



LEGISLATIVE FINANCE COMMITTEE

67th Montana Legislature

SENATE MEMBERS

Mike Cuffe
Janet Ellis
Tom Jacobson
Bob Keenan
Ryan Lynch
Daniel Salomon

HOUSE MEMBERS

Dan Bartel
David Bedey
Mary Caferro
Frank Garner
Jim Hamilton
Kenneth Holmlund
Llew Jones
Jim Keane
Emma Kerr-Carpenter
Bill Mercer
Sharon Stewart Peregoy
Jonathan Windy Boy

COMMITTEE STAFF

Amy Carlson - Legislative Fiscal Analyst
Julie Johnson - Attorney
Katya Grover - Clerk

MINUTES LOG

November 08, 2021
Zoom Platform
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:

Sen. Daniel Salomon, Chair (R)
Rep. Mary Caferro, Vice Chair (D)
Rep. Dan Bartel (R)
Rep. David Bedey (R)
Sen. Mike Cuffe (R)
Sen. Janet Ellis (D)
Rep. Frank Garner (R)
Rep. Jim Hamilton (D)
Rep. Kenneth Holmlund (R)
Rep. Llew Jones (R)
Rep. Jim Keane (D)
Sen. Bob Keenan (R)
Rep. Emma Kerr-Carpenter (D)
Sen. Ryan Lynch (D)
Rep. Bill Mercer (R)
Rep. Sharon Stewart Peregoy (D)
Rep. Jonathan Windy Boy (D)

MEMBERS EXCUSED:

Sen. Tom Jacobson (D)

STAFF PRESENT:

Amy Carlson, Director, LFD
Julie Johnson, Staff Attorney
Katya Grover, Committee Clerk

AGENDA ([Attachment 1](#))

CALL TO ORDER/ROLL CALL

09:00:20 Vice Chair Caferro called the meeting to order at 9:00 AM. Rep. Caferro elaborated on the reasons this meeting was called to order. ([Exhibit 1](#)) The committee secretary took roll.

Election of the Officer

Motion

09:05:52 Rep. Holmlund moved Sen. Salomon be elected the Chairman of the Legislative Finance Committee (LFD).

09:06:13 Vice Chair Caferro asked the committee members whether there were other nominations. There were none.

Vote:

09:06:37 The motion passed unanimously on a voice vote.

HB 632 Section 26(3) and (6) Update

09:07:11 Chair Salomon welcomed Sen. Cuffe as the new member in the LFC. Chair Salomon invited Ryan Osmundson, Budget Director, Governor's Office of Budget and Program Planning, to provide an update regarding Section 26(3) and (6) of HB 632.

09:07:44 Mr. Osmundson provided the update.

Committee Discussion

09:10:40 Chair Salomon asked whether all the changes that Mr. Osmundson had discussed had the consensus of the Economic Transformation and Stabilization and Workforce Development Programs and Advisory Commission.

09:11:08 Mr. Osmundson addressed the question.

09:11:22 Rep. Hamilton asked about the number of positions that needed to be filled by recruiting from out of state; about retention efforts; and about the remaining shortfall of the positions if all the current workers were to remain in their positions.

09:12:30 Mr. Osmundson responded to the question.

09:14:00 Sen. Ellis referred to the Department of Justice hiring 3.00 FTE and using some of the ARPA funds to provide money for those new salaries and asked to elaborate on the difference between the Department of Justice and the health care industry regarding to where the administration was thinking about putting the ARPA money.

09:15:20 Mr. Osmundson addressed the question.

09:16:05 Rep. Kerr-Carpenter asked whether the DCIA employees were going to be based in Yellowstone County or in Helena.

09:16:28 Mr. Osmundson responded to the question.

09:16:58 Rep. Kerr-Carpenter asked about three new positions that the Department of Justice was requesting to fund and about the American Rescue Plan funds that are available for the next three years.

09:17:26 Mr. Osmundson responded to the question.

09:18:02 Rep. Stewart Peregoy referred to the memorandum requesting the current meeting (see Exhibit 1) and noted that she was concerned about educators in addition to health care workers. Rep. Stewart Peregoy referred to the constituents reaching out to her and noted that her major concern was that many Montanans submit applications for employment and do not hear back, while at the same time there is a plan to bring in people from out of state.

09:20:22 Mr. Osmundson addressed Rep. Stewart Peregoy's comment.

09:22:27 Rep. Stewart Peregoy emphasized that the feedback that she heard from her constituents was that they were willing to work and apply but did not hear back from potential employers.

09:22:45 Sen. Ellis asked Mr. Osmundson whether there had been conversations with hospitals directing them how to spend the funds and to provide better funding for on the ground workers, especially those working with COVID-19 patients in particular.

09:23:45 Mr. Osmundson addressed the question.

09:24:26 Vice Chair Caferro asked about the distribution of the funds for the bonuses for recruiting the-out-of-state workers.

09:25:01 Mr. Osmundson provided clarification about funds under discussion not being bonuses and addressed the overall question.

09:25:52 Vice Chair Caferro asked about the maximum amount that the out-of-state workers would receive upon relocating to Montana.

09:26:20 Mr. Osmundson addressed the question.

09:26:44 Vice Chair Caferro asked to clarify why the recommendation under discussion specifically singled out the out-of-state workers, thus, excluding in-state workers.

09:28:03 Mr. Osmundson addressed the question.

09:29:09 Vice Chair Caferro noted that the existing in-state workers may need to relocate within Montana and, therefore, incur expenses and asked why the in-state workers were being excluded from the proposed funding.

09:30:30 Mr. Osmundson responded to the question.

09:31:44 Chair Salomon noted that this type of questions would be better asked of the Economic and Workforce Advisory Commission (EWAC) as these topics are in their purview. Chair Salomon also emphasized that what was being discussed was reimbursement and not bonuses.

09:32:30 Mr. Osmundson elaborated further on the point.

09:32:37 Rep. Windy Boy noted that the in-state workers also need to be reimbursed for relocating within the state. Rep. Windy Boy further pointed out that educators need additional funding as well, as many of them are leaving Montana because of the inadequate pay.

09:34:38 Chair Salomon reminded members of the LFC that these points needed to be discussed in the EWAC.

09:34:55 Rep. Jones noted that millions of dollars have been allocated to the in-state workers in various ways. Rep. Jones further addressed the point about taking

care of Montanans and emphasized that the unemployment rate in Montana is very low meaning that Montana needs more workers than it already has.

09:38:05 Rep. Kerr-Carpenter noted that the issue Yellowstone County is experiencing right now started before the COVID-19 pandemic and she hoped that there would be good resources put forward to solve the ongoing issues on the enforcing side and prevention side.

09:39:38 Rep. Windy Boy stated that if a motion was in order, then he would move to allocate \$4,000,000 for in-state workers.

09:40:22 Chair Salomon pointed out that this committee did not have the authority to do that.

09:40:28 Amy Carlson, Director, LFD, confirmed that this committee doesn't have the authority to decide how the money is going to be allocated.

09:40:45 Julie Jonson, Staff Attorney, Legislative Services Division, stated that this committee has no authority to decide how to allocate the funds in HB 632.

09:41:20 Rep. Windy Boy requested Chair Salomon to draft a letter with the recommendation he has put forward to the EWAC or the Governor.

09:41:42 Chair Salomon said that Rep. Windy Boy could make that into a motion and asked to clarify the motion.

Motion

09:42:00 Rep. Windy Boy moved that a letter be written with the recommendation to allocate \$4,000,000 to the existing in-state workers to give them the incentives to stay in Montana.

09:42:23 Chair Salomon asked Rep. Windy Boy to clarify who the in-state workers were referring to in the motion.

09:42:44 Rep. Windy Boy said that he meant the health care workers as that was the issue at hand, and that if it became evident that the workers from other categories needed similar help, then those categories of workers would be discussed at a later time.

09:42:57 Chair Salomon asked Rep. Windy Boy to confirm that he intended to single out one category of workers: health care workers.

09:43:07 Rep. Windy Boy confirmed that and further elaborated on the point.

Discussion on the Motion

09:43:37 Chair Salomon opened discussion on the motion.

09:43:44 Rep. Jones said that he would resist the motion and stated that the EWAC should have this discussion and that there needed to be more precise work with the wording as all essential workers need funding as opposed to only health care workers.

09:45:55 Vice Chair Caferro reminded the committee members that the reason she called the meeting was to provide comment so that the other commissioners would revisit the issue at hand and the Governor might consider the recommendation put forward by Rep. Windy Boy. Vice Chair Caferro elaborated further and stated that she would support the motion.

Vote:

09:48:26 The motion failed 6-6 on a Roll Call Vote, with Rep. Caferro, Sen. Ellis, Rep. Hamilton, Sen. Jacobson, Sen. Lynch, and Rep. Windy Boy voting "yes", and Rep. Holmlund, Rep. Jones, Sen. Keenan, Rep. Mercer, Sen. Salomon, and Sen. Cuffe voting "no." Sen. Jacobson voted by proxy.

Public Comment

- 09:50.47 Chair Salomon called for public comment.
- 09:51:00 Heather O'Loughlin, Montana Budget Policy Center, stated that she submitted a written comment to ARPA Economic Transformation Committee in relation to the specific request discussed at the present meeting. Ms. O'Loughlin provided further comments related to the topic of revenue replacement and the role that LFC and other contributors could play moving forward.
- 09:54:07 Vicky Byrd, MSN, RN, Montana Nurses Association (MNA), stated that her organization has not taken part in the conversation regarding bringing more health care workers from out of state and urged the Governor's Office to include MNA in the conversation. Ms. Byrd also elaborated on the reasons why many local certified nurses haven't been able to work.
- 09:59:04 Chair Salomon reminded that this meeting was focused on HB 632 and asked to comment specifically about the bill.
- 09:59:25 Sarah Piper, Montana Federation of Public Employees, expressed her appreciation for what was being done to bring help from out of state but expressed her concern and urged to consider the important work that local health care workers have been doing.
- 10:01:02 Chair Salomon concluded the meeting and announced that the next LFC meeting will take place on December 16, 2021.

ADJOURNMENT

Adjournment: 10:01:29