FTE (~40 hours)   |
| <b>Committee Time</b>  | ~3 hours   | ~ 2 hours  | 0.5 to 1 hour   |
| <b>Chosen Option</b>   |  | <b>xx</b>  |   |
| <b>Member Option 3</b>   | <b>Most Involvement</b>  | <b>Moderate Involvement</b>  | <b>Minimum Involvement</b>  |
| <b>Insurance</b><br>(In particular homeowner policy awareness)   | <ul style="list-style-type: none"> <li>• Overview, presentation, and panel discussion.</li> <li>• Subcommittee to review proposed changes to legislation.</li> </ul>   | <ul style="list-style-type: none"> <li>• Overview and Presentation (listed at right)</li> <li>• Panel discussion among insurers and those representing policyholders.</li> </ul>   | <ul style="list-style-type: none"> <li>• Overview of state statutes related to insurance policies.</li> <li>• Presentation by the State Auditor's Policyholder Insurance Office.</li> </ul>   |
| <b>FTE</b>   | ~0.075 FTE (~ 60 hours + 40-100 hours subcommittee)  | ~0.03 FTE (~ 60 hours)   | ~0.02 FTE (~40 hours)   |
| <b>Committee Time</b>  | ~3-6 hours   | ~ 2 hours  | 0.5 to 1 hour   |
| <b>Chosen Option</b>   |  |  |   |

| <b>Member Option 4</b>  | <b>Most Involvement</b>  | <b>Moderate Involvement</b>  | <b>Minimum Involvement</b>  |
|---|--|--|---|
| <b>Broadband and Fiber Optic Cable</b> as Economic Development Factors  | Minimum and moderate involvement plus: <ul style="list-style-type: none"> <li>Panel Discussion on increasing competition in Montana.</li> <li>Bill draft options.</li> </ul> | Minimum involvement plus: <ul style="list-style-type: none"> <li>Panel Discussion regarding financing options.</li> <li>Panel Discussion about public-private partnerships in broadband or cable placements.</li> </ul>  | <ul style="list-style-type: none"> <li>Overview of state statutes related to broadband oversight (Public Service Commission duty)</li> <li>Update from state's economic development officer and broadband representatives.</li> </ul>   |
| <b>FTE</b>  | ~0.15 FTE (~ 310 hours)  | ~0.1 FTE (~ 210 hours)   | ~0.05 FTE (~105 hours)  |
| <b>Committee Time</b>   | ~4 to 6 hours  | ~ 2 to 3 hours   | 0.5 to 1 hour   |
| <b>Chosen Option</b>  |  | <b>xx</b>  |   |
| <b>Member Option 5</b>  | <b>Most Involvement</b>  | <b>Moderate Involvement</b>  | <b>Minimum Involvement</b>  |
| <b>Gambling</b><br><br>Subtopics: <ul style="list-style-type: none"> <li>Historic horseracing</li> <li>Implementation of gambling laws</li> </ul> | Add moderate involvement plus one additional report each from DOJ and Lottery Commission regarding implementation of bills.  | Add to minimum involvement: <ul style="list-style-type: none"> <li>Additional report on horseracing.</li> <li>Two reports from DOJ and from the Lottery Commission on implementation of HB 368 (cee-lo), HB 725 (fantasy sports lottery), HB 727 (disconnect of premises and license application + concession agreements), SB 1 (lottery rule exemption), SB 25 (overall gambling bill), SB 119 (access control).</li> </ul> | <ul style="list-style-type: none"> <li>Historic horseracing report already planned for April meeting.</li> <li>Gambling laws implementation, with reports by: <ul style="list-style-type: none"> <li>DOJ on all gambling legislation; and</li> <li>Lottery Commission on fantasy sports lottery.</li> </ul> </li> </ul> |
| <b>FTE</b>  | ~0.03 FTE (~ 60hours)  | ~0.02 FTE (~ 40 hours)   | ~0.01 FTE (~20 hours)   |
| <b>Committee Time</b>   | ~ 3 hours  | ~ 2 hours  | 0.5 to 1 hour   |
| <b>Chosen Option</b>  | <b>None chosen</b>   |  |   |
| <b>Member Option 6</b>  | <b>Most Involvement</b>  | <b>Moderate Involvement</b>  | <b>Minimum Involvement</b>  |
| <b>Franchising</b>  | Minimum and moderate involvement tasks plus development of bill draft for each area in which changes in franchise law may be desired.  | Minimum involvement tasks plus panel discussion or presentation by franchising expert on uniform vs. 50-state approach, various types.   | Overview and briefing paper regarding franchise statutes in general, with examples from auto dealership and sports vehicle dealership franchises.   |
| <b>FTE</b>  | ~0.25 FTE (~ 525 hours)  | ~0.2 FTE (~ 420 hours)   | ~0.15 FTE (~ 310 hours)   |
| <b>Committee Time</b>   | ~ 3-4 hours  | ~ 2 hours  | 0.5 to 1 hour   |
| <b>Chosen Option</b>  | <b>None chosen</b>   |  |   |
| <b>Member Option 7</b>  | <b>Most Involvement</b>  | <b>Moderate Involvement</b>  | <b>Minimum Involvement</b>  |
| <b>Credit Cards and Financial Exchange Update</b>   | Minimum and moderate involvement plus panel discussions regarding:   | Minimum involvement plus a presentation by a credit reporting agency representative on how state   | Overview and briefing paper regarding state vs. federal regulations regarding credit card usage. This would be a  |

|                        |  |  |  |
|------------------------|--|--|--|
|                        | <ul style="list-style-type: none"> <li>• Constituent concerns as to credit card company charges; and</li> <li>• Panel discussion on future of money and credit card usage</li> </ul> | regulation and federal regulation coexist.   | combination of banking commissioner & staff. |
| <b>FTE</b>             | ~0.3 FTE (~ 630 hours)   | ~0.25 FTE (~ 525 hours)                      | ~0.2 FTE (~ 420 hours)                       |
| <b>Committee Time</b>  | ~ 3- 4 hours   | ~ 2 hours                                    | 0.5 to 1 hour                                |
| <b>Chosen Option</b>   | <b>None chosen</b>   |  |  |
| <b>Member Option 7</b> | <b>Most Involvement</b>  | <b>Moderate Involvement</b>                  | <b>Minimum Involvement</b>                   |
| <b>Other?</b>          |  |  |  |
| <b>FTE</b>             |  |  |  |
| <b>Committee Time</b>  |  |  |  |
| <b>Chosen Option</b>   |  |  |  |
| <b>Subtotal</b>        | 0.15 FTE / 4-8 hours committee time  | (0.03+0.1) = 0.13 / 4-5 hours committee time |  |

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