MEDA Legislative Committee Meeting  
MBAC Conference Room, Helena, MT  
January 19, 2016

Present: Brian Obert, Jason Rittal, Steve Arveschoug, Sarah Converse, Becky Bey, and Gloria O’Rourke.


Save the date: MEDA Rotunda Day – January 17th, 2017

Business Days Report
Rick reported on MT Chamber Business Days and the information he heard during the legislative update segment. Legislators said the three areas of priority will include quality of life, education and infrastructure.

Rick asked Sean and Sarah to explain to everyone why a simple sunset extension for the 2019 programs is not a possibility. The reason is because the source of funding is tied in to the coal trust fund which has special funding access.

Update on Montana Infrastructure Coalition (MIC) Progress
There is a member of MEDA on each MIC Subcommittee except the Narrative Subcommittee which is responsible for messaging, communications, and research. Tentative plans are for the coalition to hire a marketer to get the message out.

MEDA has not yet indicated a preference for funding infrastructure projects. MEDA needs to make sure the plan is comprehensive and not weighted to support certain areas of infrastructure, for example, only roads and bridges.

MEDA’s known MIC tasks thus far:

- Gather success stories
- Gather best practices for funding and investment for infrastructure and make recommendations to MIC;
- Get best practices from NADO; Western Area in particular.
- Steve requested infrastructure investment information from North Dakota; that state used billions of dollars for infrastructure even knowing that the boom is declining.
- Idaho and Utah passed special taxes.

- Identify/suggest sources of funding; funding needs to include a safety net for regulatory changes. MEDA needs to advocate for funding buckets, then a revenue stream to keep filling the buckets.
- Assist in identifying the infrastructure needs.

The non-funded projects from the last session came to approximately $230 million; that number does not include school districts. Perhaps MIC will be able to give an approximate summary of need across Montana as multiple entities are familiar with “their own little world.” Each MIC sector could submit numbers then combine the totals.

**MEDA’s Commitment Questions:**
- What dollar amount will we commit?
- How will the coalition function: lobbying, politically active, etc., so MEDA can determine the best investment for MEDA funds?

**Funding Suggestions:**
- MEDA members contribute additional funds to a kitty/special fund targeted just for this coalition work so that MEDA dollars are clear and separate.
- Stakeholder group could give three scenarios: 1. Do nothing and explain the ramifications. 2. Build a Cadillac and update all infrastructure sectors estimating the costs over time.
- Contribute money and tell the stories with video pizazz so that it can be demonstrated how infrastructure drives economic development.

**Definition of Infrastructure + Subcategories**
MEDA’s broad definition is good, but subcategories are needed under each heading so that all needs are eventually addressed. Incremental increases to address the needs are best rather than waiting 15 years and using a large sum, and waiting another 15 years.

**Immediate next steps:**
- MEDA Legislative Committee will meet following the MIC meeting; possibly pull in the Relevancy Committee, and then take ideas to the board.

**FYI: Revenue and Transportation Committee Public Comment on TIFs**
The Revenue and Transportation Committee put out a notice for public comment to be taken on March 10 – 11 on tax increment financing with topics for comment: “abuses by local governments and boards contrary to the spirit and letter of state statutes.” Sarah will talk with MACo and the Economic Development Committee next week.

**Strategies for Continuing Key Economic Development Programs**
Discussion highlights included:
- Funding for the 2019 programs to be included in the Governor’s Budget
  - Must have ready alternative plans should the funding be removed.
  - It is likely the KINs will recommend bureaucracy reduction and removal of regulation barriers
  - Must determine where the funding will come from.
- Mary Craigle will have a document soon that outlines the programs and makes recommendations for the Governor’s budget.
- Sean Becker’s goal is to have every legislative subcommittee up to speed and aware of economic development tools so that when the 2017 Legislative Session begins, there is support in place.
Due to the number of turnovers in the Legislature, an intense educational thrust is needed. Include those not up for election and remind them of their support.

Consider multiple separate bills.

Compile a one-page handout with all of the programs included and demonstrate how they work together as a suite; Montana is a diverse state. The programs can work by themselves but are not nearly as effective or efficient unless they are combined. It is essential for MEDA members to reach out to legislators and the public.

Closing statement: For the dollars available, these are the best programs.

**New Programs/Suggestions**
- Colorado has a brownfield tax credit for landowners who are cleaning up their property.
- Eliminate business equip tax
- Provide incentive for educated Montanans’ to take key jobs in our state by reducing college debt.
- Community colleges – specialized workforce training takes funding.
- Review the white papers created for the 2015 session.
- Funding for research – other states are investing. Bozeman, for example, invested in research and is seeing the positive outcomes today. If focused on two research segments, other colleges and areas will not benefit. Think through the model so that it benefits the entire state not just two communities.
- Do suggest some new ideas such as more investing in research, infrastructure, workforce development, etc., but new ideas require additional revenue.

**Additional MEDA Legislative Topics for Consideration**
- Business Equipment Tax – MT Chamber
- Broadband
- Clean power plant
- Workforce – technology jobs

**Regarding Moratorium on Coal Leases**
Jim Atchison and Kathie Bailey are seeking grant funds to conduct a detailed assessment of the footprint of the coal industry in Montana. The information will help the region strategize on a more diverse economy. It was noted during the cold snap over Thanksgiving the data indicated 2 megawatts of wind power used compared to 220 megawatts of coal power. Without the coal power, people would have frozen.

**Immediate Action Items:**
Sarah
- Talk with MACo regarding March 10 – 11 TIF public comment request
- Visit with Western Region of NADO; take issues to NADO as a group

Gloria
- Send out request to MEDA membership for legislative issues to be submitted
- Set a board meeting in early February to include election discussion and Legislative Committee issues
- Share a list of current programs and current level of funding

Legislative Committee
- Create a one-page handout that demonstrates how the programs work together.
- Meet following the next MIC meeting, possibly with the MEDA Relevancy Working Group and determine what actions/recommendations to take to the board.