



PO BOX 201706
Helena, MT 59620-1706
(406) 444-3064
FAX (406) 444-3036

LOCAL GOVERNMENT INTERIM COMMITTEE

67th Montana Legislature

SENATE MEMBERS

Mark Sweeney
Kenneth Bogner
Ellie Boldman
John Esp

HOUSE MEMBERS

Geraldine Custer
Larry Brewster
Mary Ann Dunwell
Dave Fern
Steve Gist
Kathy Kelker

COMMITTEE STAFF

Toni Henneman - Research Analyst
Julie Johnson - Attorney
Bri Nordhagen - Secretary

MINUTES LOG

September 23rd and 24th, 2021

152

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.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative Branch home page at <https://leg.mt.gov>. From the home page, select the "Committees" drop down menu at the top, then select Administrative or Interim, and the appropriate committee. The written minutes log can be located by expanding the accordion menu for the date of the meeting. Links to the audio/video files can be located by selecting the Video/Audio button on the same page, then the "past/current recordings" button. From there, use the calendar to select the date of the meeting you wish to view/listen to. The written Minutes Log, along with links to the audio and video recordings, is listed by meeting date on the interim committee's web page. Each of the Exhibits is linked and can be viewed by clicking on the Exhibit of interest. All Exhibits are public information and may be printed. Please contact the Legislative Services Division at 406-444-3064 for more information.

MEMBERS PRESENT:

Rep. Geraldine Custer, (Chair)
Sen. Mark Sweeney, (Vice Chair)
Sen. Ellie Boldman
Rep. Larry Brewster
Rep. Mary Ann Dunwell
Sen. John Esp
Rep. Dave Fern
Rep. Kathy Kelker

MEMBERS EXCUSED:

Rep. Steve Gist
Sen. Kenneth Bogner

STAFF PRESENT:

Toni Henneman, Research Analyst
Julie Johnson, Attorney
Bri Nordhagen, Secretary

AGENDA ([Attachment 1](#))

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

COMMITTEE ACTION

- Adopted final work plan and work plan matrix
- Amended committee rules to include ballot initiative review process

Call to Order – Roll Call

13:00:15 Chair Custer called the Local Government Interim Committee to order. The secretary took the roll.

Meeting Overview

13:01:02 Toni Henneman, Research Analyst - Legislative Services Division (LSD), began her overview of the “Draft Work Plan for the 2021-2022 Interim”, “Draft Work Plan Matrix”, “Anatomy of a Study”, and “Proposed Work Plan Timeline” handouts. ([Exhibit 1](#)) ([Exhibit 2](#)) ([Exhibit 3](#)) ([Exhibit 4](#))

Ballot Initiative Requirement Memo

13:06:56 Julie Johnson, Attorney – LSD, began her review of the “Interim Review of Ballot Issues” handout. ([Exhibit 5](#))

Questions from the committee

13:10:05 Rep. Dunwell asked Ms. Johnson if it would be possible to post notice on the website immediately as to ensure the public is notified.

13:11:09 Rep. Kelker asked Ms. Johnson if the committee had any guidance through the original bill, or conversations after, that details how initiatives are assigned to committee and what a committee is to look for when reviewing an initiative.

MARA Study Update

13:14:24 Nick VanBrown, Legislative Fiscal Analyst, began his review of the MARA study update.

Questions from the committee

13:19:55 Rep. Kelker asked Mr. VanBrown if there would be a conversation at some point about landowners feeling exploited by the property tax.

13:22:14 Sen. Esp asked Mr. VanBrown if they were gathering data to see what it showed and not to prove one hypothesis or the other.

13:23:07 Rep. Fern asked Mr. VanBrown if he had a timeline.

13:24:44 Rep. Brewster asked Mr. VanBrown if they were looking at alternative revenue sources as well that local governments use.

Workforce/Affordable Housing Update

13:27:40 Cheryl Cohen, Executive Director of the Montana Board of Housing, began her review of the “Local Government Interim Committee Affordable Housing Update” slideshow. **(Exhibit 6)**

Questions from the committee

13:32:37 Rep. Dunwell asked Ms. Cohen for further explanation regarding being over subsidized on the 9% competitive credits by 3 to 1.

Workforce/Affordable Housing Update (continued)

13:33:48 Ms. Cohen continued the presentation.

Questions from the committee

13:46:14 Sen. Boldman asked Ms. Cohen if there was still funding available for case management and other related support services.

13:48:38 Rep. Dunwell asked Ms. Cohen about the housing supply for housing vouchers.

13:49:52 Rep. Kelker asked Ms. Cohen if there were standards for the kinds of construction done for the homes involved with the housing credit program.

13:50:51 Sen. Bogner asked Ms. Cohen if she had any images of completed or proposed projects.

13:51:30 Sen. Boldman asked Ms. Cohen what the application process was for the Home ARPA program.

13:52:53 Rep. Fern asked Ms. Cohen how the un-leveraged private activity bonds would be used regarding affordable housing projects.

Workforce/Affordable Housing Update (continued)

13:54:38 Ms. Cohen continued her presentation.

Questions from the committee

13:58:25 Sen. Boldman asked Ms. Cohen if any of the affordable housing programs are underutilized, and if there were funds left over, if she could share why.

13:59:42 Rep. Fern asked Ms. Cohen about the substantial amount of bonds for first time homeowners and how the program going and who it is reaching.

Public Comment

14:01:55 Abigail St. Lawrence, Montana Building Industry Association

14:08:53 Andrea Davis, Montana Housing Coalition

Questions from the committee

14:11:39 Sen. Esp asked Ms. St. Lawrence if projects were being denied because of growth policies and not zoning issues etc.

BREAK

14:14:57 Committee will reconvene at 2:30

SJ 13 – Study of Prevailing Wage Laws

14:30:14 Ms. Henneman began her overview of the “Prevailing Wage”, and “Montana Prevailing Wage Districts and Dispatch Cities”, handouts. **(Exhibit 7) (Exhibit 8)**

14:36:17 Eric Strauss, DLI Employment Relations Division Administrator, began his overview of the “Prevailing Wage Rate Comparison – HEAVY CIVIL

CONSTRUCTION”, and “Building Construction Wage Rate Setting Flow Chart”. [\(Exhibit 9\)](#) [\(Exhibit 10\)](#)

Questions from the committee

- 14:44:01 Rep. Kelker asked Mr. Strauss if there was an appeal process once an amount is reached.
- 14:44:56 Rep. Dunwell asked Mr. Strauss asked why the wages weren't going to be raised this year and if there was a way to make the reporting mandatory to be able to pay fair wages.
- 14:47:16 Sen. Esp asked Mr. Strauss if the handout regarding heavy civil construction was for a highway or building project.
- 14:48:07 Rep. Brewster asked Mr. Strauss if his division was involved in developing the districts and dispatch cities.

SJ 13 – Study of Prevailing Wage Laws (continued)

- 14:49:50 The committee heard discussion from the panel on Eastern MT Issues starting with Jason Strouf, Custer County Commissioner.

Questions from the committee

- 15:05:39 Rep. Kelker asked if the two new dispatch cities were chosen because of their geographical location or because they have the trade individuals that are needed in order to work on the projects. Rep. Kelker asked if prior to adding Miles City and Sydney MT, was Jackson Contracting able to be used for contracts or did they have to go to someone from the Billings dispatch base. Rep. Kelker asked if extra money for that worker had to be figured from the base in Billings MT regardless of where the actual work site is located.
- 15:09:43 Rep. Dunwell asked how federal funds affect what they can pay workers.
- 15:11:47 Sen. Bogner asked that if the contract threshold amount of \$25,000 were to be raised, what that amount should be.
- 15:12:56 Rep. Kelker asked if they are using federal funds to do a project, do they have to follow the federal prevailing wage law.
- 15:16:19 Sen. Esp asked Chair Custer why the bill raising the \$25,000 minimum passed the Senate but died in the House Local Government Committee. Sen. Esp asked Ms. Henneman what the bill raised the threshold to that passed the Senate. Sen. Esp asked Mr. Hintz if he felt that raising the minimum from \$25,000 to \$80,000 would be a reasonable solution.
- 15:19:16 Rep. Fern asked if state or federal law applies to the State Prevailing Law Wages and the SRF Projects.
- 15:21:36 Rep. Kelker asked Mr. Hintz about Prevailing Wage Rates regarding specialized types of work, and asked if the city or county that has a project, can pick anyone they want to locally or are restricted to certain licensed or trained personnel.
- 15:28:22 Rep. Dunwell asked if “benefit” meant travel benefit.
- 15:30:44 Rep. Brewster asked Mayor Jimison if he was still dancing.

Public comment

- 15:32:02 Adam Haight, Laborers Local 18-1686
- 15:35:26 Tim Burton, Executive Director of the Montana League of Cities and Towns
- 15:36:15 Eric Bryson, Montana Association of Counties

Committee Work Session

15:37:08 The committee began their work session and reviewed the “Kevin Duncan”, handout. [\(Exhibit 11\)](#)

Review Friday agenda – recess for the day

15:49:13 Chair Custer reviewed the Friday agenda and called the Local Government Interim Committee to recess.