



ECONOMIC AFFAIRS INTERIM COMMITTEE

67th Montana Legislature

SENATE MEMBERS

Kenneth Bogner
Carlie Boland
Jason Ellsworth
Shane Morigeau

HOUSE MEMBERS

Alice Buckley
Derek Harvey
Joshua Kassmier
Brandon Ler
Mark Noland
Katie Sullivan

COMMITTEE STAFF

Fong Hom - Secretary
Erin Sullivan - Research Analyst
Jameson Walker - Attorney

MINUTES LOG

December 13, 2021
Room 137/Zoom
Helena, Montana

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MEMBERS PRESENT VIA ZOOM:

Sen. Kenneth Bogner, Chair (R)
Rep. Derek Harvey, Vice Chair (D)
Sen. Carlie Boland (D)
Rep. Alice Buckley (D)
Sen. Jason Ellsworth (R)
Rep. Joshua Kassmier (R)
Sen. Shane Morigeau (D)
Rep. Katie Sullivan (D)

MEMBERS EXCUSED:

Rep. Mark Noland (R)

MEMBERS ABSENT

Rep. Brandon Ler (R)

STAFF PRESENT:

Erin Sullivan, Research Analyst
Jameson Walker, Attorney
Fong Hom, Secretary

AGENDA (Attachment 1)

NO VISITORS LIST

COMMITTEE ACTION

CALL TO ORDER/ROLL CALL

- 14:01:33 Sen. Bogner called the meeting to order at 2:01 p.m. The committee secretary called roll. (Attachment 3) Rep. Noland was excused and left his proxy with Sen. Ellsworth.
- 14:03:21 Sen. Bogner gave an overview of the agenda.
- 14:03:50 Jameson Walker, Staff Attorney, discussed what the committee needed to do. It needs to look at its informal objection to the Department of Labor's rule 24-35-376. The committee also needed to consider its previous motion relating the Revenue Interim Committee.

BREAK (reconvened at 2:06 p.m.)

ADMINISTRATIVE RULE REVIEW

Rule Review Procedure

- 14:06:42 Mr. Walker provided an update on the committee making an informal objection to Administrative Rule Notice 24-35-376, the bill implementing SB 367 from last session. Under the informal objection rule, whenever the committee meets it needs to either not continue the objection or to continue the objection. Sen. Ellsworth discussed the changes to New Rule I, License Application Renewal Fees.

Motion

- 14:07:11 Sen. Morigeau moved to continue the informal objection to MAR Notice No. 24-35-376.
- 14:07:26 Sen. Bogner said without objection, the committee will continue the objection.

Revisions to the rulemaking concerning marijuana

- 14:07:57 Mr. Walker said that at the last meeting, the committee made a recommendation that the Revenue Interim Committee (RIC) has technical rulemaking authority over the Department of Revenue's rules concerning marijuana. The committee's motion was to recommend that RIC make an informal objection to all three of the department's rule notices: 42-1033, 42-1040, and 42-1042. The RIC decided to not object and cancelled its meeting.
- 14:09:06 Sen. Ellsworth presented the Rule Revisions 12/13/2021 document. (Exhibit 1) He discussed New Rule I – License, Application and Renewal Fees; New Rule III – Marijuana Cultivator License; New Rules X through XIV – Labeling; MAR Notice 42-1042 – 42.39.117 Denial of Registry Identification Card Application or Revocation of Registry Identification Card; and 42.39.310 Waste Management; and 42.39.311 Reporting Requirements.
- 14:15:48 Sen. Morigeau discussed the New Rule III, Marijuana Cultivator License.

Department of Revenue/Economic Affairs Discussion Summary

- 14:21:34 Brendan Beatty, Director of the Department of Revenue, thanked everyone for their cooperation. He did not have any further comments.

Public Comment on Administrative Rule Review

- 14:22:02 Pepper Petersen commented on the Native American licensing and that the tribes would be kept in a Tier I.
- 14:24:00 Barbie Turner commented on banning the grow facilities from being able to exchange product and to clearly define that that does not mean clones.

Further Discussion

- 14:25:13 Sen. Ellsworth said that two of the issues that were brought up could be addressed in the rules. He clarified what combined use license is for the Native Americans.
- 14:26:35 Sen. Morigeau commented.

Motion

- 14:27:07 Sen. Ellsworth moved to recommend that the committee not proceed with its informal objection.
- 14:27:41 Sen. Morigeau supported the motion.

Vote

- 14:27:50 The motion passed unanimously by voice vote with Rep. Noland voting aye by proxy.

MEETING WRAP UP

- 14:28:19 Mr. Walker will draft a letter to the Revenue Interim Committee to clarify what happened and that it be on the record.

GENERAL PUBLIC COMMENT

None.

ADJOURNMENT

- 14:30:29 Sen. Bogner adjourned the meeting at 2:30 p.m.