MINUTES LOG
September 23rd and 24th, 2021
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Helena, Montana

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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

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

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 they 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

Workforce/Affordable Housing Update (continued)

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.
13:49:52 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.

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
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.
15:11:47 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.
15:30:44 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
The committee began their work session and reviewed the “Kevin Duncan”, handout *(Exhibit 11)*.

**Review Friday agenda – recess for the day**

Chair Custer reviewed the Friday agenda and called the Local Government Interim Committee to recess.