



## LFC FINANCIAL MODERNIZATION AND RISK ANALYSIS STUDY COMMITTEE

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### 67th Montana Legislature

#### SENATE MEMBERS

Janet Ellis  
Ryan Osmundson

#### HOUSE MEMBERS

Mary Caferro  
Llew Jones  
Bill Mercer  
Sharon Stewart Peregoy

#### COMMITTEE STAFF

Amy Carlson - Legislative Fiscal Analyst  
Caitlin Cashman - Secretary  
Julie Johnson - Attorney  
Sam Schaefer - Fiscal Analyst  
Nick VanBrown - Fiscal Analyst

#### PUBLIC MEMBERS

Mark Haggerty  
Mike Hope  
Dwaine Iverson  
Heather O'Loughlin

## MINUTES LOG

November 29, 2021  
Room 137  
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. Llew Jones, Chair (R)  
Sen. Janet Ellis, Vice Chair (D)  
Rep. Mary Caferro (D)  
Mark Haggerty, Public Member  
Mike Hope, Public Member  
Dwaine Iverson, Public Member  
Rep. Bill Mercer (R)  
Heather O'Loughlin, Public Member  
Sen. Dan Salomon (R)  
Rep. Sharon Stewart Peregoy (D)

#### **STAFF PRESENT:**

Amy Carlson, Legislative Fiscal Analyst  
Katya Grover, Secretary  
Julie Johnson, Attorney  
Sam Schaefer, Fiscal Analyst  
Nick VanBrown, Fiscal Analyst

**AGENDA (Attachment 1)**

**VISITORS' LIST (Attachment 2)**

**November 29, 2021**

**CALL TO ORDER/ROLL CALL**

10:00:20 Rep. Llew Jones-R called the meeting to order at 10:00 AM and explained the general structure of the meeting. The committee secretary took roll.

**A NATIONAL PERSPECTIVE ON THE PROPERTY TAX: HOW MONTANA COMPARES**

10:03:10 Amy Carlson, Legislative Fiscal Analyst, LFD, introduced presenters.  
10:03:44 Bethany Paquin, Senior Research Analyst, Lincoln Institute of Land Policy, provided the report. ([Exhibit 1](#))  
10:14:44 Daphne Kenyon, Resident Fellow in Tax Policy, Lincoln Institute of Land Policy, continued presentation. (See Exhibit 1)

**Committee Discussion**

10:29:39 Chair Jones invited questions from the committee.  
10:29:59 Sen. O'Brien asked to elaborate on monthly payments for property taxes and whether there were significant administrative costs or challenges associated with those.  
10:30:36 Ms. Kenyon addressed the question.  
10:32:49 Rep. Dunwell asked about the monthly tax bills and whether there were any states that allowed automatic payments from citizens' bank accounts.  
10:33:44 Ms. Kenyon addressed the question.  
10:34:49 Rep. Dunwell asked to elaborate on the recommendation to avoid assessment limits.  
10:35:14 Ms. Paquin addressed the question.  
10:36:50 Ms. Kenyon elaborated further on the assessment limits.  
10:38:03 Chair Jones noted that the LFD staff did some work on what it would look like in Montana if the relative transfers on the initiative linked to the assessment limit.  
10:38:30 Sen. Hertz commented on Montana tax rank compared to other states and asked about the difference between a rate rank and a bill rank.  
10:39:25 Ms. Paquin addressed the question.  
10:39:48 Sen. Hertz referred to fees built into property taxes and asked whether those were taken into considerations in the ranking.  
10:40:10 Ms. Paquin addressed the question.  
10:40:44 Chair Jones referred to Exhibit 1 and asked whether the houses relative to the rest of the property were at a lower value in Montana.  
10:41:33 Ms. Paquin addressed the question.  
10:41:59 Chair Jones asked whether there were other states that collected mills and redistributed the tax money back to schools via the equalization formula, similarly to Montana.  
10:42:34 Ms. Kenyon addressed the question.

## **MONTANA PROPERTY TAXES**

- 10:43:47 Chair Jones opened the section on Montana Property Taxes.
- 10:44:05 Nick VanBrown, Fiscal Analyst, LFD, provided the report.
- 10:52:16 Chair Jones asked if it was possible to look at the data by county on the website.
- 10:52:30 Mr. VanBrown responded to the question.
- 10:53:06 Chair Jones asked if it was possible to look at the data by city within a county.
- 10:53:13 Mr. VanBrown responded to the question.
- 10:54:00 Mr. VanBrown continued his presentation.
- 10:56:59 Chair Jones asked about the mills and the state funding going to the schools in the same school district.
- 10:57:08 Mr. VanBrown addressed the question and continued his presentation.

## **Committee Discussion**

- 10:58:14 Mr. Iverson asked if it would be possible to measure the effects of a new school built in a specific school district.
- 10:58:30 Mr. VanBrown addressed the question.
- 10:59:17 Rep. Stewart Perego asked to elaborate on the overall impact in Rosebud County and Big Horn County with respect to shifting costs.
- 11:00:09 Mr. VanBrown responded to the question.
- 11:01:13 Rep. Stewart Perego requested the aforementioned information be provided to the committee.
- 11:01:27 Chair Jones asked to elaborate on the different types of taxes as well as challenges brought by taxes shifting between different tax classes.
- 11:02:05 Mr. VanBrown responded to the question.
- 11:03:57 Chair Jones asked to elaborate on Billings with respect to big business equipment tax.
- 11:04:28 Mr. VanBrown addressed the question.
- 11:05:41 Chair Jones noted that it would be beneficial to have this information accessible online and commented on the shifting between the tax classes.
- 11:06:09 Ms. Carlson addressed Chair Jones' comment and said that LFD had just received the data presented at the current meeting and that it will be made available online.
- 11:07:17 Mr. Hope requested information regarding mill values, their growth and decline, throughout the state.
- 11:07:37 Mr. VanBrown addressed the request and confirmed that this information will be provided.
- 11:08:23 Chair Jones elaborated further on the online property tax tool that the LFD was putting together.
- 11:08:44 Ms. O'Loughlin asked about total taxes paid on per capita basis.
- 11:09:04 Mr. VanBrown responded to the question.
- 11:09:17 Chair Jones called for further questions. There were none.

## **Montana Property Taxes: Updates on TIF Districts**

- 11:09:19 Julia Pattin, Fiscal Analyst, LFD, presented updates on the TIF districts.  
[\(Exhibit 2\)](#)

## **Committee Discussion**

- 11:24:38 Chair Jones called for questions from the committee.
- 11:24:46 Sen. Hertz asked to elaborate on how TIF districts were using their money.
- 11:25:08 Ms. Pattin addressed the question.
- 11:25:47 Rep. Caferro asked about TIF and displacement of current residents and whether there was any strategy in place to address that issue.
- 11:26:25 Ms. Pattin addressed the question.
- 11:26:52 Rep. Caferro noted that the aforementioned issue needed to continue being discussed as it is a significant issue.
- 11:27:14 Mr. Hope commented on the impact of not sunseting over time and elaborated further on the point raised by Rep. Caferro about TIF and displaced residents.
- 11:28:26 Chair Jones also provided a comment about expirations of TIFs.
- 11:30:03 Rep. Thane asked whether, with respect to the renewal of TIF districts, the tax base would revert to the new full tax rate at the time of renewal and a new increment would start.
- 11:30:24 Ms. Pattin addressed the question.
- 11:31:18 Chair Jones clarified the previous questions and asked about the face value if a TIF district chose to extend and not expire.
- 11:31:46 Ms. Pattin addressed the question.
- 11:32:17 Chair Jones called for further questions. There were none.

## **Public Comment**

- 11:32:55 Einar Larsen, Helena resident, commented that it was very difficult for Montanans to purchase a house or remain in an existing house in Montana right now. Mr. Larsen spoke about significantly increased property taxes. Mr. Larsen also commented on the Property Tax Assistance Program and urged to raise the limit to \$300,000.
- 11:38:28 Chair Jones thanked Mr. Larsen for his comment.
- 11:38:51 Ms. O'Loughlin noted that Montana is a state with circuit breakers and asked Ms. Kenyon what percentage of homeowners or residents was able to access the circuit breakers in Montana compared to other states.
- 11:41:00 Ms. Kenyon addressed the question.
- 11:41:14 Chair Jones agreed with Ms. Kenyon's response and proceeded to the next agenda item.

## **OBSERVATIONS OF INCOME TAX DATA FOR TY 2020 ON PARTIAL YEAR AND NON-RESIDENT TAX RETURNS**

The presentation was combined with questions from the committee.

- 11:41:35 Sam Schaefer, Fiscal Analyst, LFD, provided his presentation. ([Exhibit 3](#))
- 11:47:45 Chair Jones asked to elaborate on capital gains.
- 11:47:51 Mr. Schaefer addressed the question.
- 11:50:45 Mr. Iverson commented that the Baby Boomers were retiring in large numbers and selling their properties.
- 11:51:14 Chair Jones elaborated further on the point.

11:51:27 Rep. Thane asked whether it would be possible to segregate the data based on the state and whether there would be a long-term trait.

11:51:50 Mr. Schaefer asked to clarify the question.

11:52:04 Mr. Iverson stated that he was interested in data pertaining to Montanans only and not to residents in other states.

11:52:38 Mr. Schaefer addressed the question.

11:55:58 Rep. Beard asked about the blip and the capital gains taxes.

11:56:44 Mr. Schaefer addressed the question.

11:58:35 Ms. O'Loughlin referred to the number of all income types on page 2 and the number pertaining to total income for calendar year 2020 on page 3 of Exhibit 3 and asked whether the two numbers were comparable.

11:59:09 Mr. Schaefer addressed the question.

11:59:39 Ms. O'Loughlin asked a follow-up question and noted that the percentage of the capital gains income attributed to the non-residents is disproportionately higher than the percentage of their total income.

12:00:09 Mr. Schaefer addressed the question.

12:00:14 Ms. O'Loughlin referred to the "blip" discussed earlier and commented about it in relation to the data pertaining to the non-residents.

12:00:59 Mr. Schaefer addressed the comment.

12:02:02 Rep. Mercer asked about compliance rate and asked whether Montana could learn from experiences from states like Massachusetts and Maryland.

12:03:22 Mr. Schaefer responded to the question.

12:05:23 Rep. Mercer asked to continue working with the DOR regarding the modernization in relation to compliance by non-residents, as this part of the population would only continue to grow.

12:05:25 Chair Jones expressed his agreement with Rep. Mercer's comment.

12:05:59 Mr. Iverson provided further comments and noted that the committee needed to have a clear understanding of non-residents in relation to the types of gains.

12:06:59 Mr. Schaefer continued his presentation on the partial-year residents.

12:11:36 Chair Jones asked Ryan Evans, Assistant Budget Director, Governor's Office of Budget and Program, to provide his input on the matter.

12:12:15 Mr. Evans provided his feedback.

### **Public Comment**

12:13:44 Chair Jones called for public comment. There was none.

### **COMMITTEE DISCUSSION WITH REVENUE INTERIM COMMITTEE**

12:14:11 Chair Jones opened the discussion.

12:14:59 Mr. Hope referred to Mr. Larsen's comment and noted that Montana was experiencing a crisis.

12:16:01 Chair Jones commented on the circuit breakers and noted that it could be a possibility in alleviating the issue.

12:16:29 Mr. Hope elaborated further on his previous comment.

12:16:54 Chair Jones noted that the circuit breakers could be an area that could provide useful directions.

12:17:01 Rep. Buckley asked what the best practices existed that the state could follow.

- 12:17:32 Chair Jones addressed Rep. Buckley's question and elaborated on cross-referencing.
- 12:17:54 Rep. Mercer noted that the data at hand were difficult to perceive clearly.
- 12:18:58 Chair Jones talked about the need for best practices for ensuring that people who telecommute to Montana need to be reminded to pay their share.
- 12:19:28 Chair Jones asked if there would be any input from the Zoom participants.
- 12:19:37 Rep. Beard referred to the discussion that the Revenue Interim Committee had and the data that they were discussing and that still needed to be worked on. Rep. Beard also noted that among other things that the Committee could do was to identify communities with big population increase and examine what would work in those communities in relation to the issues under discussion.
- 12:20:33 Chair Jones referred to the disparity in property value across the state and elaborated on a possibility to regionalize circuit breakers.
- 12:21:19 Ms. Carlson referred to Megan Moore, Research Analyst, Legislative Services Division.
- 12:21:38 Ms. Moore offered to provide an overview of what the Revenue Interim Committee did and what its further plans were.

### **LUNCH RECESS**

- 12:22:50 The committee recessed for lunch.

### **LOCAL GOVERNMENT DATA UPDATE - DEPARTMENT OF ADMINISTRATION, LOCAL GOVERNMENT SERVICES**

- 13:04:25 Chair Jones introduced the agenda item.
- 13:05:35 Kristin Reynolds, Bureau Chief, Local Government Services, State of Montana, provided the update.
- 13:12:19 Mr. Evans provided a further update.
- 13:13:15 Mr. Iverson commented that nobody makes sure that the audits to the local government are followed up on.
- 13:14:05 Ms. Reynolds responded to Mr. Iverson's comment.
- 13:14:55 Mr. Iverson asked whether the Local Government Services had an ability to make sure that the audit findings were resolved.
- 13:15:15 Ms. Reynolds responded to the question.
- 13:15:43 Vice Chair Ellis asked about the changes that the agency was proposing to implement.
- 13:16:30 Ms. Reynolds responded to the question.
- 13:16:52 Mr. Evans elaborated further.
- 13:17:21 Vice Chair Ellis asked Mr. Evans whether there was prioritization and asked to elaborate on what was preventing the administration from making the changes.
- 13:18:19 Mr. Evans addressed the question.

### **Committee Discussion on Issues with Data Collection and Maintenance**

- 13:19:34 Chair Jones elaborated on the issues with data comparison and on the challenges of consistency in the data collection and maintenance.
- 13:22:11 Rep. Mercer asked whether Montana learned from the Glacier County financial fiasco regarding reporting.

- 13:22:41 Chair Jones addressed the question and noted that the county has increased the compliance requirements before funds would get distributed.
- 13:24:18 Ms. Reynolds elaborated further on the point.
- 13:24:47 Rep. Dunwell also provided further elaboration.
- 13:25:25 Mr. Haggerty spoke about policy reasons for monitoring the data and provided further suggestions for improving data collection and maintenance.
- 13:26:53 Ms. Carlson elaborated further.
- 13:27:26 Chair Jones pointed out that representatives of different levels of government were present at the meeting and invited them to contribute to the discussion.
- 13:27:56 Tim Burton, Executive Director, Montana League of Cities and Towns, elaborated on the issue.
- 13:30:58 Jason Rittal, Deputy Director, Montana Association of Counties, provided his thoughts on the issue.
- 13:33:44 Chair Jones thanked the discussion participants and concluded the discussion.

**FEDERAL LAND PAYMENTS**

- 13:34:16 Ms. Carlson introduced the agenda item.
- 13:34:39 Katy Callon, Fiscal Analyst, LFD, presented the report. ([Exhibit 4](#))
- 13:41:23 Chair Jones explained why discussion of the Federal Land Payments was on this committee's agenda.

**Committee Discussion**

The discussion on Federal Land Payments took place among the following participants:

- 13:43:23 Mr. Haggerty
- 13:45:35 Rep. Buckley
- 13:45:52 Mr. Haggerty
- 13:46:28 Mr. Rittal
- 13:47:44 Mr. Iverson
- 13:48:20 Mr. Rittal
- 13:49:15 Mr. Iverson
- 13:49:38 Mr. Rittal
- 13:50:55 Rep. Buckley
- 13:51:27 Ms. O'Loughlin
- 13:51:55 Mr. Rittal
- 13:52:39 Vice Chair Ellis
- 13:53:07 Ms. Callon
- 13:53:16 Vice Chair Ellis
- 13:53:41 Mr. Haggerty
- 13:54:29 Chair Jones
- 13:54:42 Mr. Rittal

## **GROWTH AND HOUSING TRENDS**

- 13:54:55 Chair Jones announced that the discussion will go to “Growth and Housing Trends” and that “Electric Vehicles and Montana Highways” will be discussed at a later time during the current meeting.
- 13:55:25 Ms. Carlson introduced the agenda item.
- 13:55:58 Alex Horowitz, Pew Research Center, provided his report. ([Exhibit 5](#))

## **Committee Discussion**

- 14:25:07 Chair Jones invited questions from the committee.
- 14:25:22 Ms. O’Loughlin referred to the discussion of best practices and asked about inclusionary zoning.
- 14:25:59 Mr. Horowitz addressed the question.
- 14:27:23 Ms. O’Loughlin asked about access to affordable housing in other states and housing for local income level families.
- 14:28:07 Mr. Horowitz addressed the question.
- 14:29:00 Mr. Iverson asked about multigenerational houses in Montana.
- 14:29:24 Mr. Horowitz addressed the question.
- 14:30:17 Vice Chair Ellis asked to elaborate on best practices from other states in regard to short-term renting vs. long-term renting.
- 14:31:15 Mr. Horowitz addressed the question.
- 14:32:51 Mr. Hope asked about statistics on market-based parking.
- 14:33:12 Mr. Horowitz addressed the question.
- 14:35:29 Mr. Hope asked about congestion as the result of the policies and its impact.
- 14:35:38 Mr. Horowitz addressed the question.
- 14:36:56 Chair Jones asked to define the term “by right.”
- 14:37:30 Mr. Horowitz addressed the question.
- 14:38:07 Chair Jones reiterated what Mr. Horowitz said and asked which government level would drive the zoning.
- 14:38:39 Mr. Horowitz addressed the question.
- 14:39:40 Ms. O’Loughlin noted that the local government also had the ability to modify the planning rules and pointed out that it would be beneficial to hear from the local governments about this matter. Ms. O’Loughlin also noted that Montana largely has smaller communities with many streets within the cuspidation of the department of transportation.
- 14:42:33 Chair Jones asked Mr. Horowitz whether he saw more of manufactured homes or site-built homes.
- 14:43:28 Mr. Horowitz addressed the question.
- 14:44:33 Chair Jones pointed out the challenges with manufactured homes as they are considered titled inventory, which causes different finances and linkage to the lot.
- 14:45:07 Mr. Horowitz addressed the comment.
- 14:45:44 Chair Jones said that there seemed to be no best practices for banks for financing or changing the title type property.
- 14:46:15 Mr. Horowitz addressed the comment.
- 14:46:40 Rep. Beard spoke about rezoning in certain areas and the pushback against multi-family housing. Rep. Beard asked whether there was some methodology



that local governments could pursue to educate local public about the need of such type of housing.

14:47:42 Mr. Horowitz addressed the question.

14:49:03 Rep. Dunwell asked about the difference between property tax revenue and property appraisal. Rep. Dunwell also asked about tax liability on the manufactured homes vs. title property

14:49:49 Mr. Horowitz addressed the question regarding the property valuation. Mr. Horowitz said that he had no expertise to answer the second question.

14:51:06 Chair Jones addressed Rep. Dunwell's question.

14:53:04 Mr. Iverson elaborated on different types of manufactured homes.

14:53:47 Mr. Hope elaborated on infrastructure needs of a house and financing of the infrastructure.

14:55:00 Mr. Horowitz elaborated further on the discussion.

14:56:17 Mr. Iverson asked about ARPA funds and an ability for housing built on the edge of a town to come online.

14:56:38 Mr. Haggerty addressed the question.

14:56:52 Ms. O'Loughlin elaborated on the question as well.

14:57:35 Mr. Iverson clarified his question.

14:57:56 Ms. O'Loughlin addressed the question.

14:58:13 Chair Jones invited further questions. There were none.

#### **UPDATE ON MONTANA HOUSING RESEARCH AND ARPA FUNDING**

The report was combined with questions from the committee.

14:58:50 Cheryl Cohen, Executive Director, Housing Division, Department of Commerce, provided report to the committee. ([Exhibit 6](#))

15:03:50 Chair Jones referred to page 2 of Exhibit 6 and asked to clarify about 4% vs. 9%.

15:04:00 Ms. Cohen addressed the question.

15:05:00 Chair Jones asked for further clarification about the term "credit."

15:05:05 Ms. Cohen answered the question and continued her presentation.

15:10:33 Vice Chair Ellis referred to page 5 of Exhibit 6 and asked about the money that has been allocated to the state but that the state hasn't spent.

15:10:43 Ms. Cohen answered the question and resumed her presentation.

15:20:56 Chair Jones invited questions from the participants. There were none.

15:21:18 Ms. Cohen resumed her presentation.

15:28:43 Ms. O'Loughlin referred to page 2 of Exhibit 6 and asked about federal vs. state dollars.

15:29:11 Ms. Cohen addressed the question.

15:29:24 Rep. Mercer asked to clarify about \$15M referred to on the coal trust program slide of Exhibit 6.

15:29:55 Ms. Cohen responded to the question.

15:30:38 Rep. Mercer asked about single-family dwellings and apartments.

15:31:05 Ms. Cohen addressed the question.

- 15:31:08 Rep. Mercer referred to page 16 of Exhibit 6 and asked whether there was any attempt to distribute the affordable housing units equitably across Montana.
- 15:31:52 Ms. Cohen addressed the question.
- 15:32:58 Rep. Dunwell referred to developers mentioned in the presentation who were given awards and asked how many developers did not receive awards.
- 15:33:22 Ms. Cohen addressed the question.
- 15:33:33 Mr. Haggerty referred to the discussion about the time that it takes to permit development and noted that it could be a contributing factor. Mr. Haggerty asked whether the administration targeted specifically the affordable housing units, without including other types of housing.
- 15:34:21 Ms. Cohen addressed the question.
- 15:35:14 Mr. Haggerty commented on the concept of how various designs of manufactured homes go through the approval process.

### **HOUSING DATA VISUALIZATION**

- 15:35:50 Molly DelCurto, Fiscal Analyst, LFD, provided presentation using [interactive map](#).
- 15:39:57 Chair Jones requested to see the data on the interactive map on the county level. Ms. DelCurto showed the data on the county level.
- 15:41:03 Mr. Iverson noted that there were not enough houses generated for the growing population and, at the same time, many existing houses were converted into vacation rental houses.
- 15:41:43 Chair Jones elaborated further.
- 15:42:02 Mr. Hope stated that Montana communities were independent from each other and that there was a need for those communities to share their best practices with each other.
- 15:43:01 Chair Jones expressed his agreement and noted that the state needed to rethink zoning.
- 15:43:44 Mr. Hope elaborated further.
- 15:44:27 Mr. Haggerty said that he was a member of the city zoning board and elaborated on the ways the Board came up with to alleviate the current issue with housing in Montana.

### **RECAP OF RELATED LEGISLATION FROM THE 2021 LEGISLATIVE SESSION**

- 15:45:45 Toni Henneman, Fiscal Analyst, LFD, provided an overview of the recent housing legislation. ([Exhibit 7](#))
- 15:57:06 Chair Jones asked Ms. Henneman to summarize the opposition to HB 134.
- 15:57:14 Ms. Henneman addressed the question and continued her presentation.
- 16:05:54 Chair Jones elaborated on the challenges that legislations such as HB 134 faced during the legislative process.
- 16:07:41 Mr. Iverson asked about restrictions of the city in planning.
- 16:07:41 Mr. Iverson asked about restrictions of the city in planning.
- 16:08:10 Ms. Henneman addressed the question.

### **Public Comment**

- 16:08:20 Chair Jones invited public comment on the Housing Section. There was none.

## **ELECTRIC VEHICLES AND MONTANA HIGHWAYS**

The report was combined with questions from the committee.

- 16:09:10 Chair Jones opened the discussion of this agenda item.
- 16:09:43 Ms. Callon delivered her report to the committee. ([Exhibit 8](#))
- 16:27:49 Mr. Haggerty asked how many electric vehicle charging stations it would be possible to purchase with \$43M.
- 16:28:12 Ms. Callon addressed the question.
- 16:28:59 Vice Chair Ellis asked about charging stations and DEQ's grant for new charging stations.
- 16:29:38 Ms. Callon addressed the question.
- 16:30:02 Mr. Iverson asked whether the new charging stations that get installed through the grants are free of charge for users.
- 16:30:20 Ms. Callon addressed the question.
- 16:31:06 Chair Jones elaborated further.
- 16:32:59 Ms. O'Loughlin asked about the influx of the federal funds and about highway dollars.
- 16:33:26 Chair Jones addressed the question.
- 16:34:03 Ms. Callon elaborated on the funding for charging stations.
- 16:34:42 Ms. O'Loughlin asked about the estimated revenue impact.
- 16:35:34 Ms. Callon addressed the question.
- 16:36:00 Chair Jones elaborated further.
- 16:36:10 Ms. O'Loughlin elaborated further on her original question.
- 16:36:32 Ms. Callon resumed her report.
- 16:38:25 Ms. Carlson responded to Ms. O'Loughlin's question about estimated revenue.
- 16:38:54 Ms. Callon resumed her report.
- 16:39:13 Rep. Mercer elaborated on the legislation related to the current discussion on electric vehicles that was vetoed but was worth looking at.
- 16:39:34 Chair Jones elaborated further on the reasons for the legislation under discussion to not be successful.
- 16:40:33 Mr. Iverson elaborated further.
- 16:41:27 Ms. Callon resumed her presentation.
- 16:42:39 Chair Jones commented on the Oklahoma's DRIVE Act of 2021.
- 16:43:31 Ms. Callon resumed her report.
- 16:48:28 Mr. Hope asked about the impact the electric vehicles would have on the grid system in Montana.
- 16:49:36 Ms. Callon addressed the question.
- 16:50:16 Mr. Hope noted that those charging stations would have to be certified.
- 16:50:41 Chair Jones summarized committee's questions related to growing usage of hybrid and fully electric vehicles.
- 16:52:20 Ms. O'Loughlin referred to the Oklahoma bill and asked about the policy reasons for the delay.
- 16:52:53 Chair Jones addressed the question.

16:54:23 Mr. Iverson provided further comment.  
16:55:05 Rep. Dunwell asked about the tax on charging stations in the Oklahoma's Drive Act 2021.  
16:56:06 Ms. Callon addressed the question.  
16:56:48 Chair Jones elaborated further.  
16:57:17 Ms. Callon also elaborated further.  
16:57:27 Mr. Hope commented about the industry standing on its own and not needing to be subsidized.  
16:58:02 Chair Jones expressed agreement about needing to make the environment equitable for the industry.  
16:58:21 Mr. Iverson provided further comment.  
16:58:30 Chair Jones concluded the discussion.

**COMMITTEE DISCUSSION WITH INVITED INTERIM COMMITTEES**

16:58:58 Chair Jones invited discussion with other Interim Committees. There was none. Chair Jones briefly went over agenda for day 2 of the meeting.

**RECESS UNTIL FOLLOWING MORNING**

17:01:17 Chair Jones announced recess until the following morning, November 30, 2021.

November 30, 2021

**CALL TO ORDER**

08:30:31 Chair Jones reconvened the meeting and went over the agenda items for day two of the meeting.

**NATIONAL CONFERENCE OF STATE LEGISLATURES' PRESENTATION: K-12 EDUCATION**

**National Conference of State Legislatures**

08:33:22 Michelle Exstrom, Director of Education, NCSL, provided the report. **(Exhibit 9)**

08:49:48 Chair Jones invited questions from the committee. There were none.

**National Center for Education and the Economy**

The report was combined with questions from the committee.

08:50:04 Ms. Exstrom introduced the report entitled "Redesigning Montana's Education System for a Changing Global Economy."

08:50:56 Jason Dougal, President & COO, National Center for Education and the Economy, delivered the report. [\(Exhibit 10\)](#)

09:10:48 Chair Jones called for questions.

09:11:00 Rep. Bedey asked about the data source used on page 8, Exhibit 10. Rep. Bedey also referred to the absolute distribution mentioned in the presentation and asked about the relative distribution.

09:12:04 Mr. Dougal responded to the question.

09:12:15 Rep. Bedey elaborated on the importance of literacy and numeracy vs. critical thinking skills and noted that the latter cannot be attained without the literacy and numeracy. Rep. Bedey also noted that there was a significant degree of political instability in the country and that the education plays a role in the stability by bringing the sense of common purpose, thus, being a unifying principle.

09:14:05 Mr. Dougal expressed his agreement with the point about critical thinking. Mr. Dougal continued his presentation.

09:25:36 Chair Jones invited questions from the committee. There were none.

09:25:47 Mr. Dougal continued with his presentation.

09:45:13 Rep. Beard referred to the graph on page 8 of Exhibit 10 and asked about causation factors: whether there was a single identifiable factor or whether there was a combination of factors.

09:46:03 Mr. Dougal addressed the question.

09:50:00 Rep. Bedey remarked that based on Mr. Dougal's presentation, Montana was failing at both, literacy and numeracy. Rep. Bedey also noted that it was important to be cognizant of the fact that Asia's and America's cultural environments differ significantly. Additionally, Rep. Bedey stated that the idea of interpersonal skills changed in the last 50 years. Rep. Bedey requested data regarding the top 5 percent performance from page 8 of Exhibit 10.

09:52:31 Mr. Dougal addressed each point in Rep. Bedey's comment.

09:55:21 Rep. Funk spoke about the parental factor in education and how it had changed in the last 50 years. Rep. Funk also noted that the status of the teachers had changed as well and asked if anything could be done about that.

09:58:40 Mr. Dougal addressed the question.

10:02:02 Rep. Funk referred to the part of the presentation dealing with the number of hires vs. jobs that needed to be filled in Montana and asked what field or industry was not meeting the expectations.

10:03:42 Chair Jones addressed the question.

10:04:48 Vice Chair Ellis asked to elaborate on the technology piece mentioned in the presentation and where it needed to be emphasized, as well as on the fact that Montana is the 50th in the country with respect to the distribution.

10:05:30 Mr. Dougal addressed Vice Chair Ellis' remarks.

10:08:20 Rep. Reksten asked to elaborate on recommendations for how Montana could change into a high-performing state.

10:10:08 Mr. Dougal addressed the question and spoke about change management.

10:12:47 Chair Jones closed the discussion.

### **Southern Regional Education Board**

10:13:06 Stephen Pruitt, President, Southern Regional Education Board, delivered the report entitled "Education and Workforce: Capacity Building." ([Exhibit 11](#))

### **Committee Discussion**

10:42:22 Chair Jones announced that after committee discussion on K-12 education presentations, Lance Melton, Montana School Boards Association (MTSBA), will provide specifics of K-12 education in Montana.

10:42:45 Sen. Salomon asked to clarify what a "bonus point" is.

10:42:55 Mr. Pruitt addressed the question.

10:44:11 Sen. Salomon asked for further clarification on what the bonus points were good for.

10:44:19 Mr. Pruitt Mr. Pruitt addressed the question.

10:44:40 Sen. Salomon asked what the reward to that school would be if the accountability score went up.

10:44:50 Mr. Pruitt addressed the question.

10:45:38 Sen. Salomon referred to the discussion of literacy in Mr. Pruitt's presentation and asked whether it was implied to be mandated by state. Sen. Salomon noted that Montana is a state with a lot of local control. Sen. Salomon asked Mr. Pruitt how the two situations – of state mandate and local control – could be aligned.

10:46:00 Mr. Pruitt addressed the question.

10:47:46 Rep. Mercer asked to provide a good example of a state using report cards on high schools based on the outcomes that were observed in the higher education system in that state.

10:48:18 Mr. Pruitt addressed the question.

10:49:58 Mr. Iverson remarked that in the workforce as well as in the educational system a message needs to be clear that the only acceptable kind of work is "A" work, or excellent work, as opposed to "B" quality work.

10:51:29 Mr. Pruitt addressed Mr. Iverson's comment.

- 10:52:19 Chair Jones reiterated the main points of Mr. Pruitt's presentation and asked to confirm whether that was a correct summary.
- 10:53:25 Mr. Pruitt responded to Chair Jones' synopsis.
- 10:54:45 Mr. Hope noted that the educators might be overcomplicating the situation as math, for instance, is the same as it was decades ago. Mr. Hope also emphasized the importance of a family unit and the responsibility it carries when it comes to K-12 education.
- 10:57:37 Mr. Pruitt addressed the comment.
- 11:00:26 Mr. Hope asked whether students' success, including income levels, was tracked 8 years after graduation.
- 11:01:26 Mr. Pruitt addressed the question.

### **Montana Specifics Regarding Education**

- 11:03:36 Chair Jones invited Mr. Melton to provide a presentation on the state of affairs regarding K-12 education in Montana.
- 11:07:55 Mr. Melton provided the update. [\(Exhibit 12\)](#)

### **Public Comment**

- 11:21:59 Chair Jones invited public comment.
- 11:22:07 Elsie Arntzen, Superintendent, Montana Office of Public Instruction, spoke about various topics within the educational system in Montana revolving around importance of innovation and local control.
- 11:28:50 Chair Jones thanked the participants and closed discussion on the education part of the agenda.

### **DATA-DRIVEN PUBLIC SAFETY STRATEGIES**

#### **Pew Research**

- 11:29:50 Chair Jones announced a discussion on the data-driven public safety strategies.
- 11:30:00 Ms. Carlson introduced Jake Horowitz, Director, Pew Research Center, to the committee.
- 11:30:10 Mr. Horowitz provided the report with respect to Montana's correctional system. [\(Exhibit 13\)](#)

### **Discussion with the Public Safety Interim Committees**

- 11:47:56 Chair Jones provided the framework on Public Safety and noted that it constituted a significant part of the state budget.
- 11:48:59 Rep. Mercer invited a discussion about costs of victimization and recidivism.
- 11:50:36 Mr. Horowitz addressed Rep. Mercer's comment.
- 11:53:44 Rep. Mercer acknowledged Mr. Horowitz's response but noted that many things depended on the question of costs and savings. Rep. Mercer pointed out that violent crime rate has been rising for the last decade making Montana face a problem that other states were not encountering. Lastly, Rep. Mercer stated that there was a need in more relevant data from across the country.
- 11:56:24 Rep. Bishop referred to the data collection survey conducted in the Law and Justice Interim Committee with the purpose of determining how other states collected and integrated their data. Rep. Bishop noted that it was hard to know what legislators and stakeholders want to know and asked what kinds of

- resources could be provided showing how other states have utilized the data points which were available and usable immediately.
- 11:57:38 Mr. Horowitz addressed the question.
- 12:00:03 Ms. O'Loughlin noted that there was a growing number of individuals facing mental health issues while, at the same time, there was a problem with access to mental health services. Ms. O'Loughlin asked Mr. Horowitz to elaborate on it. Ms. O'Loughlin also asked whether there were other states that approached subjects of mental health and the justice system holistically without separating the two.
- 12:01:18 Mr. Horowitz addressed the first point.
- 12:04:03 Ms. O'Loughlin clarified her second question.
- 12:04:26 Mr. Horowitz addressed the question.
- 12:06:33 Chair Jones remarked that the data project is a long-term enterprise and elaborated on what questions it should address.
- 12:09:32 Rep. Mercer provided a summary of the criminal justice system data discussion that the Public Safety Interim Budget Committee had during the September 15, 2021, meeting. Rep. Mercer pointed out that the committee would have more information in March.
- 12:12:20 Chair Jones asked Ms. Carlson to elaborate.
- 12:12:45 Ms. Carlson noted that the LFD staff as well as Rachel Weiss, Research Analyst, Legislative Services Division, had visited with various agencies to learn what data they had and how they utilized it. Ms. Carlson stated that they would also be able to provide a report to the committee in March 2022.
- 12:13:23 Ms. O'Loughlin suggested reaching out to Montana Healthcare Foundation.
- 12:14:35 Ms. Carlson noted that the LFD would connect with the foundation.
- 12:14:46 Cynthia Wolken, Deputy Director, DOC, elaborated on challenges associated with the data collection and maintenance. Ms. Wolken also announced that October 20, 2021, was the first day when there were no juvenile girls in Montana prison.
- 12:16:55 Chair Jones invited further questions.
- 12:17:07 Ms. Carlson announced that at the end of the current meeting she would distribute a draft agenda for the next meeting that the committee members could edit and provide suggestions on.

### **Public Comment**

- 12:17:22 Chair Jones called for public comment. There was none.

### **LUNCH RECESS**

- 12:18:55 The committee recessed for lunch.

### **ENERGY AND THE MONTANA ECONOMY**

#### **Future Energy Economics**

- 13:02:28 Chair Jones introduced the agenda item. Committee members and staff were working on determining Jeremy Hargreaves', Ph.D., Evolved Energy Research, participation in the meeting.

#### **Brief Recess**



13:05:57 Chair Jones announced a brief recess.

### **Montana's Potential Economy and Community Impacts**

- 13:07:55 Chair Jones called the committee back to order and announced that the discussion on the Future Energy Economics will take place at a later time in the current meeting. Chair Jones opened discussion on Montana's Potential Economy and Community impacts.
- 13:08:14 Mr. Haggerty introduced Lee Spangler, Ph.D., Director of Energy Research Institute, Montana State University.
- 13:09:32 Mr. Spangler delivered a presentation entitled "On the Road to Carbon Neutrality in the Intermountain West." ([Exhibit 14](#))

### **Future Energy Economics– continued**

- 13:17:30 Ms. Carlson apologized for issues with bringing Mr. Hargreaves into discussion in a timely manner and invited Mr. Haggerty to provide updates on energy economy in Montana and across the country.
- 13:18:27 Mr. Haggerty provided the updates to the committee.
- 13:20:50 Mr. Spangler elaborated further on the modeling done by the Energy Research Institute.

### **Committee Discussion on Montana's Potential Economy and Community Impacts & Future Energy Economics**

- 13:22:24 Chair Jones spoke about his experience traveled with Northwest to the west coast to study the possibilities for marketing a variety of power.
- 13:24:38 Rep. Beard noted that she had recently returned from a meeting at the Energy Policy Institute in DC where stakeholders had a week-long comprehensive symposium on how to best approach energy delivery and production in the U.S. Rep. Beard asked Mr. Spangler to elaborate on a number of topics associated with that meeting, including the intersectionality of population economic drivers and the reduction of rising global temperature in the next 30 years, locations of the earth's mineral production and hazard waste production issues, as well as the conclusion of the Glasgow Summit in general.
- 13:26:25 Mr. Spangler addressed Rep. Beard's question.
- 13:29:29 Rep. Beard asked to elaborate on any discussions currently taking place in Montana to retain the power delivery that is currently in place as well as on the renewable energy opportunities.
- 13:29:54 Mr. Spangler addressed the questions.
- 13:30:53 Rep. Dunwell asked to elaborate on suggestions on how to bring every Montanan along so that Montana could act on the opportunities discussed by Mr. Spangler in his presentation.
- 13:31:48 Mr. Spangler addressed the question.
- 13:34:45 Vice Chair Ellis asked Mr. Spangler to elaborate on the specific project that he was working on, specifically to address the point about the blueprint for theoretically bringing the stakeholders together as it didn't seem that a pilot study was involved. Vice Chair Ellis also asked about the deadline for the grant that Mr. Spangler's team was awarded.
- 13:35:18 Mr. Spangler addressed Vice Chair Ellis' questions.

- 13:36:36 Mr. Haggerty elaborated on the purpose of the project that was designed to look at the best models that existed up to date and the role that Mr. Spangler and his team played in the interpretation of those with respect to Montana.
- 13:38:39 Mr. Spangler elaborated further on Mr. Haggerty's comment.
- 13:39:43 Mr. Iverson asked what kind of infrastructure would be needed for hydrogen production.
- 13:40:00 Mr. Spangler addressed the question.
- 13:40:49 Mr. Iverson asked about transportation of hydrogen.
- 13:40:58 Mr. Spangler addressed the question.
- 13:41:19 Chair Jones announced that Mr. Hargreaves has joined the discussion now.
- 13:42:07 Ms. Carlson introduced Mr. Hargreaves.

### **Future Energy Economics– continued**

- 13:42:21 Mr. Hargreaves delivered a report on the future energy economics entitled "Northwest Decarbonization Studies Insights: Opportunities for Montana."  
[\(Exhibit 15\)](#)

### **Committee Discussion**

- 14:14:56 Chair Jones explained why this discussion was important for this committee and noted that besides other elements, a conversation on the impact on the state's economy was of significance. Chair Jones invited questions from the committee.
- 14:19:02 Mr. Haggerty remarked that Montana's tax structure was reliant on sectors that are declining; at the same time, there are opportunities in the sectors that are not in Montana yet or are present but need to be expanded. Thus, it was important for this committee to understand what the revenue implications of that would be.
- 14:20:05 Chair Jones elaborated further on the points raised by Mr. Haggerty.
- 14:20:43 Mr. Spangler complemented Chair Jones on a fair assessment of the situation and elaborated on the Great Falls refinery switching a third of their capacity to biofuels.
- 14:22:30 Ms. O'Loughlin referred to significant quantities of wind in Montana and Wyoming that Chair Jones mentioned and asked about the feasibility of transmission expansion specifically in Wyoming.
- 14:23:14 Mr. Hargreaves addressed the question.
- 14:25:23 Ms. O'Loughlin referred to page 39 of Exhibit 15 and asked about the reasons for the exports increase.
- 14:25:49 Mr. Hargreaves addressed the question.
- 14:26:57 Chair Jones elaborated further on the transmission.
- 14:27:33 Rep. Beard referred the distribution grid and energy produced for local use as well as for export and asked whether Mr. Hargreaves had done any computer modeling in that regard.
- 14:28:37 Mr. Hargreaves addressed the question.
- 14:31:11 Rep. Beard clarified her question and asked whether Mr. Hargreaves had done computer modeling exploring whether it would be possible to bring on other sources, especially, renewable energy into the existing grid.
- 14:31:42 Mr. Hargreaves addressed the question.
- 14:32:39 Ms. O'Loughlin asked how Wyoming was taxing wind.

14:32:57 Mr. Haggerty addressed the question.

14:34:20 Rep. Dunwell referred to the state resources and replacing the coal tax revenue and asked whether there was any opportunity for the savings that the home owners and business consumers would realize with the transition to the renewable energy over time and using those savings to replace the coal tax revenue.

14:35:34 Chair Jones addressed the question.

14:37:04 Rep. Dunwell elaborated further on her original question as well as asked about energy conservation modeling.

14:38:15 Mr. Hargreaves addressed the question.

14:41:25 Mr. Iverson asked whether Montana had a reclamation policy in regard to the wind farms.

14:41:55 Chair Jones addressed the question.

14:42:25 Vice Chair Ellis elaborated further on the reclamation requirement.

14:42:36 Mr. Hope added to the discussion by stating that from a point of theoretical investment, it was an uncertain matter as politics drives the policy.

14:43:19 Chair Jones expressed his agreement and elaborated further.

14:44:46 Mr. Iverson asked about possibilities of modular nuclear reactors in Montana.

14:45:10 Chair Jones added to the question.

14:45:21 Mr. Hargreaves addressed the question.

14:46:50 Sen. Salomon expressed his agreement that attempting to predict what the situation would be in 20-30 years meant dealing with a moving target. Sen. Salomon remarked that it was clear that a change was approaching; however, the issue boiled down to the fact that whatever was going to cost less would be what people would want to do; the final choices would be cost driven.

14:47:55 Chair Jones elaborated on the cost factor in the equation. Chair Jones sked Mr. Hargreaves whether natural gas could be a bridge through some of these areas and times that were being discussed.

14:48:50 Mr. Hargreaves addressed the question.

14:52:43 Mr. Haggerty spoke about the role that the state and especially the universities could play in driving and accelerating innovation and asked Mr. Spangler to elaborate on what he and his team were involved in and on how the state and the university might participate in advancing a lot of the technology and partnering with the private sector to make sure that things were cost-effective.

14:53:45 Mr. Spangler addressed the question.

14:57:44 Chair Jones thanked the presenters and concluded the discussion on energy and the Montana economy.

## **LONG-TERM ECONOMY, POPULATION, AND LAND USE STUDY PANELISTS**

### **Headwaters Economics**

14:57:52 Chair Jones introduced discussion on the long-term economy, population, and land use studies.

14:58:34 Ms. Carlson introduced the agenda item further.

15:00:12 Megan Lawson, Ph.D., Headwaters Economics, delivered the report entitled "Land Use Modeling to Address Montana's Challenges." (**Exhibit 16**)

15:16:09 Chair Jones announced that the committee discussion would take place after the next presentation.

### **College of Environmental Design, UC Berkeley**

15:16:27 John Radke, Ph.D., College of Environmental Design, Center for Catastrophic Risk Management, UC Berkeley, delivered the report entitled “Methods for Strategic Planning: the Process of Modernization and Risk Analysis of Land Use under Anthropogenic Impacts on Infrastructure in the State of Montana.”

#### **(Exhibit 17)**

15:39:50 Chair Jones provided background information for why the section on land use was on the committee’s agenda.

### **Public Comment**

15:42:03 Chair Jones invited stakeholders from local governments to share their prospective on the topic under discussion.

15:42:55 Jason Rittal, Deputy Director, Montana Association of Counties (MACo), spoke about conversations MACo and other stakeholders had had about future growth and how local governments could get involved.

15:43:38 Chris Puyear, Montana NorthWestern Energy, stated that NorthWestern Energy was involved significantly in the state of Montana and that it wanted to make the most efficient infrastructure investment that it could to serve the customers in the state economy. Mr. Puyear stated that NorthWestern Energy would be happy to be part of the process

### **Committee Discussion**

15:44:08 Chair Jones opened the committee discussion.

15:44:31 Mr. Haggerty noted that there were a lot of data presented allowing to predict and project where development might be occurring and where the future infrastructure might be needed. Mr. Haggerty asked what the potential was to implement very sophisticated modeling to allow the state to use the funding immediately.

15:45:18 Mr. Radke addressed the question.

15:49:07 Ms. Lawson also addressed the question.

15:51:10 Chair Jones thanked participants in the discussion of land use modeling and invited Scott Osterman, Director, Department of Commerce, to contribute to the discussion.

15:52:04 Mr. Osterman elaborated on the idea that it was necessary to find ways enabling Montana to grow economically while being able to maintain the Montana way of life.

15:54:28 Rep. Mercer asked about the economic development component of Mr. Osterman’s comment: whether, by utilizing mapping technology, it would be possible to make determinations about what kind of businesses would be allowed in particular regions.

15:55:08 Mr. Osterman responded to the question.

15:56:33 Chair Jones concluded this section of the agenda and opened a discussion on the LFD modeling.

## **UPDATE ON LFD MODELING**

15:56:57 Mr. VanBrown provided an update, including relevant goals outlined in HB 330, on modeling process that the LFD had been working on.

## **Committee Discussion**

16:03:45 Chair Jones elaborated further on the goals of the modeling discussed by Mr. VanBrown. Chair Jones also spoke about the meeting agenda for the upcoming meeting in March 2022.

16:04:40 Rep. Mercer asked which section of HB 330 pertained to the current discussion and whether the modeling discussed by Mr. VanBrown was intended to capture the entire section of the bill.

16:05:40 Mr. VanBrown addressed the question.

16:08:12 Rep. Mercer noted that it seemed that it would be a massive amount of work for the LFD staff to do and that ultimately a judgement call would need to be made about whether it would make sense to narrow the scope of modeling.

16:09:16 Ms. Carlson addressed Rep. Mercer's comment.

16:12:29 Chair Jones further addressed the point made by Rep. Mercer.

16:14:45 Ms. Carlson spoke about the specific goals for each of the upcoming committee meeting regarding the modeling project.

16:15:21 Chair Jones spoke about the necessity of being able to model the outcomes of various large-scale ventures regardless of the popularity of the topics.

## **Committee Discussion on March 2022 Meeting Agenda**

16:16:19 Ms. Carlson went over the preliminary agenda for the next committee meeting in March 2022 and asked committee members to provide their feedback.

16:21:11 Ms. O'Loughlin asked about the future of the infrastructure agenda item.

16:21:35 Ms. Carlson addressed the question.

16:22:45 Vice Chair Ellis said that she had the same question as Ms. O'Loughlin. Additionally, Vice Chair Ellis stated that she had an interest in this committee looking at ways to study and find means enabling adequate funding for providing the broadband.

16:23:21 Chair Jones asked whether members of the committee were in agreement regarding the preliminary agenda.

16:23:54 Mr. Haggerty asked how many more meetings there were left in total and asked to reiterate the overall goals for this committee.

16:24:20 Ms. Carlson addressed the question.

16:26:23 Mr. Haggerty reiterated what the content of the next committee meeting would be and provided his suggestions.

16:28:08 Rep. Mercer elaborated on the overall goal of this committee in response to Mr. Haggerty's question. Rep. Mercer proposed to discuss whether the current number of meetings would allow enough deliberation on the topics that the committee wanted to work on as well as suggested to add an extra meeting.

16:30:09 Chair Jones addressed Rep. Mercer's suggestion.

16:30:27 Ms. Carlson also elaborated on the suggestion about an additional meeting.

16:32:40 Chair Jones stated that he would not be against an additional meeting if the committee members and the stakeholders would be able to do it.

16:33:20 Ms. Carlson proposed to add the extra meeting at the end of the stream in October of 2022 as opposed to adding a meeting in February of 2022 and spoke of the benefits of such arrangement.

16:34:35 Sen. Salomon expressed his agreement.

16:34:46 Vice Chair Ellis emphasized that various updates provided to the committee needed to focus on specific questions.

16:35:14 Chair Jones asked the committee members whether they found presentations by non-government specialists beneficial.

16:35:22 Mr. Haggerty stated that he found those presentations valuable. Mr. Haggerty asked whether it would be reasonable to schedule presentations by the industry experts outside of meetings days so that the meeting days could be utilized for discussion of data, modeling, etc.

16:36:09 Vice Chair Ellis reminded the committee members that there were notice requirements to ensure people's right to know and right to participate.

16:36:22 Chair Jones responded to Vice Chair Ellis' comment.

16:36:44 Rep. Bedey stated that he was interested in a legislation coming out of the Financial Modernization and Risk Analysis Study Committee since this committee was proposing a model that would guide the state for the next several years.

16:37:35 Chair Jones addressed the comment.

16:38:31 Rep. Mercer also responded to Rep. Bedey's comment.

16:39:21 Rep. Bedey elaborated further on his original comment.

16:40:40 Rep. Dunwell elaborated on the policy ideas that she heard discussed in the current meeting that were relevant to those discussed in the Local Government Interim Committee.

16:42:34 Chair Jones briefly responded to Rep. Dunwell's observations.

16:42:42 Vice Chair Ellis referred to Rep. Bedey's comment and stated that it would be very helpful to take some of the data discussions and presentations on modeling to relevant interim committees.

16:43:18 Chair Jones agreed and stated that it was his desire that the data discussed in this committee would be expanded upon by specific interim committees depending on their area of expertise.

16:43:55 Ms. Carlson elaborated further on the idea of specific interim committees having similar discussions and expanding upon discussions from this committee.

16:45:05 Mr. Hope requested to hear more about market-based parking and land planning.

16:46:46 Ms. Carlson stated that they received enough guidance regarding the agenda for the next committee meeting, as well as addressed Mr. Haggerty's suggestion about possibly having informational meetings with specialists via zoom outside of the regular committee meetings, given that proper notices were given to the public.

16:47:26 Chair Jones concluded the meeting. The meeting adjourned.

## **ADJOURNMENT**

Adjournment: 16:47:35