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REVENUE INTERIM COMMITTEE
67th Montana Legislature

SENATE MEMBERS

Dick Barrett, Vice Chair
Duane Ankney
Mark Blasdel
Jill Cohenour
Brian Hoven
Susan Webber

HOUSE MEMBERS

Alan Redfield, Chair
Becky Beard
Zach Brown
John Fuller
Jim Hamilton
Marilyn Marler

COMMITTEE STAFF

Megan Moore - Research Analyst
Jaret Coles - Attorney
Fong Hom- Secretary

MINUTES LOG
Zoom Conference Meeting
May 20, 2020
Capitol Building, Remote Room 102
Helena, Montana

Please note: This document is a Minutes Log and provides annotation 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 recording 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 the 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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ROLL CALL

Members Present Remotely:

Rep. Alan Redfield, Chair
Sen. Dick Barrett, Vice Chair
Sen. Duane Ankney
Rep. Becky Beard
Sen. Mark Blasdel
Rep. Zach Brown
Sen. Jill Cohenour
Rep. John Fuller
Rep. Jim Hamilton
Sen. Brian Hoven
Sen. Susan Webber

Members Excused:

Rep. Marilyn Marler

Staff Present Remotely:

Jaret Coles, Attorney
Megan Moore, Research Analyst
Fong Hom, Secretary

AGENDA (Attachment 1)

CALL TO ORDER/ROLL CALL

09:00:39 Rep. Alan Redfield called the meeting to order at 9:00 a.m. The secretary called roll. Rep. Marilyn Marler was excused and left her proxy with Sen. Dick Barrett.

REVENUE IMPACTS OF COVID-19

Bureau of Business and Economic Research - Patrick Barkey

09:02:20 Mr. Barkey gave a presentation on The Economic Impacts of COVID-19 in Montana ([Exhibit 1](#)); the slide presentation ([Exhibit 2](#)); and the U.S. Economic Outlook for 2020-2022 Executive Summary: May 2020 ([Exhibit 3](#)).

Committee Questions of Mr. Barkey

09:23:29 Sen. Cohenour asked about personal income taxes.

09:26:54 Sen. Barrett commented on unemployment and withholding.

09:33:42 Rep. Hamilton asked Mr. Barkey to address his estimation of 70,000 jobs lost and how the claims for unemployment insurance ties into his forecast of jobs lost.

09:38:35 Rep. Redfield commented on the job losses in the healthcare sector and tourism sector.

BUDGETARY IMPACTS OF COVID-19

Office of Budget and Program Planning - Tom Livers, Director, and Ryan Evans, Assistant Director

09:42:25 Director Livers gave an update of the fiscal position of Montana since the COVID-19 crisis began. He said that the Office of Budget and Program Planning will continue to monitor all aspects of this issue including revenue forecasts, budget issues and federal relief efforts, continue communication with the Legislative Fiscal Division, and will present a balanced budget on November 15.

Committee Questions

09:49:27 Rep. Hamilton asked for an explanation on the Federal Medical Assistance Percentage (FMAP) number and what that means in terms of dollars.

09:50:07 Director Livers and Assistant Director Evans responded.

09:51:38 Rep. Hamilton asked about savings from keeping vacant positions open.

09:54:08 Sen. Barrett asked Director Livers to comment on the Office of Budget and Program Planning's relationship with the Legislative Fiscal Division.

09:56:53 Sen. Cohenour asked Director Livers to discuss the necessity of getting the COVID-19 relief money from the federal government out to communities across the state.

10:01:27 Sen. Hoven asked if Mr. Barkey expects withholding to drop significantly.

Public Comment

- 10:04:31 Rep. Greg Hertz
- 10:10:00 Rose Bender, Montana Budget and Policy Center

CONSIDERATION OF COMMITTEE LETTERS

Motion

- 10:11:11 Rep. Beard moved that the committee proceed with finalizing and submitting the two letters: the first letter asking Governor Bullock to consider reducing the current state spending during the remainder of this fiscal year ([Exhibit 4](#)); and the second letter to Governor Bullock and Budget Director Livers requesting that the Office of Budget and Program Planning start meeting on a regular basis with members of the Revenue Committee and staff to review changes to revenue collections over the coming months and allowing Montana to be better prepared for the final revenue estimate and to help with the budget proposal for the next biennium ([Exhibit 5](#)).

Committee Discussion

- 10:13:07 Sen. Barrett asked if Rep. Beard's motion is to approve both letters.
- Rep. Beard said that her motion is to move those two letters at the same time.
- 10:13:24 Sen. Barrett stated his reasons for opposing Rep. Beard's motion.
- 10:17:04 Sen. Cohenour agreed with Sen. Barrett and will vote against Rep. Beard's motion.
- 10:19:33 Rep. Beard withdrew her motion.

Substitute Motion

- 10:20:00 Rep. Beard made a substitute motion to send the letter to Governor Bullock and Budget Director Livers recommending that the Revenue Interim Committee work closely with the Governor's Office and the Office of Budget and Program Planning.

Committee Discussion on the Substitute Motion

- 10:20:47 Rep. Hamilton commented that that letter to the governor and the budget director is redundant.
- 10:21:26 Sen. Ankney commented that the letter is a good letter and necessary.
- 10:22:27 Rep. Fuller gave his reasons for supporting Rep. Beard's substitute motion.

Vote on the Substitute Motion

- 10:25:16 The substitute motion failed on a roll call vote, 6-6, with Rep. Brown, Rep. Hamilton, Sen. Barrett, Sen. Cohenour, and Sen. Webber voting no, and Rep. Marler voting no by proxy. Rep. Fuller, Rep. Redfield, Sen. Ankney, Sen. Blasdel, Sen. Hoven, and Rep. Beard voted yes.

Motion

10:28:23 Sen. Barrett moved that the committee adopt the letter to the congressional delegation (**Exhibit 6**).

Committee Discussion

10:28:30 Sen. Barrett spoke to his motion.

10:30:38 Rep. Fuller said he has some problems with the letter and proposed two amendments.

Motion To Amend

10:32:38 Rep. Fuller moved to amend the letter to the congressional delegation by striking the sentence in the second paragraph, "...closing down state and local governments, which account for about 15 percent of all Montana and national personal income, at the same time that we are trying to re-open the economy, is necessarily counter-productive", and striking the word "gradually" in the first sentence of the fifth paragraph.

Committee Discussion on Rep. Fuller's motion

10:33:03 Sen. Barrett said he opposes Rep. Fuller's amendments to the letter.

10:34:05 Rep. Beard said she will resist a letter being sent to the congressional delegation.

10:35:15 Rep. Hamilton stated the reasons why he will be voting no on the Rep. Fuller's motion.

Vote on Rep. Fuller's Motion to Amend

10:36:30 The motion failed on a roll call vote, 5-7, with Rep. Fuller, Rep. Redfield, Sen. Ankney, Sen. Blasdel, and Sen. Hoven voting yes; Rep. Beard, Rep. Brown, Rep. Hamilton, Sen. Barrett, Sen. Cohenour, and Sen. Webber voted no, and Rep. Marler voted no by proxy.

GENERAL PUBLIC COMMENT

10:38:38 Mark Anderlik

Vote on Sen. Barrett's Motion

10:41:58 The motion failed on a roll call vote, 6-6, with Rep. Brown, Rep. Hamilton, Sen. Cohenour, Sen. Webber, Sen. Barrett voting yes, and Rep. Marler voting yes by proxy. Rep. Beard, Rep. Fuller Rep. Redfield, Sen. Ankney, Sen. Blasdel, and Sen. Hoven voted no.

ADJOURNMENT

10:44:22 Rep. Redfield adjourned the meeting at 10:44 a.m.