

Effective February 2024

MONTANA TOURISM ADVISORY COUNCIL OPERATING POLICIES

1. **STATUTORY OVERVIEW:** TOURISM ADVISORY COUNCIL (“TAC” or the “Council”) is part of the Executive Branch of the State of Montana. TAC was created by § 2-15-1816, MCA. TAC’s mission generally is to act in an “advisory” capacity, which Montana law defines as “furnishing advice, gathering information, making recommendations, and performing other activities that may be necessary to comply with federal funding requirements and does not mean administering a program or function or setting policy.” See § 2-15-102(1), MCA.

The Governor is the Chief Executive Officer of the Executive Branch of the State of Montana. See Mont. Const. Art. VI, § 4. The Governor supervises all Executive Branch officers, including TAC. See § 2-15-201, MCA. The Governor also formulates and administers all policies of the Executive Branch, including by setting budget policies and priorities. See § 2-15-103, MCA. The Governor resolves any policy conflicts within the Executive Branch. *Id.* Council members are appointed by the Governor pursuant to § 2-15-1816, MCA, and may be replaced at the Governor’s discretion.

TAC is administratively attached to the Montana Department of Commerce (the “Department”). See Admin. R. Mont. 8.1.101(6)(k). TAC’s relationship with the Department is governed, in part, by § 2-15-121, MCA. TAC acts in accordance with § 2-15-121(1), MCA, including by: (i) submitting its budgetary requests through the Department; and (ii) submitting any reports required of TAC through the Department. TAC also acts as explicitly directed by Montana law, as discussed in greater detail in Section 3, below.

The Department acts in accordance with § 2-15-121(2), MCA, including by: (i) directing and supervising TAC’s budgeting, recordkeeping, reporting, and related administrative and clerical functions; (ii) including TAC’s budgetary requests in the Department’s budget; (iii) collecting all revenues for TAC and depositing them in the proper fund or account; (iv) providing staff for TAC as deemed necessary and subject to available funding; and (v) adopting, printing, and disseminating for TAC any required notices, rules, or orders adopted, amended, or repealed by TAC. See *also* § 2-15-1816(6). The Department does so primarily by acting through its Destination MT Division staff, as well as the Director’s Office staff.

The Department’s Director acts in accordance with § 2-15-121(3), MCA, including by: (i) representing TAC in its communications with the Governor; and (ii) allocating office space to TAC as necessary, and subject to approval from the Department of Administration. If TAC wishes to communicate with the Governor, the TAC Chair communicates that intention to the Department’s Destination MT Division staff, who then communicate with the Department’s Deputy Director and/or Director as needed.

To the extent any conflict exists between any of these Operating Policies and any provision of Montana law, including statute, administrative rule, or court order, the conflicting portion of these Operating Policies are void.

2. **PURPOSE:** Pursuant to § 2-15-1816(4) and (5), MCA, the Council shall:

- a. "Oversee distribution of funds to regional nonprofit tourism corporations for tourism promotion, nonprofit convention and visitors bureaus, and the state-tribal economic development commission established in 90-1-131 on behalf of an Indian tourism region in accordance with Title 15, chapter 65, part 1" of the Montana Code Annotated.

TAC accomplishes this directive, in part, by reviewing and approving annual Destination Management/Marketing Organization ("DMO") Marketing Plans and their evaluation reports in accordance with the regulations, guidelines, and procedures the Department has adopted on TAC's behalf in the Administrative Rules of Montana and TAC's internal policies.

- b. "Advise the Department of Commerce relative to tourism promotion."
- c. "Advise the Governor on significant matters relative to Montana's travel industry."
- d. "Prescribe allowable administrative expenses for which accommodation tax proceeds may be used by regional nonprofit tourism corporations and nonprofit convention and visitors bureaus."
- e. "Direct the university system regarding Montana travel research."

TAC accomplishes this directive, in part, by soliciting, evaluating, and approving research projects to be executed within the budget established by § 15-65-121(2)(b), MCA, for the Institute for Tourism and Recreation Research ("ITRR").

- f. "Approve all travel research programs prior to their being undertaken."
- g. "Encourage the State-Tribal Economic Development Commission ("STEDC") and regional nonprofit tourism corporations to promote tourist activities on Indian reservations in their regions."
- h. "Encourage regional nonprofit tourism corporations and nonprofit convention and visitors bureaus receiving money under subsection (a) to promote public and nonprofit history museums in their regions."
- i. "Urge the Department of Transportation to include museums recognized by the museums association of Montana when it updates and publishes the state maps."
- j. "Modify the tourism regions established by executive order of the governor," as necessary.

3. **OTHER STATUTORY OBLIGATIONS:** The Council also acts in accordance with other provisions of Montana law that reference the Council, including:

- a. Section 15-65-122, MCA, which directs the Council, in part, to review and approve “annual marketing plan[s]” submitted to the Council by regional nonprofit tourism corporations or nonprofit conventions and visitors bureaus before the Department of Revenue disburses funds to those entities.
 - b. Section 22-3-1002(2)(c)(v), MCA, which directs the Governor to appoint one member of the Council to the Montana Heritage Preservation and Development Commission. This TAC member shall provide status reports at Council meetings as needed.
 - c. Section 22-3-1305(2), MCA, which directs the Council to review in consultation with the Department “all proposals for historic preservation grants . . . before they are submitted to the legislature.”
 - d. Section 90-1-120(2), MCA, which directs the Council to work with the Department through its state trade expansion program or an equivalent program “to improve funding for and access to supportive services for rural-based, veteran-owned, minority-owned, and women-owned businesses.”
 - e. Section 90-1-132(2)(a), MCA, which directs the Council to work in conjunction with the State-Tribal Economic Development Commission to “oversee use of proceeds to expand tourism activities and visitation in the Indian tourism region.”
 - f. Section 90-1-164(2), MCA, which directs the Council to work in consultation with the Heritage Preservation and Cultural Tourism Commission to create a “heritage and cultural tourism promotion and development plan.”
4. **COMPOSITION:** Pursuant to § 2-15-1816(2), MCA, the Council consists of “not more than 9 members appointed by the Governor from Montana's private sector travel industry and includes at least one member from Indian tribal governments and one tribal member from the private sector, with representation from each tourism region initially established by executive order of the Governor and as may be modified by the council[.]”

Members of the Council shall serve staggered 3-year terms, subject to replacement at the discretion of the Governor. See § 2-15-1816(3), MCA.

5. **ELECTION OF OFFICERS:** At the last meeting of the fiscal year, the Council shall elect a Chair and Vice Chair from its current members to serve during the upcoming fiscal year. The Chair shall preside at all Council meetings and hearings, call special meetings, and perform the duties normally conferred by parliamentary usage on such presiding officer and other such duties as may be properly prescribed. The Chair shall appoint members of committees and committee chairs. The Chair shall serve on the Executive Committee and as an ex-officio member of all other committees. The Chair is the only TAC member authorized to speak publicly on behalf of TAC, including in response to media requests, and may do so after consulting with the Department’s Director of Communications and the Department’s Destination MT Division Administrator.

In the absence of the Chair, the Vice Chair shall perform the duties of the presiding officer. Should the Chair position become vacant for any reason, the Vice Chair will complete the

remainder of the Chair's term. Should the Vice Chair position become vacant for any reason, such office shall be elected at the next regularly scheduled meeting by a majority of the Council.

6. **MEETINGS:** A "meeting" of the Council occurs whenever a quorum of the Council members convenes, whether corporal or by means of electronic equipment, to hear, discuss, or act upon a matter over which the Council has supervision, control, jurisdiction, or advisory power. See § 2-3-202, MCA.
- a. **FREQUENCY:** The Council generally will meet three times annually, subject to available funding. Additional Council meetings may be held if the Council and the Department's Destination MT staff determine additional meetings are necessary. The Council shall set meeting dates as far in advance as practicable in coordination with the Department's Destination MT staff.
 - b. **LOCATION:** The Executive Committee will make recommendations to the Department's Destination MT staff regarding Council meeting locations, which are subject to available funding and Section 13, below.
 - c. **NOTIFICATION AND PUBLIC PARTICIPATION:** The Council shall ask the Department's Destination MT staff to send a notice of the proposed Council meeting, along with the proposed agenda of the proposed Council meeting, to all Council members. The Council also shall ask the Department's Destination MT staff to publicly post notice of the Council's proposed meeting and agenda on the Council's website up to 72 hours, but no less than 48 hours, in advance of the proposed meeting. All meetings of the Council shall comply with Montana law as it applies to public meetings and notice requirements. The Council also shall comply with the Department's Policies and Objectives in Providing Citizen Participation. See Admin. R. Mont. 8.2.201 to 8.2.207.
 - d. **QUORUM AND PROCEDURE:** A quorum of the Council shall consist of a majority of the members appointed by the Governor to the Council. The rules contained in the most current edition of Robert's Rules of Order shall generally guide the conduct of all meetings. All meetings shall be open to the public and located in a place accessible to the public, including via remote access, except when the Chair closes the meeting for a discussion of the Council relating to a matter of individual privacy or litigation in which the Council is or may be a named party, pursuant to § 2-3-203, MCA. The Department's Destination MT staff will direct and supervise the recording of each Council meeting and make the recording available for public inspection, consistent with Montana law. See § 2-3-212, MCA.
 - e. **ORDER OF BUSINESS:** The order of business at regular Council meetings shall generally follow the agenda published prior to the meeting, but may be modified by a majority vote of the members present. Only those items included on the agenda and that are part of the materials distributed to the Council prior to the meeting may be acted upon at that meeting. New business may be introduced without prior notice for the purpose of general discussion, for placement on the agenda for Council action at a future meeting, or for referral to a committee or to the

Department's Destination MT staff on the advisability of conducting a study or other consideration.

- f. **PUBLIC COMMENT:** Members of the public may address the Council in accordance with § 2-3-103, MCA, and subject to any reasonable time restraints imposed by the Chair. Specifically, members of the public may address the Council: (i) prior to the Council taking action on any item noticed on the meeting's agenda; and (ii) at the end of a meeting on any public matter that was not noticed on the meeting agenda but that is within TAC's jurisdiction. Public comment received at a TAC meeting must be incorporated into the official minutes of the meeting.
 - g. **VOTING:** The affirmative vote of a majority of TAC's members present and casting a vote is sufficient for the Council to act. Proxy votes will not be permitted. Any member who has a conflict of interest, as defined in Section 11, below, shall disclose the existence of a conflict and refrain from discussing or voting on the action item.
7. **RESPONSIBILITIES:** The Council has determined that the responsibilities of a Council member should include the following:
- a. Regularly attending Council meetings, committee meetings, and other important meetings related to the Council's work in person or virtually. Members may be excused from attendance by the Chair upon prior notice to the Chair.
 - b. To stay informed on your Region, the Council recommends that each year its members attend at least one (1) Regional DMO meeting or one (1) Convention and Visitor's Bureau meetings.
 - c. Actively participating in Council work.
 - d. Maintaining a clear understanding of the regulations, guidelines, and procedures the Department has adopted on TAC's behalf in the Administrative Rules of Montana, as well as TAC's internal policies.
 - e. Maintaining a clear understanding of the way in which Montana law directs the distribution of Montana Lodging Facility Use Tax funds.
 - f. Volunteering for and accepting assignments from the Council and completing them thoroughly and on time.
 - g. Staying informed about Council matters, preparing for Council meetings, and reviewing and commenting on Council minutes and reports.
 - h. Building a collegial and professional working relationship with other Council members and Department staff.
 - i. Attending the annual Governor's Conference on Tourism.

- j. Timely submitting travel expenses for reimbursement. Members are reimbursed at State rates after meetings have been attended, subject to available funding.
 - k. Council members who repeatedly fail to attend Council meetings or fulfill their responsibilities may be removed from subcommittee assignments, at the discretion of the Chair, and from the Council, at the discretion of the Governor.
8. **COMMITTEES:** The Council has established the standing committees described below and may establish ad hoc committees from time to time as determined necessary by the Council. Members of each committee shall be appointed by the Chair to serve one-year terms. Committees may present recommendations on action items to the Council, but Committees are not authorized to take specific action on behalf of the Council. Committees may communicate with the Department's Destination MT staff and relevant Montana organizations for input on topics, but only committee members may vote on recommendations to be brought before the full Council.

In no event may the Council delegate its statutory duties, rights, or obligations to a committee. Committee assignments shall be reviewed annually by the Chair after the first meeting of the fiscal year.

The Council's Standing Committees include the following:

a. EXECUTIVE COMMITTEE

- i. The Executive Committee shall review agenda items and industry topics in advance of Council meetings and evaluate Council meeting locations.
- ii. The Executive Committee shall consult with and advise the Department's Destination MT staff on administrative matters that arise between Council meetings. If substantive matters arise, the Executive Committee may call a special meeting of the Council.
- iii. The Executive Committee shall be comprised of the current Chair, Vice Chair, and one other current Council member in good standing appointed by the Chair.
- iv. The Executive Committee may consult with Council members to identify leadership potential within the Council and recommend a slate of officers and identify a potential succession plan for the Council.

b. MARKETING COMMITTEE

- i. While all TAC members are to read and comment on DMO Plans, including initial budget estimates, the Marketing Committee must become familiar with the DMO Plans, provide preliminary feedback, verify that requested changes are made, and provide recommendations to the full Council. Marketing plans are submitted electronically and reviewed by Marketing Committee members who offer feedback within two weeks. Then a Marketing Committee conference call is held to make

recommendations two (2) weeks prior to the next TAC meeting. During that next TAC meeting, the full Council will vote on the Marketing Committee's marketing plan recommendations in accordance with §§ 15-65-122(2), MCA. The Marketing Committee Chair shall coordinate with and advise the Department's Destination MT Compliance Specialist on the plan presentation format prior to the TAC meeting. After TAC approves a DMO's annual marketing plan in accordance with §§ 15-65-122(2), MCA, if the DMO's proposed budget changes based on new information the Marketing Committee may recommend that the full TAC vote to accept those budget changes at its next meeting. The Marketing Committee shall also review the annual DMO Plan Evaluation Reports. The DMO Plan review may require Marketing Committee members to work for up to 24 hours of time in a condensed period of one to two weeks.

The Marketing Committee shall review the preliminary screening of DMO audits (financial review of marketing expenditures) to bring recommendations for approval to the full Council. This occurs throughout the calendar year as the Department's Destination MT Compliance Specialist completes them. The committee can review in batches as available but should have recommendations ready two weeks in advance of the next TAC meeting. The Marketing Committee Chair shall report on activity and present action items at Council meetings.

c. RESEARCH COMMITTEE:

- i. The Research Committee works with the Institute of Tourism & Recreation Research ("ITRR") in reviewing possible tourism-related research projects and brings recommendations to the full Council. The Research Committee Chair works closely with ITRR.
- ii. Research Committee members spend approximately 15 hours reading and prioritizing the annual list of research project requests. A Research Committee meeting is held prior to the applicable Council meeting to review and narrow down the project list.
- iii. After the Research Committee prepares its initial list of research projects, ITRR provides a budget for TAC's prioritized projects. Research Committee members should prepare in advance by spending about 1 hour reading the proposals as well as approximately 2 hours on phone calls to finalize the Research Committee's project recommendations. Research Committee members will recommend projects to bring to the full TAC for approval.
- iv. Throughout the year, the Research Committee reviews draft project reports prior to publication, which requires approximately 1-2 hours per report of the 4-8 reports each year that require review.

- v. Every 4-5 years, Research Committee members participate in a full-day Research Retreat, either on location prior to a particular TAC meeting, at the University of Montana in Missoula, or at some other site as decided by ITRR and the Research Committee Chair.
 - vi. ITRR coordinates setting up meetings, as directed by the Research Committee Chair. The Research Committee Chair shall report on activity and present action items at regularly scheduled Council meetings.
- d. RULES AND PROCEDURES REVIEW COMMITTEE:
- i. Every two to three years, or as needed, the Council advises the Department on the need to update the regulations, guidelines, and procedures the Department has adopted on TAC's behalf in the Administrative Rules of Montana. The Council may do so with input from representatives from the DMOs and in consultation with the Department's Destination MT staff and legal counsel.
 - ii. The Council also may act as needed to update its own internal policies and procedures pursuant to Section 10, below.
 - iii. The Rules and Procedures Review Committee assists the Council in completing this work, including by: (i) drafting proposed updates or changes for the Council's consideration; (ii) making recommendations to the full Council on necessary changes; and (iii) identifying the appropriate timing for TAC to initiate its review of regulations, guidelines, procedures, or other internal TAC policies.
- e. AT-LARGE COMMITTEE MEMBERS: The Chair may appoint to standing and ad hoc committees ex-officio, nonvoting members from interested parties, including without limitation DMO representatives, the Department's Destination MT staff, informational participants, and ITRR liaisons.
9. **EXECUTION OF DOCUMENTS:** When documents must be executed on behalf of TAC, the document shall be signed by the Chair, or in the Chair's absence, the Vice Chair. If neither the Chair nor the Vice Chair are present, documents may be executed on behalf of TAC by the Department's Destination MT staff or another member of the Council with the prior written consent of the Council Chair.
10. **AMENDMENT OF OPERATING POLICY:** Amendments to these policies may be proposed by any member of the Council. Proposed amendments may be considered and approved at a regular Council meeting, after being reviewed by the Department's Office of Legal Affairs. All members of the Council shall be informed of any proposed amendments in writing at least 72 hours prior to a vote being taken.
11. **CONFLICT OF INTEREST:** No member of the Council shall participate in any decision relating to TAC contracts or grants that affect his/her personal interests or the interests of any organization or association in which he/she is, directly or indirectly interested, or has any personal or pecuniary interest, direct or indirect, in the contract or the proceeds thereof. As

applied here, the term “participate” includes making motions, seconding motions, and voting. A Council Member who is also a voting DMO Board Member must abstain from voting for that DMO’s annual plan and audit.

12. **TESTIFYING AS A COUNCIL MEMBER:** The Council is not charged with advocating for or against legislation. A Council member desiring to advocate for or against legislation generally must do so as a private citizen on the member’s own time and on his or her own behalf. When advocating (testifying or lobbying) as a private citizen, the Council member is not entitled to compensation or travel reimbursement from the State.
 - a. On occasion, and with prior approval of the Governor’s Office, Council members may be authorized to testify for or against legislation that is within the Council’s subject area. A request to the Governor’s Office for approval of a Council member to testify in support of or against legislation on behalf of the Council requires a motion passed by the Council. Once approved by the Council, the request to the Governor’s Office must be made to the Department’s Destination MT Division staff, who then communicate with the Department’s Deputy Director and/or Director as needed. The request for approval should explain why the legislation is important to the Council, the substance of the testimony, and how it impacts the Council’s subject area.
 - b. When authorized by the Governor’s Office to testify on behalf of the Council, the member is acting in the performance of Council duties and may be entitled to reimbursement for travel pursuant to Section 13, below.
 - c. Always remember that when a Council member testifies before a legislative committee, the member should expressly state whether he or she is appearing as a private citizen or on behalf of the Council.

13. **TRAVEL REIMBURSEMENT:** Council members serve without pay; however, traveling to Council meetings and other travel for Council purposes as authorized by the TAC Chair and Destination MT staff generally will be reimbursed in accordance with § 2-18-501, MCA, and as follows, subject to available funds and the most current version of the State’s published travel reimbursement policies.
 - a. **LODGING** is reimbursed using State rates or by using the pre-arranged room block provided by Destination MT. Individuals will be reimbursed at actual cost, including taxes, up to the published State rate. A receipt indicating payment in full is required from the lodging establishment.
 - b. **TRANSPORTATION** by automobile is reimbursed by payment to the personal vehicle’s owner at the established State mileage rate. Transit expenses require receipts. Ride and cost-sharing is encouraged.
 - c. **MEALS** are reimbursed at a set per diem based on the State’s published travel policies. See the Travel Expense Form provided by staff for details and current State per diem rates. Travel advances are not permitted. Breakfast or lunch provided complimentary by a lodging establishment or included in TAC meeting agendas are not per diem reimbursable.

- d. OTHER EXPENSES without receipts are reimbursed up to the allowable amount determined by the State's published travel policies.