

MAIN STREET MONTANA PROJECT

A BUSINESS PLAN *For Montana by Montanans*

KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

ENERGY KIN

ENERGY KIN RECOMMENDATION 1 (of 4)

Create a permanent Montana Energy Infrastructure Authority (MEIA) or a similar permanent advising and coordinating body by the end of the first quarter of 2016 to address Energy Industry Sector matters. Potential responsibilities in the charter for this authority would include:

- Developing a comprehensive energy strategy and include strategic plan forward for industry and workforce needs consistent with MT energy statutes.
- Exploring funding options including public-private partnering solutions for projects
- Managing state resources and facilitate regulatory reviews
- Promote Montana's energy export opportunities
- Coordinating projects and plans of industry companies and interests
- Serving as a resource for the Montana State Legislature
- Collaborate with the Montana University System on energy sector development and innovation

ENERGY KIN RECOMMENDATION 2 (of 4)

Support the KIN-DEQ work currently underway in revising the MT Facility Siting Act.

ENERGY KIN RECOMMENDATION 3 (of 4)

Pursue policies through a stakeholder group that provide utility providers and other energy interests such as efficiency vendors with predictable and fair returns on investments in cost-effective energy efficiency programs.

ENERGY KIN RECOMMENDATION 4 (of 4)

Lead and coordinate the effort to ensure a sufficient pipeline of trained workers for the Energy Industry sector through efforts such as:

- Creating a cross-KIN workforce group;
- Developing a platform or process to facilitate employer coordination (apprenticeships, internships, mentorships);
- Determining retraining needs and identifying funding sources for the energy workforce;
- Creating permanent linkages among Department of Labor, the Montana University System and the Energy Industry allowing for regular communication and input from the private sector;
- Marketing career opportunities to students early and educating Montanans about the Energy Sector;
- Exploring successful efforts in other states and in industry concerning recruiting, retaining and re-training workers.
- Developing a web portal that gives access to populations inside and outside of metro areas.

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FOOD & AGRICULTURE

FOOD & AGRICULTURE KIN RECOMMENDATION 1 (of 5)

Provide support for a major livestock processing plant, including access to supporting resources (water, easement, infrastructure, workforce, etc.)

FOOD & AGRICULTURE KIN RECOMMENDATION 2 (of 5)

Increase demand and use of Montana agricultural products by creating a centralized clearinghouse to share promotional and educational resources and coordinate efforts. Hire someone with extensive experience in the food industry to advise small manufacturers. With the Department of Commerce as the lead, increase cross-collaboration among state agencies to fully leverage the value of existing Montana brands.

FOOD & AGRICULTURE KIN RECOMMENDATION 3 (of 5)

Initiate, with Governor, support, a request of the Montana University System for an Agricultural Research and Food Safety Center; and provide adequate research monies and efficient use of funding to address Montana agricultural interest needs and research funds including:

- New plant varietal breeding
- Invasive weeds and pests
- Feasibility of an ethanol plant

FOOD & AGRICULTURE KIN RECOMMENDATION 4 (of 5)

Stakeholders identify and resolve state water resource issues relative to agriculture economic development by:

- Streamlining and improving new permitting and water right change process and other water issues
- Increase coordination between agencies and decrease cross-agency interference
- Opening the availability of conservation districts water reservations and new water right permits where water is available
- Creating predictability in accessing water through a transparent process and an understanding of all sides of the issue

FOOD & AGRICULTURE KIN RECOMMENDATION 5 (of 5)

Discuss and resolve the following agricultural transportation challenges:

- Maximize weight rates of trucks
- Develop intermodal rail service
- Provide affordable rail access and service
- Provide transportation that is reliable and efficient
- Implement a process that optimizes rail and truck agriculture product transportation

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

HEALTH & WELLNESS KIN

HEALTH & WELLNESS KIN RECOMMENDATION 1 (of 5)

Address Escalating Healthcare Costs:

- Change physical and behavioral health reimbursements systems to value-based and develop outcome standards.
- Provide options for employers to provide affordable health insurance.
- Educate population to be prudent shoppers.
- Develop focus on community-based wellness programs including:
 - - More educating at K-12 levels.
 - - Including prevention education for mental health in messaging.
 - - Exploring ways to serve folks at home particularly in rural areas.
- Increase collaboration through forums for providers, employers, payers, community members to share best practices, modeling / data on population health, resource sharing.
- Produce a statewide plan for behavioral care.

HEALTH & WELLNESS KIN RECOMMENDATION 2 (of 5)

Improve coordination of patient care (public and private):

- Improve patient transitions between healthcare systems.
- Enhance coordination of care among providers to prevent duplicative or unnecessary services focusing first on dual-enrolled Medicaid/Medicare high-cost patients.
- Study the incentives and impacts on healthcare costs of juvenile judicial decisions such as placement in a secure facility versus community-based options.

HEALTH & WELLNESS KIN RECOMMENDATION 3 (of 5)

Re-orient Montana healthcare licensing boards:

- Change the focus of board appointments and board directives to workforce development.
- Review statutes, ARM, processes to enhance and streamline licensing board work.
- Incentivize boards to be responsive and innovative.
- Provide greater support to licensing boards to promote innovation and enhance responsiveness.
- Enhance reasons for top Montana healthcare professionals to be appointees.
- Redesign board processes to keep industry partners engaged.

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

HEALTH & WELLNESS KIN

HEALTH & WELLNESS KIN RECOMMENDATION 4 (of 5)

Enhance healthcare workforce development:

- Expand apprenticeships and mentorships particularly in rural areas and provide regular reporting on goals and achievements.
- Incentivize students to participate in apprenticeship and mentorships and make the Montana population aware of training opportunities.
- Increase Montana University System and Montana Department of Labor & Industry training and educational offerings.
- Promote healthcare career awareness to K-12 students. Provide certification opportunities for high school students.
- Provide regular reports that compare the number of high school and higher education healthcare graduates by program (including certifications) with the projections of need produced by the Montana Department of Labor and Industry incorporating input and involvement from the employers in establishing need to set the projections.
- Develop a web portal that gives access to population inside and outside of metro areas.
- Expand telemedicine opportunities. Use the technology to supervise, build capacity and provide mentorship.
- Assess establishing a medical school in Montana by conducting a feasibility study.

HEALTH & WELLNESS KIN RECOMMENDATION 5 (of 5)

Incentivize preventive care:

- Redesign payment systems to encourage preventative care program and service costs including Federal Medical Assistance Percentages (FMAP) funded and State General Fund mental health care costs.
- Identify best practices that other States have effectively used to incentivize preventive care.
- Start a system for price transparency to help consumers understand costs.
- Use population health modeling / information for enhancing preventive care leading to shareable cost savings.

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

HOUSING & CONSTRUCTION KIN

HOUSING & CONSTRUCTION KIN RECOMMENDATION #1 (of 4)

Create a Governor-appointed Housing and Construction Collaborative Council comprised of both public and private industry members.

Government representatives (ombudsmen):

The Governor's Housing Champion and Infrastructure Czar will co-lead this Council.

Include Agency Directors of:

- Department of Environmental Quality
- Department of Natural Resources
- Department of Commerce
- Department of Labor & Industry
- State Fund
- Montana Department of Transportation
- Governor's office of Economic Development
- Building Codes Advisory Board representative

Private Representatives (ombudsmen):

Include Chief Executive Officers of major construction employers and housing developers in Montana:

- Montana Building Industry Association (MBIA)
- Montana Contractors Association (MCA)
- Montana Association of Realtors (MAR)
- Montana Association of Planners (MAP)
- American Council of Engineering Companies (ACEC)
- Montana Association of Counties (MACO)
- Montana Infrastructure Coalition
- Montana Bankers Association (MBA)
- Business construction organization CEOs
- Others to be determined as necessary

The Council will be appointed and in place as soon as possible, will meet quarterly and begin to address the following list of issues. Additional issues will be added for review as the Council evolves.

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

HOUSING & CONSTRUCTION KIN

HOUSING & CONSTRUCTION KIN RECOMMENDATION #1 (of 4) Continued

1. Create a tiered environmental review and permitting fee system based on impact, cost, and complexity
2. Provide recommendations to help guide and implement continuous regulatory process improvement
3. Consider peer review by adjacent states for best practices and process improvement
4. Designate permitting fees to fund staffing for compliance and process review
5. Implement Total Quality Management (TQM) principles in state agencies
6. Improve staff compensation to reduce continuous staff turnover and retraining
7. Incentivize process improvements by rewarding agency employees for innovation and collaboration
8. Streamline licensing issues and timeline delays from the Bureau of Licensing, which is causing barriers to the entry of work for certain licensed fields
9. Redirect DEQ's understanding of the storm water regulations and create a separate section of the law for residential storm water compliance

Responsibilities in the charter for the Council will include:

- Create best practice for local and state engagement by demonstrating effective collaboration
- Create a process to continuously improve Montana's regulatory environment without compromising public safety and environmental quality
- Responsibility of every participant
- Identify current issues
- Change what can be changed
- Develop common understanding of work and coordination of agency and industry
- Address timeline for regulations: shorten timelines from proposal to permit and ensure quality submissions by contractors
- Create a process for development of collaborative solutions for project, permit and program challenges
- Address customer service delivery issues
- Council reviews proposed policy and gives opinion/recommendation prior to policy development

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

HOUSING & CONSTRUCTION KIN

HOUSING & CONSTRUCTION KIN RECOMMENDATION #1 (of 4) Continued

- Review and revise the mission statements of Agencies to be more customer focused
- Create a business partnership between government and industry
- Provide a mechanism for receiving input from both public and private entities that have identified ongoing and upcoming issues that impede growth in this industry

The Council will address the agencies about specific decisions and recommendations. Agencies can rebut, with justification, in writing. These rebuttals will be taken to the Governor for resolution.

Council's Measures of Success:

- A reduction in the amount of time between submission and DEQ/DNRC/MDT permit reviews
- A revision of the Sherlock ruling – exempt wells in rural residential development and replace with a collaborative solution
- Set a maximum number of reviews being done by DEQ, MDT, and DNRC at any one time
- Clear and predictable processes with consistent outcomes
- Decrease in number of days from grant to contract
- Programs and projects that are efficient
- Streamline permitting and regulatory processes
- Greater use of existing resources for agencies and private industry
- Increase staffing for the permitting and regulatory agencies to ensure appropriate levels for the development activity forecasted in the market

HOUSING & CONSTRUCTION KIN RECOMMENDATION 2 (of 4)

1. Increase fuel tax \$0.10 per gallon for transportation infrastructure funding. This enables the funding to cover all aspects of infrastructure and not just roads and bridges. The funding must cover the necessary state match to bring federal dollars into the state for infrastructure projects
2. Consider a Visitor Tax for community infrastructure needs

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

HOUSING & CONSTRUCTION KIN

HOUSING & CONSTRUCTION KIN RECOMMENDATION 2 (of 4)

3. Establish an Infrastructure “Czar” at the Cabinet level to coordinate infrastructure programs across state agencies
 - a. Use The Road Information Program (TRIP) report in addition to the Engineers’ report to coordinate policy and decisions within the Industry
4. Coordinate County and Community efforts to prepare Capital Improvement Plans on 20 year cycles
5. Prepare a “Best Practices Analysis” of infrastructure funding by peer states
6. Educate legislature on needs of the state and work with the Legislature to establish a long term Capital Improvement Program for the entire state in all funding categories
7. The policy should incentivize smart-development patterns which promote redevelopment, infill, and higher-density, mixed use neighborhoods. A focus towards controlling the geographic range of communities which match the tax base must be considered to holistically maintain the necessary and anticipated infrastructure.
8. Preservation of our rural and agricultural environment is part of the policy

HOUSING & CONSTRUCTION KIN RECOMMENDATION 3 (of 4)

Fund the Housing Montana Fund with an appropriation of \$25,000,000 annually to be used:

- For low-interest loans for development of new homes and apartments and to preserve existing homes and apartments to developer, builders and prospective home owners
- To provide a financing mechanism to encourage the use of 4% housing credits, including allowing real estate tax abatement at 60% of AMI
- To provide rental assistance funded by savings in Medicaid and other state department budgets, mandating that discharges from an institution must be accompanied with rental support
- Provide home buyer assistance
- Renovation of single family houses
- Middle-market housing development
- Infrastructure funding for development

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

HOUSING & CONSTRUCTION KIN

HOUSING & CONSTRUCTION KIN RECOMMENDATION 3 (of 4)

Create a coherent state housing policy to include:

- Creation of a permanent “Homes for Montanans” Champion within the Governor’s office at the beginning of fiscal year 2017, to:
 - Work with state agencies and the industry to assess the life-cycle impact of proposed regulations
 - Explore public and private funding options (including savings in Medicaid, Corrections and other supportive public funds)
 - Serve as a resource for State, Indian and local governments and the legislature
- Creating funding streams for housing, such as;
 - Allowing Targeted Economic Development District (TEDD) and Resort Tax revenue to be used for housing
 - Rewarding good planning with Tax Increment Financing (TIF) funding
 - Innovative financing through the Montana Board of Housing to incent density and energy-efficiency
 - Allow deferred-equity share financing, potentially using the Board of Investments and retirement funds as loan pools
 - Support homebuyer education.
- Adopt the Uniform Manufactured Housing Act (UMHA) to give owners and buyers of manufactured homes the ability to have their homes classified as real property by following an easy-to-use, streamlined procedure.

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

INNOVATION & TECHNOLOGY KIN

INNOVATION & TECHNOLOGY KIN RECOMMENDATION 1 (of 3)

Cultivate needed workforce in MT with skills for high tech sector by increasing and strengthening MT high-tech industry partnership with education including:

- Exploring the potential role of business in increasing MUS recruitment and retention
- Developing a program for businesses to engage within high schools and the Montana University System settings to build a workforce pipeline
- Developing best practice case study examples of educational and career training programs that have developed high-tech workers
- Conducting a job analysis (Dacum study) to identify needed curriculum / programs to determine the educational gaps for IT jobs and careers
- Creating an inventory of programs available for IT training (including funding training) and establish a web based platform to communicate the opportunities and process to keep the site updated

INNOVATION & TECHNOLOGY KIN RECOMMENDATION 2 (of 3)

Improve access and sources of capital for the high-tech industry and business innovation by:

- Identifying the current incentives (include tax incentives) for investing in MT business and determine ways to enhance those incentives
- Creating a platform where in/out-of-state investors can learn of opportunities and resources including: SBIR grants, and Montana Research, Technology and Commercialization Board grants
- Promoting angel fund opportunities
- Publicizing public dollars that are available
- Facilitating matchmaking opportunities
- Establishing a public investment strategy that supplements private venture capital
- Increasing funding of successful programs- Montana University System research, MBRCT, SBIR, WTG, BSTF

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INNOVATION & TECHNOLOGY KIN

INNOVATION & TECHNOLOGY KIN RECOMMENDATION 3 (of 3)

Cultivate a high-tech business environment in Montana

- Develop incentives to create high paying jobs including a tax credit
- Market Montana by enhancing state's efforts to grow/attract high tech talent/jobs/companies (GOED and DOC)
Remove barriers to growth including:
 - Modifying restrictive employment laws
 - Providing available and sufficient broadband that is affordable (support KIN efforts)
 - Decreasing costs and increasing the availability of transportation (air, rail, intermodal)
 - Sponsor a statewide plan for growth

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

INTERCONNECTIVITY & TELECOMMUNICATIONS KIN

INTERCONNECTIVITY & TELECOMMUNICATIONS KIN RECOMMENDATION 1 (of 4)

Create an interactive broadband map, maintained by the Department of Commerce that complies with, at a minimum, the following criteria:

- Location of broadband assets and capacity, with clear definitions of availability
- “Workable” non-disclosure agreements must be available to providers to protect confidential information while providing usable data for mapping purposes
- Carrier/provider contact information should be readily available on the map
- A “challenge” process should be developed allowing both providers and consumers to easily challenge and correct the information available through the interactive map
- The KIN believes that ongoing maintenance will require minimal time and resources when combined with the Department’s current infrastructure mapping platform

INTERCONNECTIVITY & TELECOMMUNICATIONS KIN RECOMMENDATION 2 (of 4)

The 2017 Montana Legislature should commit a minimum of \$25 million over the biennium to take a small step forward in partially funding projects which:

- Target unserved or underserved areas
- Encourage public-private investment by requiring at least 50% of project funding come from private investment
- Encourage innovative funding which allows non-profit and other grant funding as part of the private investment requirement
- Additionally, encourage tax (both income and property) incentives for the extension of broadband in both urban and rural areas

INTERCONNECTIVITY & TELECOMMUNICATIONS KIN RECOMMENDATION 3 (of 4)

The 2017 Montana Legislature should adopt legislation which:

- Mandates that all State agencies, as well as county and local permitting authorities, issue all permits within 30 days of receipt of a complete application
- Calls on state agencies to review and simplify permit applications, including survey requirements, to the greatest extent possible
- Eliminates all permitting fees
- Encourages “dig once” policies where feasible

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

INTERCONNECTIVITY & TELECOMMUNICATIONS KIN

INTERCONNECTIVITY & TELECOMMUNICATIONS KIN RECOMMENDATION 4 (of 4)

The Governor should appoint, and seek funding through HB2 for, a Broadband Advisory Task Force (or other name determined appropriate by the Governor), consisting of private and public stakeholders, which at a minimum would be charged with:

- Assisting in further developing and implementing the Broadband Mapping recommendation set forth above
- Assisting in further developing and supporting the funding legislation recommended above
- Serving as a communication hub for broadband education
- Advising state agencies on community infrastructure development that includes broadband
- Further developing means by which federal programs (e.g. E-Rate) can be leveraged for the benefit of the State
- Conducting research into best practices and methods including assessing rural needs, actual speeds, and expansion of services
- Assisting in determining future broadband programs and legislation
- Keeping all private industry stakeholders actively engaged

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

MANUFACTURING KIN

MANUFACTURING KIN RECOMMENDATION 1 (of 4)

- Support legislation that would eliminate the Business Equipment Tax on all manufacturing equipment.
- In preparation for the 2017 session, the state should work with the Manufacturing KIN and the Montana Manufacturers Association to study and develop a compelling case for why elimination of the business equipment tax for manufacturing will result in greater investment, business expansion and job creation and demonstrate how current business equipment tax revenues can be offset and even increased through more industry investment and expansion.
- In preparation for the 2017 session, as an alternative or in addition to eliminating the business equipment tax for manufacturing equipment, the state should work with the Manufacturing KIN and the Montana Manufacturers Association to study and develop a compelling case to modify existing state investment tax credits such as those provided for Expanding “Value-added” Machinery and Equipment (15-24-2401 MCA thru 15-24-2405 MCA) and / or for New or Expanding Industries (15-24-1402 MCA), both local option tax credits, with the goal of better aligning existing investment tax credits contained in Montana law with the needs/desires of Montana manufacturers that would help them increase manufacturing investments and create more jobs.
- Consider other state’s tax incentives for manufacturers such as those available in Wyoming or South Dakota when crafting the draft 2017 business equipment tax legislation.

MANUFACTURING KIN RECOMMENDATION 2 (of 4)

In order to insure that Montana manufacturers can meet their workforce needs, for both incumbent workers as well as new hires, the State should create a 5-year workforce development plan that:

- Utilizes and creates an ongoing dialog with all existing workforce development structures and results in an integrated and concerted workforce development system.
- Addresses a variety of workforce issues including but not limited to immigration strategies, automation, Lean Six Sigma Certification, better aligns high school technical training with the needs of manufacturing employers and expands promotion and outreach to high school as well as younger students on manufacturing as a career choice.
- Review the guidelines for existing state grant sources to assure that they address and respond to the needs of manufacturers.

MANUFACTURING KIN RECOMMENDATION 3 (of 4)

- Elevate MMEC as the key to improving efficiencies and competitiveness of Montana manufacturers.
- Expand MMEC’s funding to meet or exceed that of similar programs in surrounding states - \$500k/year (additional \$175k/year).

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

MANUFACTURING KIN

MANUFACTURING KIN RECOMMENDATION 4 (of 4)

- Once activated, the Transportation KIN should coordinate cross KIN discussions focused on improving transportation efficiency and reducing costs.
- Facilitate the creation of a transportation business / platform that helps address transportation issues and improves transportation efficiency and reduces costs.

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

NATURAL RESOURCES KIN

NATURAL RESOURCES KIN RECOMMENDATION 1 (of 5)

The State in partnership with the Natural Resource Industry Sector should launch educational and public relations campaigns including Montana University System and K-12 programs. These campaigns would cover:

- Highlighting Montana's natural resources sector as the world leader for best practices.
- Emphasizing the higher level of sophistication and conservation measures within today's natural resource industry sector.
- Promoting Montana companies in the sector as good stewards of its natural resources with a balanced approach to development - without asking for incentives associated with other sectors.
- Presenting examples of Montana Natural Resources KIN industries working together in communities across Montana, including tribal communities.
- Showcasing what industries do for Montana and for Montana communities.
- Quantifying all the revenues from natural resources sector companies that go into local and state tax bases.
- With messaging targeted toward businesses, stressing opportunities for Montana natural resources to provide the needed raw materials and work to develop in-state supply chains instead of importing.
- With messaging targeted toward potential workers; promote higher wages and benefits, skilled jobs and training in the natural resources sector.

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

NATURAL RESOURCES KIN

NATURAL RESOURCES KIN RECOMMENDATION 2 (of 5)

The natural resources industry, with other KINs / industry sectors, should continue to discuss, educate, and collaborate on key issues while the Governor, as the state's industry and economic spokesman, must be our advocate and needs to set a tone that Montana "does it right" for our state and is an example for other state's in balancing prosperity and environmental stewardship

- The Natural Resources KIN members agree that federal regulations and policies are having the greatest negative impact on our industries. The Governor needs to be a voice in DC for "doing it right" and advocating for parity in regulatory application.
- The Governor should set a tone among MT State regulators and decision makers that the goal is to "do it right" – not damage the key foundations of our State's economy and lifestyle.
- The Governor needs to encourage federal and state regulators to find workable solutions and to push back against those who do not want workable solutions, but only to end our industries. Examples of successful collaborations include the work on Sage Grouse and finding a solution for permitting issues at Signal Peak.
- Explore whether the State can file amicus briefs in support of industry against outside NGO suits to invalidate permits.
- Convene a group of experts to determine what else the Governor can do to limit interference from outside NGO's which adversely affect our State's economy and require that bond's be posted on MEP appeals.
- Advocate for access to federal timber, for innovative solutions and funding to preserve Montana's coal industry, support the ability of hard rock mining companies in obtaining permits. The State, with KIN representatives and other stakeholders, should work together to increase efficiencies and streamline MEPA.
- Cross-KIN representatives need to be part of the conversation in regional discussions affecting the industry including those among the Western Governors Association.
- Support the creation of a new circuit court reducing legal delays.
- Convene a broader discussion on natural resources and climate change which includes more stakeholders and other KIN members. Include in these discussion topics that have larger implications than may be initially perceived such as wildfire management.
- Have industry experts partner with the state to analyze impacts of "economic shocks" to guide Montana in becoming more resilient to economic downturns.
- Hold joint meeting(s) between the Natural Resources KIN and Tourism KIN to discuss balanced development.
- Broaden alliances through meetings with Transportation, Energy, Manufacturing, and possibly other KINs to discuss infrastructure development, transportation, and other shared areas of interest or concern.

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

NATURAL RESOURCES KIN

NATURAL RESOURCES KIN RECOMMENDATION 3 (of 5)

The KIN would like a continuation of what the governor has been doing to increase access to timber and address federal land management and mining issues. Additional opportunities include:

- KIN can write letters to elected officials to encourage them to support the industry in gaining more access to raw materials.
- Having the Governor and industry work together to address federal land, mineral planning, and management issues.
- Identifying opportunities within Federal Farm bill funding for Montana.
- Provide additional state resources to ensure timber availability until the U.S. Forest Service provides more predictable timber supply.

NATURAL RESOURCES KIN RECOMMENDATION 4 (of 5)

With KIN member input, review and re-orient boards and councils overseeing the industry to add balance. Specifically:

- Carefully select members of the MT Environmental Review Board to ensure the goal of “doing it right,” rather than stop industry. The Clean Power Advisory Board was an example of this type of balance.
- Address the roles and influence other groups (e.g., MEIC) have on these boards and councils ensuring a balanced view
- Have KIN members involved in the boards and council appointment process.
- Make sure there is KIN representation on innovation boards.

NATURAL RESOURCES KIN RECOMMENDATION 4 (of 5)

The KIN and the Governor’s office can take a leadership role in fostering innovation by:

- Having the KIN and industry members partner with the Governor’s office and the Department of Commerce to increase exports, find new markets, develop new industry products such as biomass, and new company partnerships.
- Working with the Department of Labor and Industry to develop work-based learning and apprenticeships in the Natural Resources Sector.
- The KIN and industry can partner with higher education systems to foster innovation.
- The Natural Resources KIN has the opportunity to lead the way in carbon capture and sequestration tied to enhanced oil recovery, for optimum benefit to the state.
- The KIN would like to see Montana generate more secondary manufacturing in a many industry areas (lumber, cement, minerals).
- The KIN can work to identify funding and methods that have been successful to increase infrastructure and innovation.
- The Natural Resources KIN can interact and collaborate with the Transportation KIN for better efficiencies /cost saving in transportation.

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

SMALL BUSINESS & DOWNTOWN KIN

SMALL BUSINESS & DOWNTOWN KIN RECOMMENDATION 1(of 5)

Enhance the Business Portal by adding resources for Small Businesses including:

- Prepare and send a welcome packet to newly registered businesses
 - Send a congratulatory letter from Governor on 5, 10, 25 & 50 yr business anniversaries
- Continue other enhancements to the business portal such as a directory of financing and grant programs, business organizations, and statewide business networks
- Highlight a small business success story every month on the portal
- Promote the benefits of shopping locally year around. (Small Business Saturday etc.)
- Utilize Public Service Announcements and other media to tell the success stories of small business owners from across Montana, and publicize the portal
- Collaborate with rural Montana towns in marketing their community business needs (see Rec #2)

SMALL BUSINESS & DOWNTOWN KIN RECOMMENDATION 2 (of 5)

Take part in developing a collaborative program that helps Montana towns market their community business needs.

- Communicate with the Chambers of Commerce, economic development organizations, private sector organizations, and university alumni programs to create a program that first determines the needs of these rural towns, and then creates a platform to connect the communities and the potential new business owners
- Support these towns in their marketing efforts for their entire community
- Monthly portal profile of a Montana town with specific business needs and available downtown buildings (especially Historic buildings)*
- Publicize the historic building tax credit when promoting these buildings (see Rec #3)
- Advertise the portal to these new potential business owners

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KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

SMALL BUSINESS & DOWNTOWN KIN

SMALL BUSINESS & DOWNTOWN KIN RECOMMENDATION 3 (of 5)

Create a bipartisan taskforce to examine incentives and tax barriers to small business including:

- A tax credit for investing in historic downtown (20% of qualified rehab expenses)
- Incentive to grow the types of small businesses (and combinations) that make downtowns thrive, including infrastructure and beautification.
- Redesign the alcohol licensing system to promote parity across industries.
- Change DEQ hazardous materials inspection requirements to only apply to buildings older than 1990 or an effective date when such identified hazardous materials were no longer used
- Direct the Montana Board of Housing to set aside 10% of annual low-income housing tax credit (LIHTC) funding to historic downtown residential projects.

SMALL BUSINESS & DOWNTOWN KIN RECOMMENDATION 4 (of 5)

Hold an annual small business symposium that includes:

- Networking time
- Create an alliance for an on-going support organization after the conference
- Discussion forum – alliance members
- Sessions for businesses in all phases of life cycle
- Dynamic job fair
- Training opportunities for employees, managers (that include CTE options for some)
- Symposium needs to be state-private partnership so its sustainable; grassroots

NOTE: this is only recommended if there are enough resources and staff to plan an event that has serious value to the participants, especially high level CEO's.

SMALL BUSINESS & DOWNTOWN KIN RECOMMENDATION 5 (of 5)

Research options for pooling small business health care. Work with Montana Retail Association and others for more affordable health care with better benefits.

NOTE: This is a challenging topic that we recognize has no easy answer.

MAIN STREET MONTANA PROJECT

A BUSINESS PLAN *For Montana by Montanans*

KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

TOURISM KIN

TOURISM KIN RECOMMENDATION 1 (of 4)

- Protect the big and uncluttered views.
- Keep it clean.
- Preserve our wild and native fish and mega fauna, and their habitat.
- Preserve and enhance access to public lands in Montana.
- Protect the essential Montana tourism resource and economic contribution by conserving those natural areas and historic and cultural features that are of significance to tourism.

TOURISM KIN RECOMMENDATION 2 (of 4)

Provide support for further enhancing the effectiveness of the Montana Brand by:

- Support better collaboration, communication, and effective use of funding by the Montana Office of Tourism, Tourism Regions, and Convention & Visitor Bureaus (CVBs) through directives to the Commerce Director and TAC Appointments.
- Continue to look for solutions to increase tourism during shoulder seasons and to under-utilized attractions and to regional events.
- Leverage the use of the Montana Brand to attract business and enhance community economic development through Brand utilization by the Governor's Office of Economic Development (GOED) and other state funded economic development and marketing programs.
- Incentivize the use of the Montana Brand by private sector businesses.
- Provide a Clearinghouse to share marketing materials among the partners.
- Support legislation that allocates more lodging tax dollars for tourism marketing to increase the already substantial economic impact to the state from the Tourism Industry Sector.

TOURISM KIN RECOMMENDATION 3 (of 4)

Ensure development of tourism workforce by:

- Return the Montana university calendar to a schedule allowing for students to work longer into September and start work later in May or early June. Such a change would also benefit the Fire-fighting and Agriculture sectors.
- Introduce 4th or 5th graders to the Montana Brand as part of a "Discover Montana" program to create appreciation for, and interest in visiting other areas of Montana. This could be accomplished with existing public school programs and National Park service initiatives.
- Increasing 2 and 4 year certification and career opportunities for hospitality and recreation career fields in Montana colleges and universities.
- Include tourism careers and tourism industry marketing as part of dynamic job fairs.
- Examine wage issues to improve job attractiveness (i.e. Tipping).
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MAIN STREET MONTANA PROJECT

A BUSINESS PLAN *For Montana by Montanans*

KEY INDUSTRY NETWORK (KIN) RECOMMENDATIONS

TOURISM KIN

Tourism KIN RECOMMENDATION 4 (of 4)

- Develop infrastructure to support tourism through stronger partnerships both within and outside the industry.
- Increase interstate air service, develop intrastate air service (transportation, commerce).
- Develop statewide Wayfinding strategy (transportation, commerce).
- Develop public ground transportation options.
- Increase bicycle-friendly roads and pathways, and other community amenities.
- Address housing challenges faced by tourism industry employees/employers (including cost and availability).
- Support legislation to change MT alcohol beverage license law to better match market demand while maintaining the investment that current license owners have made.