



Economic Affairs Interim Committee

63rd Montana Legislature

SENATE MEMBERS

ELSIE ARNTZEN
DICK BARRETT
TOM FACEY
BRUCE TUTVEDT

HOUSE MEMBERS

TOM BERRY
GREG HERTZ
RYAN LYNCH
LEA WHITFORD

COMMITTEE STAFF

PATRICIA MURDO, Lead Staff
BART CAMPBELL, Staff Attorney

MINUTES LOG

June 25, 2013
Room 137, Capitol Building
Helena, Montana

Please note: These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. To the left of each section in these minutes is a time designation indicating the approximate amount of time in hours, minutes, and seconds that has elapsed since the start of the meeting. This 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 <http://leg.mt.gov>. On the left-side menu of the home page, select *Committees*, then *Interim*. Once on the page for *Interim Committees*, scroll down to the appropriate committee. The written minutes summary, along with the audio and video recordings, are listed by meeting date on the interim committee's web page.

Hard copies of the exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document.

COMMITTEE MEMBERS PRESENT

SEN. BRUCE TUTVEDT, Presiding Officer
SEN. TOM FACEY
SEN. DICK BARRETT

REP. TOM BERRY
REP. GREG HERTZ
REP. RYAN LYNCH, Vice Presiding Officer
REP. LEA WHITFORD

COMMITTEE MEMBERS EXCUSED

SEN. ELSIE ARNTZEN

STAFF PRESENT

PATRICIA MURDO, Research Analyst
BART CAMPBELL, Staff Attorney
PAMELA ROSSI, Committee Secretary
DAWN FIELD, Secretary

AGENDA & VISITORS' LIST

Agenda ([Attachment 1](#))

Visitors' List ([Attachment 2](#))

COMMITTEE ACTION

The Economic Affairs Interim Committee [EAIC]:

- elected SEN. BRUCE TUTVEDT as Presiding Officer and REP. RYAN LYNCH as Vice Presiding Officer;
- named REP. GREG HERTZ and REP. LYNCH to be liaisons to the Labor Management Advisory Council [LMAC] meetings, and agreed to pay for their per diem and salary under the Committee budget;
- named REP. TOM BERRY and REP. LEA WHITFORD as Montana State Fund liaisons;
- named SEN. TUTVEDT and REP. LYNCH as Rail Service Competition Council liaisons; and
- passed a motion allowing electronic proxies on a unanimous voice vote.

CALL TO ORDER AND ROLL CALL

00:00:01 SEN. TUTVEDT called the meeting to order at 10:04 AM. The Secretary noted the roll ([Attachment 3](#)). SEN. ELSIE ARNTZEN was excused. The members of the Committee and staff gave a brief introduction of themselves.

AGENDA

UPDATE ON LEGISLATIVE DISTRICTS

00:03:22 **Ms. Rachel Weiss, Research Analyst, Legislative Services Division**, provided an overview of the handout, *Legislative District Maps and Resources* ([EXHIBIT 1](#)).

Committee Questions and Discussion

00:10:43 SEN. DICK BARRETT

00:11:14 Ms. Weiss

00:11:45 SEN. TUTVEDT

00:12:01 Ms. Weiss

00:12:37 SEN. TUTVEDT

OVERVIEW OF COMMITTEE RESPONSIBILITIES, RULE REVIEW, THE WORK PLAN AND PLANS FOR ASSIGNED STUDIES (HB 525, HJR 25 ON WORKER'S COMPENSATION, AND SJR 24 ON MILITARY TRAINING VIS-A-VIS OTHER JOBS)

00:13:10 **Ms. Patricia Murdo, Research Analyst, Legislative Services Division**, provided an overview of the *Economic Affairs Interim Committee DRAFT Work Plan for the 2013-2014 Interim* ([EXHIBIT 2](#)).

Committee Questions and Discussion

00:17:37 REP. BERRY

00:17:56 REP. BERRY

00:18:06 REP. BERRY

00:20:29 SEN. TUTVEDT

00:23:38 Ms. Murdo provided an overview of the *HB 525 Licensing Board Study Plan For 2013-2014* (EXHIBIT 3), and the *Overview of HB 525 Study of Licensing Boards* (EXHIBIT 4).

Committee Questions and Discussion

00:24:00 SEN. TUTVEDT

00:24:06 SEN. TOM FACEY

00:25:49 Ms. Murdo provided an overview of the *Draft HJR 25 Workers' Compensation Study Plan* (EXHIBIT 5), and the *Draft SJR 24 Study Plan* (EXHIBIT 6).

00:28:53 **Mr. Bart Campbell, Staff Attorney, Legislative Services Division**, discussed the *June 10, 2013, Memo to the EAIC from Mr. Campbell Regarding Rulemaking and Powers of Rule Review Committees and Individual Members* (EXHIBIT 7).

Committee Questions and Discussion

00:30:47 SEN. TUTVEDT

00:34:54 SEN. BARRETT

00:37:34 SEN. TUTVEDT

00:41:03 SEN. TUTVEDT

00:41:12 SEN. FACEY

00:41:55 SEN. TUTVEDT

UPDATES FROM GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

00:42:07 **Mr. John Rogers, Chief Business Development Officer, Governor's Office of Economic Development**, discussed his work program and current activities. Mr. Rogers introduced **Mr. Dan Lloyd, Governor's Office of Economic Development**, a staff member involved in business retention and recruitment.

Committee Questions and Discussion

00:53:13 SEN. BARRETT

00:54:30 Mr. Rogers

00:59:28 SEN. BARRETT

01:00:50 SEN. TUTVEDT

COMMENT ON WORK PLAN REGARDING MONTANA STATE FUND

01:01:26 **Mr. Laurence Hubbard, President and CEO, Montana State Fund**, provided an overview of Montana State Fund, and discussed the *DRAFT HJR 25 Workers' Compensation Study Plan* (EXHIBIT 5). He handed out the brochure, *Montana State Fund's Guide to the Workers' Compensation System* (EXHIBIT 8).

Committee Questions and Discussion

01:13:47 REP. BERRY
01:15:50 SEN. TUTVEDT
01:16:36 REP. BERRY
01:17:23 SEN. TUTVEDT

OVERVIEW FROM STATE AUDITOR MS. MONICA LINDEEN ON FEDERALLY FACILITATED MARKETPLACE (aka THE HEALTH INSURANCE EXCHANGE)

01:19:04 **Ms. Monica Lindeen, Commissioner of Securities and Insurance and Montana State Auditor**, discussed the handout, *The Health Insurance Marketplace* ([EXHIBIT 9](#)). Present at the meeting to assist Ms. Lindeen in answering questions was **Ms. Christina Goe, General Counsel for the Commissioner of Securities and Insurance**.

01:22:36 SEN. TUTVEDT
01:22:44 Ms. Lindeen
01:23:20 Ms. Goe
01:23:32 Ms. Lindeen
01:26:31 SEN. TUTVEDT
01:26:43 Ms. Lindeen

Committee Questions and Discussion

01:38:08 REP. BERRY
01:38:57 Ms. Lindeen
01:39:18 Ms. Goe
01:40:17 REP. BERRY
01:40:35 SEN. BARRETT
01:40:46 Ms. Lindeen
01:40:58 REP. HERTZ
01:41:25 Ms. Lindeen
01:41:41 Ms. Goe
01:42:31 REP. HERTZ
01:43:06 Ms. Lindeen
01:43:40 Ms. Goe
01:45:11 REP. HERTZ
01:45:39 Ms. Goe
01:46:42 SEN. FACEY
01:47:08 Ms. Goe
01:47:19 SEN. TUTVEDT
01:47:37 Ms. Goe
01:48:11 REP. HERTZ
01:48:25 Ms. Goe
01:48:38 SEN. TUTVEDT

PUBLIC COMMENT ON WORK PLAN AND PLANS FOR ASSIGNED STUDIES

01:49:12 **Mr. Bill Wheeler, Department of Labor and Industry**, extended an invitation to LMAC's first meeting on June 27, 2013, at which the work plan will be discussed.

Mr. Wheeler encouraged both the public and Committee members to visit LMAC's website to access information.

- 01:50:30 **Mr. Dick Martin, Fair Claim Law Firm, Great Falls**, commented on workers' compensation issues, LMAC, and House Bill No. 334 revising workers' compensation laws from the 2011 session.
- 01:52:07 **Ms. Aimee Grmoljez, Billings Clinic**, commented on the study involving utilization and treatment guidelines and stay-at-work, return-to-work issues, and offered the assistance of Dr. John Petrisko of the Billings Clinic on these workers' compensation medical issues.
- 01:53:19 **Mr. Glenn Oppel, Montana Chamber of Commerce**, commented on HJR 25, HB 334, and House Bill No. 232 regarding exclusive remedy laws in workers' compensation, and Montana's high medical costs.
- 01:56:07 **Mr. Al Smith, Montana Trial Lawyers Association**, commented on the HJR 25 study.
- 02:00:18 SEN. TUTVEDT recessed the meeting for lunch at 12:03 PM.

LUNCH BREAK

- 03:13:27 SEN. TUTVEDT called the meeting back to order at 1:16 PM.

ELECTION OF PRESIDING OFFICER AND VICE PRESIDING OFFICER

- 03:13:18 SEN. TUTVEDT stated that it was first necessary to agree to change the order of items on the Agenda so that the election of the officers would precede the Committee Discussion, Goal Setting, Revisions and Adoption of Work Plans and Committee Meeting Dates item. The Committee agreed to this without objection.

Committee Action

- 03:14:07 **SEN. FACEY moved to elect SEN. TUTVEDT as Presiding Officer and REP. LYNCH as Vice Presiding Officer. The motion passed on a unanimous vote.**

COMMITTEE DISCUSSION, GOAL SETTING, REVISIONS AND ADOPTION OF WORK PLANS AND COMMITTEE MEETING DATES

- 03:15:28 SEN. TUTVEDT opened the discussion with Goal Setting.
- 03:15:55 REP. BERRY
- 03:16:46 SEN. FACEY
- 03:18:43 SEN. TUTVEDT
- 03:19:16 REP. HERTZ
- 03:20:12 REP. BERRY
- 03:20:40 SEN. TUTVEDT
- 03:20:44 Mr. Campbell

03:21:50 REP. WHITFORD
03:22:34 Ms. Murdo
03:24:12 SEN. TUTVEDT
03:24:57 Ms. Murdo
03:25:53 Mr. Campbell
03:26:58 SEN. FACEY
03:27:36 REP. HERTZ
03:28:03 REP. BERRY
03:28:47 SEN. TUTVEDT
03:29:45 REP. BERRY
03:31:21 SEN. TUTVEDT
03:31:51 SEN. FACEY
03:32:22 SEN. TUTVEDT
03:32:29 Ms. Murdo
03:34:15 SEN. FACEY
03:35:26 SEN. TUTVEDT

03:36:13 Ms. Murdo discussed Committee Meeting Dates.

03:36:51 SEN. TUTVEDT
03:37:46 SEN. TUTVEDT
03:38:35 REP. BERRY
03:39:39 SEN. FACEY
03:39:58 SEN. FACEY
03:40:12 SEN. TUTVEDT
03:40:38 REP. BERRY
03:41:44 REP. BERRY
03:41:53 REP. LYNCH
03:41:59 SEN. TUTVEDT
03:42:19 REP. HERTZ

Committee Action

03:42:32 **REP. BERRY moved to send REP. LYNCH and REP. HERTZ to LMAC meetings and fund the liaisons through the Committee budget. The motion passed on a unanimous voice vote.**

03:44:30 SEN. TUTVEDT

03:44:50 Ms. Murdo raised SJR 24 issues.

03:46:04 SEN. BARRETT
03:47:54 SEN. TUTVEDT
03:48:07 REP. LYNCH
03:48:29 SEN. FACEY
03:49:03 SEN. TUTVEDT
03:49:17 REP. BERRY
03:49:44 SEN. TUTVEDT
03:49:51 SEN. BARRETT
03:51:10 Ms. Murdo

03:51:47 SEN. TUTVEDT gave directions to staff on SJR 24 for a white paper and then possible followup.

03:52:15 Ms. Murdo asked the Committee to make a decision to accept or not accept electronic proxies.

Committee Action

03:53:20 **SEN. FACEY moved to allow electronic proxies sent to either the Presiding Officer, staff member or other Committee member. The motion passed on a unanimous voice vote.**

03:54:28 SEN. TUTVEDT returned to the discussion of member issues in the draft Work Plan ([EXHIBIT 2](#)). He asked for a presentation by the Department of Livestock on cross-border transfer papers for horses as a member issue.

03:55:53 REP. HERTZ

03:56:20 SEN. BARRETT

03:56:57 SEN. TUTVEDT

03:57:10 REP. WHITFORD

03:58:04 SEN. TUTVEDT

03:58:07 Ms. Murdo

03:58:14 SEN. TUTVEDT

03:58:24 REP. LYNCH asked the Committee to consider economic development and the use of tax credits as a member issue.

03:59:08 Ms. Murdo

03:59:34 SEN. TUTVEDT

04:00:23 SEN. BARRETT

04:02:56 SEN. TUTVEDT

04:04:00 REP. HERTZ

04:04:51 Ms. Murdo

04:05:32 REP. LYNCH

04:05:34 SEN. TUTVEDT

04:05:55 Ms. Murdo

04:06:24 SEN. TUTVEDT reviewed topics, possible activities, and other member issues in the draft Work Plan ([EXHIBIT 2](#), page 17).

04:06:30 Ms. Murdo

04:06:38 SEN. TUTVEDT

04:07:07 SEN. FACEY

04:07:24 SEN. TUTVEDT

04:07:41 SEN. BARRETT

04:07:58 SEN. TUTVEDT

04:08:04 REP. HERTZ

04:08:11 Ms. Murdo

04:09:07 REP. HERTZ

04:09:27 SEN. TUTVEDT

04:09:48 Ms. Murdo
 04:10:33 SEN. TUTVEDT
 04:11:13 Ms. Murdo
 04:11:20 REP. BERRY
 04:11:59 SEN. TUTVEDT
 04:12:12 SEN. FACEY
 04:12:21 SEN. TUTVEDT
 04:12:25 SEN. BARRETT
 04:13:28 SEN. TUTVEDT
 04:13:46 SEN. BARRETT
 04:14:19 Ms. Murdo
 04:14:25 SEN. BARRETT
 04:15:35 SEN. TUTVEDT
 04:15:59 SEN. BARRETT
 04:16:18 SEN. TUTVEDT
 04:16:38 SEN. FACEY
 04:17:14 Ms. Murdo
 04:17:40 REP. HERTZ
 04:17:49 Ms. Murdo
 04:18:57 REP. TUTVEDT
 04:19:10 Ms. Murdo
 04:19:10 SEN. TUTVEDT
 04:19:11 Ms. Murdo
 04:19:35 SEN. TUTVEDT

 04:19:40 Ms. Murdo addressed the HB 525 study regarding the 2011 legislation to review all professional and occupational licensing boards. She pointed out the two documents, *Board of Occupational Therapy Practice* ([EXHIBIT 10](#)), and *Responses to Survey - Board of Sanitarians* ([EXHIBIT 11](#)).

 04:22:33 REP. BERRY
 04:24:29 REP. BERRY
 04:24:50 SEN. TUTVEDT
 04:25:24 SEN. BARRETT
 04:28:30 SEN. TUTVEDT

 04:28:41 SEN. TUTVEDT returned the discussion to the Committee meeting dates.

 04:28:44 Ms. Murdo
 04:30:10 SEN. BARRETT
 04:30:40 Ms. Murdo
 04:30:53 SEN. TUTVEDT
 04:31:14 Ms. Murdo
 04:31:30 SEN. BARRETT
 04:31:39 Ms. Murdo
 04:32:17 SEN. TUTVEDT
 04:32:55 Ms. Murdo

APPOINTMENTS

Committee Actions

Appointment of 2 Montana State Fund liaisons

04:33:24 SEN. TUTVEDT asked for volunteers to serve as Montana State Fund liaisons.
04:33:54 Ms. Murdo
04:34:02 SEN. FACEY
04:34:27 SEN. TUTVEDT
04:34:39 Ms. Murdo
04:34:44 REP. BERRY volunteered for the position.
04:34:55 Ms. Murdo
04:35:04 SEN. TUTVEDT asked REP. WHITFORD if she would like to serve.
04:35:07 REP. WHITFORD said yes.
04:35:16 Ms. Murdo

Appointment of 2 Rail Service Competition Council liaisons

04:35:40 Ms. Murdo provided an overview of the Rail Service Competition Council agenda.
04:36:46 SEN. TUTVEDT said he would be one of the liaisons and asked for someone else.
04:36:48 REP. LYNCH volunteered.
04:37:02 SEN. TUTVEDT asked for objections. No one objected.

PUBLIC COMMENT ON ANY ITEM NOT ON AGENDA

04:37:53 **Mr. Bob Worthington, Executive Director, Montana Self Insurance Association**, commented on LMAC, and HJR 25.

04:41:02 SEN. TUTVEDT

04:41:15 **Ms. Anne Wolfinger, Employment Relations Division and Project Manager LMAC**, commented on the draft Work Plan ([EXHIBIT 2](#)), and extended an invitation to attend LMAC's meeting on Sept. 19, 2013.

04:42:24 **Mr. Glenn Oppel, Montana Chamber of Commerce**, commented on Senate Bill No. 139 requiring small business impact analyses prior to adoption of administrative rules. Mr. Oppel extended an invitation to attend the Chamber's economic update forums which begin Aug. 1, 2013, and go through to Aug. 8, 2013.

04:43:49 Mr. Campbell
04:44:43 SEN. TUTVEDT
04:45:01 Mr. Campbell
04:45:59 SEN. TUTVEDT

RULE REVIEW - HANDOUT

04:46:28 Mr. Campbell discussed the *June 10, 2013, Memo to the EAIC from*

Mr. Campbell Regarding June 2013 Rule Review (EXHIBIT 12).

Committee Questions and Discussion

04:52:39 SEN. FACEY
04:53:44 SEN. FACEY
04:54:08 SEN. TUTVEDT
04:55:21 Ms. Murdo
04:56:35 SEN. TUTVEDT
04:57:51 SEN. TUTVEDT

04:57:58 Ms. Murdo discussed the *June 17, 2013, Letter to Mr. Campbell from Ms. Melanie Hall, Commissioner, Department of Administration, Division of Banking & Financial Institutions (EXHIBIT 13)*. The purpose of the letter is to comply with the Business and Industrial Development Corporation Act (Title 32, Chapter 11).

04:58:23 Mr. Campbell
04:58:29 SEN. TUTVEDT
04:58:37 SEN. TUTVEDT

DIRECTIONS TO STAFF, ADJOURN

04:58:59 The meeting adjourned at 3:01 PM. The EAIC will next meet on Aug. 21, 2013, in Helena MT.