MINUTES LOG
December 15, 2021
Room 137
Helena, Montana

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the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken.
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can be viewed by clicking on the Exhibit of interest. All Exhibits are public information and may be printed.
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MEMBERS PRESENT:
Rep. Mike Hopkins, Chair (R)
Sen. Mike Cuffe, Vice Chair (R)
Sen. Ellie Boldman (D)
Rep. Jim Hamilton (D)
Sen. Cary Smith (R)
Rep. Sue Vinton (R)

STAFF PRESENT:
Catherine Duncan, Legislative Fiscal Analyst
Karen Gilbert, Secretary
Christine Hultin, OBPP Staffer

AGENDA (Attachment 1)
VISITORS’ LIST (Attachment 2)

COMMITTEE ACTION

CALL TO ORDER/ROLL CALL
Rep. Mike Hopkins-R called the meeting to order at 2:44 PM. The committee secretary took roll.

Vice Chair Cuffe praised the positive impact of the Interim Budget committees.

Chair Hopkins concurred with Vice Chair Cuffe, discussed committee organization, and asked for staff introductions.

Katy Callon, Analyst, Legislative Fiscal Division.

Jason Harlow, Office of Budget & Program Planning.

Joanne Kauzlarich, Committee Clerk

**Capital Development Fund Update (Joe Triem)**

Joe Triem, LFD presented the Capital Fund Development Fund update. 

Exhibit 1

Chair Holmlund asked about the effect on bond rating.

Mr. Triem responded.

Rep. Hamilton asked if the 2023 biennium projects in the handout are the ones that are not eligible for funding through ARPA.

Mr. Triem responded.

Chair Hopkins praised the 2019 and 2021 legislature for developing fiscally sound programs.

Jason Harlow, OBPP, gave update on program backlog.

**FY 2022 Financial Reports, LFD Staff and follow-up/comments of program staff**

Katy Callon, LFD, instructed the committee where to find the quarterly reports and presented the State Building Energy Conservation Program.

Exhibit 2

Bonnie Rouse, DEQ, stated she would stand for questions on the State Building Energy Conservation Program.

Jason Harlow, OBPP stated the staff would primarily be standing by for questions.

Chair Hopkins responded.

Katy Callon, LFD, presented the financial report for the Long-Range Information Technology Program (LRITP).

Exhibit 3

Katy Callon presented the financial report for the Montana Coal Endowment Program (MCEP).

Exhibit 4

Vice Chair Cuffe asked why HB 2 TSEP is included in the handout.

Ms. Callon responded.

Sen. Cuffe asked if the funding would change to MCEP.

Ms. Callon responded.

Rep. Hamilton asked why the trust earnings from HJ 2 in fiscal year 2022-23 seem to show a decline.

Ms. Callon redirected to Joe Triem.

Mr. Triem responded.
15:28:31 Chair Hopkins commented.
15:29:08 Katy Callon, presented the financial report for Montana Coal Regional Water Program (MCER-WP).

Exhibit 5

15:32:16 Russell Katherman, administrator, Architecture and Engineering Division, Department of Administration, presented the fiscal overview for the Long-Range Building Program.

15:38:00 Katy Callon, LFD presented the financial report for the Long-Range Building Program (LRBP).

Exhibit 6

15:42:08 Katy Callon, LFD, presented the financial report for the Renewable Resource Grant & Loan Program (RRGL).

Exhibit 7

15:45:35 Vice Chair Cuffe asked why some grant programs had lower than expected expenditures.

15:46:09 Ms. Callon redirected to Autumn Coleman.

15:46:52 Ms. Coleman, DNRC, stated she would follow up with that information.

15:47:37 Katy Callon presented the financial report for the Cultural & Aesthetic Grants Program (C&A).

Exhibit 8

15:50:13 Katy Callon presented the financial report for the Montana Historic Preservation Grant Program (MHPG).

Exhibit 9


15:52:24 Ms. Callon responded.


15:53:40 Ms. Callon responded.

15:55:01 Rep. Hamilton suggested tracking the program spending so that it is possible to make a more accurate projection for future biennium spending.


15:56:21 Rep. Hamilton stated he was only asking if this could theoretically be done.

15:56:23 Chair Hopkins clarified the financial reports.

15:57:02 Joe Triem responded.

15:59:22 Chair Hopkins asked for further questions and public comment.

Coal Severance Tax & Distribution to MCEP & MCEP-RW Trusts (Sam Schaefer, LFD)

16:00:06 Sam Schaefer presented the fiscal overview for Coal Severance Tax Trust Fund.

Exhibit 10

Exhibit 11

16:11:16 Vice Chair Cuffe clarified what the sunset provision did.

16:11:35 Mr. Schaefer responded.

Workplan - committee discussion and adoption

16:12:15 Chair Hopkins opened the committee workplan discussion.
16:13:34 Rep. Hamilton expressed concern over the fact that the Cultural & Aesthetic Grant administration is housed in different places, causing confusion when decisions need to be made.

16:14:46 Chair Hopkins suggested a more thorough breakdown of past and current spending could help.

16:15:50 Chair Hopkins opened discussion for rules surrounding the Historical Preservation Grant Program.


16:17:50 Vice Chair Cuffe suggested looking at original legislation and asked Sen. Boldman if privately owned projects were a concern.


16:19:49 Vice Chair Cuffe discussed some questions regarding privately owned historical projects.


16:21:41 Vice Chair Cuffe added that some of these private projects could have been funded through other agencies.

16:22:31 Rep. Hamilton expressed concern over some 'for profit' projects claiming grant money as a personal contribution.

16:23:23 Chair Hopkins suggested some possible changes for project funding in the future.

16:27:54 Rep. Hamilton asked about the longevity of the funding for programs.

16:28:21 Chair Hopkins stated that there will be a combination of state and federal funds to help with connectivity.

16:31:07 Rep. Hamilton stated this is a good idea and connectivity will take a lot of money.

16:31:28 Chair Hopkins stated there is a need for future investment. He asked when the next committee meeting is scheduled.

16:31:55 Ms. Callon responded.

16:32:12 Chair Hopkins asked the committee to submit their agenda topics for the next meeting to Ms. Callon as soon as possible.

16:32:20 Ms. Callon responded.

16:32:39 Chair Hopkins cautioned the committee about having too many things on the agenda.

16:33:08 Vice Chair Cuffe asked if there was a reason that the June 15 date was selected for the next meeting.

16:33:14 Chair Hopkins responded.

16:33:48 Vice Chair Cuffe stated that this is the same time as the Montana 500 Model T event.

16:34:01 Chair Hopkins responded.

16:34:27 Ms. Callon stated the committee shall meet the week prior to quarterly Legislative Finance committees.

16:34:39 Chair Hopkins responded.

16:34:40 Vice Chair Cuffe stated the chair may want to discuss it before making a final decision.

16:34:52 Chair Hopkins stated there was plenty of time to decide on the next meeting date.

16:34:56 Vice Chair Cuffe responded.
16:35:22  Rep. Hamilton asked if Ms. Callon could post the enabling legislation for the Cultural & Aesthetic Grant and Historical Grant programs to the website so the committee may take a look at it as soon as possible.

16:35:56  Chair Hopkins asked if there were any more questions or comments. There were none.

**ADJOURNMENT**
Adjournment: 16:36:50