



## **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**

June 15, 2022  
Room 152/Zoom  
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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#### **MEMBERS PRESENT:**

Rep. Derek Harvey, Vice Chair (D)  
Sen. Carlie Boland (D)  
Rep. Alice Buckley (D) *(joined the meeting at 10:38 a.m.)*  
Sen. Jason Ellsworth (R)  
Rep. Mark Noland (R)  
Rep. Katie Sullivan (D)

#### **MEMBERS PRESENT VIA ZOOM**

Rep. Joshua Kassmier (R)  
Rep. Brandon Ler (R)

#### **MEMBERS EXCUSED:**

Sen. Kenneth Bogner (R)  
Sen. Shane Morigeau (D)

#### **STAFF PRESENT:**

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

## **AGENDA** ([Attachment 1](#))

## **VISITORS' LIST** ([Attachment 2](#))

### **RECONVENE/ROLL CALL**

09:02:12 Vice-Presiding Officer Derek Harvey reconvened the meeting at 9:02 a.m. The committee secretary called roll. ([Attachment 3](#)) Sen. Bogner and Sen. Morigeau were excused. Rep. Buckley was excused but joined the meeting at 10:38 a.m.

### **HOUSE JOINT 49 STUDY: BENEFITS CLIFFS**

09:03:51 Erin Sullivan, Lead Researcher, gave an overview of HJ 49 Study on Benefits Cliffs.

### **Presentation by Atlanta Federal Reserve and Department of Labor and Industry**

09:05:40 Brittany Birken, Principal Adviser, Atlanta Federal Reserve ([Exhibit 35](#))

09:22:39 Sarah Swanson, Director of Strategic Engagement, Department of Labor and Industry

### **Review of draft final report**

09:24:12 Ms. Sullivan presented the House Joint 49 Study draft final report. ([Exhibit 36](#))

### **Public Comment on HJ 49 Study** – None

### **Questions from the Committee/Discussion**

09:30:20 Sen. Ellsworth commented on Ms. Birken's presentation and said he would like the Department of Public Health and Human Services (DPHHS) and the Department of Labor and Industry (DLI) to use the Atlanta model as a tool for the state.

09:31:57 Ms. Sullivan said she will add that as a recommendation from the committee that DPHHS and DLI continue to pursue options with the Atlanta Federal Reserve. The committee can then adopt the HJ 49 Study Final Report at the September meeting.

### **MEMBER ISSUE: DEPARTMENT OF LABOR AND INDUSTRY APPRENTICESHIP PROGRAM**

09:33:19 Ms. Sullivan gave a brief overview of the Department of Labor and Industry's Apprenticeship Program.

### **Presentation**

09:35:00 Patrick Nelson, Administrator, Workforce Services Division, Department of Labor and Industry (DLI) ([Exhibit 37](#))

09:35:28 Jimmy Rude, Specialist, DLI, spoke on apprenticeship ratios.

### **Questions from the Committee/Discussion**

09:38:55 Sen. Ellsworth asked Mr. Rude about the number of people participating in that program.

09:40:18 Sen. Ellsworth asked Mr. Nelson about participation in the program is statewide. He asked Mr. Nelson about contact information if you wanted to participate in the Apprenticeship Program.

- 09:42:14 Rep. Sullivan asked Mr. Nelson if the program applies to all types of apprenticeships. Rep. Sullivan asked Mr. Nelson to comment on tracking the program to make sure things are staying safe over time.
- 09:44:18 Rep. Harvey asked Mr. Nelson about the implementation of the program.

#### **Public Comment on the Apprenticeship Program**

- 09:45:48 Amanda Frickle, Political Director, Montana AFL-CIO
- 09:51:17 Luke Hoffer, IBW-233
- 09:52:04 Charles Coonce, instructor and electrical journey person
- 09:54:33 Joel Worth, Carpenters Union

#### **Questions from the Committee/Discussion** - None

**BREAK** (reconvened at 10:11 a.m.)

#### **MEMBER ISSUE: UNEMPLOYMENT INSURANCE SYSTEM REPLACEMENT PROJECT Presentation**

- 10:11:47 Kevin Gilbertson, Chief Information Officer, State Information Technology Division, Department of Administration, provided an update on the UI Modernization project. [\(Exhibit 38\)](#)

#### **Questions from the Committee/Discussion**

- 10:26:41 Sen. Ellsworth asked Mr. Gilbertson if he will be asking for an appropriation to fund the replacement project in the 2023 session.
- 10:29:30 Sen. Boland asked Mr. Gilbertson if other states have this program and did they have problems during the onslaught of unemployment benefits that were needed during the COVID pandemic.
- 10:31:12 Rep. Sullivan asked Mr. Gilbertson if she could send questions to him relating to the facial recognition technology for feedback purposes.

#### **Public Comment on the Replacement Project** - None

#### **Comments from the Committee**

- 10:35:37 Sen. Ellsworth thanked the Department of Labor and Industry for its work on the replacement system.
- 10:36:28 Rep. Noland commented.
- 10:38:51 *Rep. Buckley joined the meeting at 10:38 a.m.*
- 10:39:13 Paul Martin, Administrator, Unemployment Insurance Division, responded to Rep. Noland's concerns.

#### **EMERGING ISSUE: PREVAILING WAGE STUDY**

##### **Overview by Ms. Hennenman**

- 10:42:12 Toni Henneman, Lead Researcher, Local Government Interim Committee, gave a presentation on investigating companies that have developed a compliance software system that would help in gathering data for the prevailing wage law. [\(Exhibit 39\)](#)

#### **Questions from the Committee/Discussion**

- 10:48:56 Rep. Noland asked Ms. Hennenman what it is that she is requesting.

**Public Comment on Prevailing Wage Study** - None

**Further Comments/Discussion**

10:51:07 Sen. Ellsworth expressed his concerns of Ms. Hennenman's request.  
10:51:53 Ms. Sullivan clarified what the ask is.  
10:52:35 Sen. Boland said she would support a letter.  
10:53:06 Ms. Sullivan explained the purpose of the letter.  
10:53:23 Rep. Buckley said she supports sending a letter and would like to see the results.  
10:53:44 Rep. Noland expressed his concerns.

**Motion**

10:56:52 Sen. Ellsworth moved that the Economic Affairs Interim Committee send a letter to the Department of Labor and Industry requesting that the department continue to investigate the compliance software systems and to report back to the Economic Affairs Interim Committee with its findings.

**Vote**

10:57:37 The motion passed unanimously on a voice vote, with Sens Bogner and Morigeau voting yes by proxy.

**GENERAL PUBLIC COMMENT** - None

**NEXT STEPS**

10:59:12 Ms. Sullivan discussed the proposed agenda items for the September meeting. She also discussed scheduling two additional meetings, one in July and one in August to discuss the HJ 48 Study and the SJ 31 Study.  
11:03:34 Ms. Sullivan discussed the Interim Budget – Section A committee meeting that is scheduled for the afternoon.  
11:04:15 Sen. Ellsworth asked about a response from the Department of Revenue regarding Mr. Walker's letter.

**ADJOURNMENT**

11:05:05 Rep. Harvey adjourned the meeting at 11:05 a.m.