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Economic Affairs Interim Committee

59th Montana Legislature

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June 27, 2005

The Honorable Brian Schweitzer
Governor, State of Montana
State Capitol, Room 204
Helena MT 59620

Dear Governor Schweitzer:

The Economic Affairs Interim Committee, which worked during the 2003-2004 interim on venture capital issues, respectfully requests that you make appointments to a new Montana Capital Investment Board provided for in Senate Bill 133. The Committee also asks that you provide funds for the first meeting out of the executive branch budget. SB 133 states that the board "shall meet" at least once a year. To fulfill that requirement, a board must be appointed.

SB 133 passed the House 72-28 and the Senate 32-16, evidence of considerable legislative backing. You showed your support by signing SB 133 into law on April 28. The Economic Affairs Committee members voted unanimously to request that your office put a higher priority on implementation of SB 133 by taking the very minimal steps of appointing members to the Montana Capital Investment Board and providing support for a first meeting. Three interested persons who were active in a stakeholders' group that helped to draft SB 133 testified June 24 that they believed additional funds could be found to help with the Capital Investment Board's start-up costs. Those interested in moving this effort forward need a signal from you and your office of your intent and support.

At its June 24 meeting, the Economic Affairs Committee reviewed a letter from Evan Barrett, your chief business officer, to Carroll South at the Board of Investments describing the reasons for not moving forward to appoint the board or find alternate funding for start-up costs. While the Committee recognizes that funding was put in and then taken out of House Bill 2, the members of the Committee feel that the small cost of a meeting and setting up the Montana Capital Investment Board will be money well spent by providing an opportunity to leverage significant multiples of that investment for equity capital and economic development in this state.

Sincerely,

Representative Jim Keane
Chair, Economic Affairs Committee

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