

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By Chairman Jan Brown, on January 24, 1989,
at 9:00 a.m.

ROLL CALL

Members Present: All present except:

Members Excused: Rep. Janet Moore

Members Absent: None

Staff Present: Judy Burggraff, Secretary; Lois Menzies,
Staff Researcher

Announcements/Discussion: Subcommittee Chairman
Cocchiarella said that she had just received a fiscal
note that morning for HB 26, and the subcommittee would
meet at 11:00 a.m., Friday, January 27. Chairman Brown
said that since we do not have the information from
Carolyn Doering as to the disposition of fines in HB
128, we could not act on the bill. Chairman Brown said
that a suggestion has been made by the sponsor of HB
78, the Indian Coordinator Bill, to the Staff
Researcher and we would bring it up tomorrow. On HB
101, Rep. Daily's bill, we have asked for a revised
fiscal note and when we receive it we will act on the
bill.

HEARING ON HB 270

Presentation and Opening Statement by Sponsor: Rep. Jack
Ramirez, House District 87, introduced the bill. This
bill requires each department of state government to
establish and maintain an electronic bulletin board.
An electronic bulletin board is a "remote database
system containing various types of information
accessible by means of a computer, modem or telephone
line." The Department of Administration is required to
set standards for software for the electronic bulletin
boards and determine procedures for the boards' use.

Rep. Ramirez submitted an amendment to HB 270 (Exhibit 1) to narrow the scope of the bill by setting up a pilot program under the auspices of the Department of Administration.

List of Testifying Proponents and What Group They Represent:

Ralph Peck, Deputy Director, Department of Agriculture

George Ochenski

Rep. Hal Harper, House District 44

Mike Trevor, Administrator, Information Services
Division, Department of Administration

Jim Jensen, Executive Director, Montana Environmental
Information Center

List of Testifying Opponents and What Group They Represent:

None

Testimony:

RALPH PECK, proponent, presented written testimony to the committee (Exhibit 2). He also presented a fact sheet and a printed brochure about the electronic bulletin board at the Montana Department of Agriculture (Exhibit 3).

GEORGE OCHENSKI, proponent, presented a handout to the committee from the Department of Administration, which includes a letter from Mike Trevor, the fiscal note work sheets, assumptions used in obtaining the cost estimates and an editorial that he wrote in December, 1988, regarding the use of computer bulletin boards as a way to enhance state services while lowering costs (Exhibit 4). He asked for the bill to be drafted because he uses bulletin boards frequently, especially the Department of Agriculture's bulletin board. Mr. Ochenski said that as chairman of the Drought Task Force, he has used an electronic bulletin board to obtain weekly precipitation reports for the entire state and can ascertain to the day the amount of snow pack and so forth around the state.

REP. HAL HARPER, House District 44, proponent, said that he knows the interest that citizens have in knowing what their government is doing and what decisions government is making. He feels that HB 270 would be a major step

in establishing an information link to the people.

MIKE TREVOR, proponent, said that with the proposed amendments, the Department of Administration, would be responsible for the setting up of the bulletin board. He said the department supports the concept of making public information available on government computers more available to the public. Examples of information on computers currently available to the private sector are: a legislation bill status system and Medicaid eligibility information, which is available through direct electronic access by hospitals and others.

DON REED, proponent, from Helena said that for the last ten years he has worked in the public interest sector following state government issues. He said the electronic bulletin board would be an easier way of keeping track of what is going on in state government. He said that there are currently about 3,000 systems like this in the United States where people can have access to a computerized data base. The electronic bulletin board is not something exotic. He also said he could see a use in the future for travel promotion and business assistance when people have questions about regulations prior to setting up a business. He felt that the bill also deals with geographical distances in Montana and deals with the artificial distance that some people have when dealing with state government.

JIM JENSEN, proponent, said he believed the bill to be a good one and asked the committee's support.

Questions From Committee Members:

REP. ROTH asked Mr. Peck how many calls per day the Department of Agriculture receives on its electronic bulletin board. He referred the question to Clive Rooney from the department, who said that they receive 10 to 15 calls per day. REP. ROTH questioned Rep. Ramirez as to whether the pilot project would be using an 800 number. He said "yes." REP. ROTH asked if the cost for the project was mostly for the long distance calls that would be coming in. Mr. Peck said that of the total cost of \$14,600, approximately \$13,600, is for the 800 line; and in addition, there would be a local line.

REP. CAMPBELL asked why each department must provide for its own security. He was told that the Department of Administration would be responsible for the integrity of the bulletin board system and each department would be responsible for the integrity and

appropriateness of its information on the system. REP. NELSON asked if all information would be public with no confidential or classified information involved, if the agency would be able to protect itself from a computer virus, and if the person accessing the system be able to receive a hard copy of the data providing they had the proper equipment. He was told all information on the system would be public, that the Department of Administration believed the system would be secure and the Department could prevent computer virus from interrupting the system and that a hard copy could be obtained if the user had the proper equipment.

REP. PHILLIPS asked Rep. Ramirez if each department were going to have its own data base and would the public call into each department for information. Rep. Ramirez said that there would be one centralized number that would be administered by the Department of Administration and that they would gather all information from the agencies and have it at a central location. He said that the Department of Agriculture has several options available. One option would be to have basic information on the Department of Administration's bulletin board; for more specific information, the public could call the Department of Agriculture's bulletin board. REP. PHILLIPS also voiced concern over the amount of phone calls coming into the system and the public always receiving a busy signal.

REP. WESTLAKE asked Rep. Ramirez if there would be a possibility of using the bulletin board service to give notice of meetings; he also asked about the possibility of legal redress or liability for misinformation. Rep. Ramirez said it would be one of its functions to include notices, but he doesn't think it would be a complete substitute for other ways. He also said that the bulletin boards would not substitute for the official ways of giving notice to the public, such as administrative rules procedure.

REP. NELSON asked if a record was kept of who was making the calls so any abuse or overuse of the system could be tracked. Mr. Trevor said that they do keep track as they have a list of registered users and they have various passwords they must use to access the system.

Closing by Sponsor: Rep. Ramirez said that the bill as amended is for establishing a pilot program to get the electronic bulletin board system started. He said that after the project is in place, we should have more

information about how it works. Rep. Ramirez said that the potential for the electronic bulletin board is unlimited and should prove to be cost effective by helping the public obtain the needed information without the use of a state employee.

DISPOSITION OF HB 270

Motion: Rep. DeBruycker moved HB 270 DO PASS.

Amendments and Votes: Rep. DeBruycker moved DO PASS on the amendments. At Rep. Westlake's request, Lois Menzies explained the amendments. REP. NELSON said that he thought there should be something in the bill relevant to a time period during which the pilot project would operate and a provision for review of the project for either continuance or termination. He said he did not want to put in a termination date but rather specify a time when an evaluation would be submitted to the Legislature for further consideration.

REP. SPRING moved that Ms. Menzies draft a further amendment to the bill to have the Department of Administration report to the next Legislature. REP. PHILLIPS said he wanted to make sure that the amendment included a cost analysis of the pilot project in the report to the Legislature. Chairman Brown requested Ms. Menzies prepare the amendment to be distributed January 25 when action will be taken on the bill.

HEARING ON HB 114

Presentation and Opening Statement by Sponsor: Rep. Floyd "Bob" Gervais, House District 9, presented written testimony to the Committee (Exhibit 5). This bill expands the eligibility period for Vietnam veterans to cover service from December 22, 1961, through May 7, 1975. To fund this benefit enhancement, the employer contribution is increased from 7.428 to 7.459 percent of salary, an increase of 0.031 percent of salary.

List of Testifying Proponents and What Group They Represent:

Dan Antonietti, Director, Veterans' Employment
Training,
United States Department of Labor

Eric Feaver, Montana Education Association

David Senn, Administrator, Teachers' Retirement System

Rich Brown, Administrator, Montana Veterans' Affairs
Division

Jess W. Long, Executive Secretary, School
Administrators' of Montana

List of Testifying Opponents and What Group They Represent:

None

Testimony:

DAN ANTONIETTI, proponent, said the date of December 22, 1961, is the first official day when combat troops actually fought in Viet Nam. He said that this is the date they use for membership eligibility for the American Legion. In the state of New Jersey recently, legislation was passed to include retirement for all military veterans, in all retirement systems, and they established the date of the beginning of the Viet Nam conflict as December 31, 1960. This date is almost one year earlier than what we're requesting in HB 114.

ERIC FEAVER, proponent, said the Montana Education Association believes the issue is one of equity. He said the Viet Nam war was a long, divisive one, and that 1961 could even be questioned as the appropriate beginning of that conflict insofar as the impact it had on Americans that served. Nineteen sixty-four is the date in the current statute; it was based on the arbitrary determination of the United States government as to when the war began. He said it is clear the war did not begin in 1964.

DAVID SENN, proponent, said the Teachers' Retirement Board is concerned about the legislation primarily because of the cost. The TRB prepared a fiscal note in which it stated that the cost was .049 percent of salary if 300 people took advantage of the proposed statutory change. Mr. Senn said this was a misstatement as the cost is .049 percent for 200 people. Since that fiscal note was published, the TRB has received considerable comments, concerns and questions about the number of people who will be eligible to qualify for service under this provision. He said that the Board is still working at revising the fiscal note and that it should be issued later this week.

RICH BROWN, proponent, said the Montana Board of Veterans' Affairs would like to let the Committee know that there were Montanans killed in action in Viet Nam between the

dates of 1961 and 1964, and that numerous wound victims also came out of Viet Nam between those dates. Mr. Brown said that Viet Nam was very active during that period of time. They support equal rights for those individuals who came back and became teachers within the system.

JESS W. LONG, proponent, said that the bill does affect a number of school administrators who served in Viet Nam. We hope that they have the opportunity to have those years of service available to them. We would also hope to see a provision in the rules of the TRS or an amendment to HB 114 that refunds would be made to those people who had bought years of service during that interim of time. He knows of one person that has paid for his years, and he hopes that the funds could be refunded to that individual.

Questions From Committee Members:

None

Closing by Sponsor: Rep. Gervais said that he also disagrees with the fiscal note. He said he would like to continue the hearing until next week when the information should be gathered that would drastically reduce the numbers in the previous fiscal note. With the new fiscal note, he said he recommended a do pass.

DISPOSITION OF HB 114

The committee asked for action to be deferred until next week until an accurate fiscal note could be received.

HEARING ON HB 216

Presentation and Opening Statement by Sponsor: Rep. Norm Wallin, House District 78, introduced the bill. This is an agency bill requested by the Department of Commerce. It is effective on passage and approval and requires that the Montana Health Facility Authority be audited by or at the direction of the Legislative Auditor every two years rather than annually.

The Montana Health Facility Authority is a seven-member quasi-judicial board appointed by the Governor. The authority issues revenue bonds and notes to finance capital projects for public and private nonprofit health facilities at borrowing rates generally below

those otherwise available.

Rep. Wallin said the bill is a cost-saving measure. He handed out the fiscal note, which he pointed out as a plus "for a change."

List of Testifying Proponents and What Group They Represent:

Jerry Hoover, Administrator, Montana Health Facility Authority

List of Testifying Opponents and What Group They Represent:

None

Testimony:

JERRY HOOVER, proponent, said the Montana Health Facility Authority, which he represents, is appointed by the governor and is a seven-member board with four-year terms. The bill should reduce the cost to health facilities. The funding for the MHFA is generated by fees charged to the hospitals, nursing homes and other health care facilities for their bond issuance or for loan closings. Mr. Hoover said that if MHFA can reduce its cost, it could reduce the fees charged to the health facilities. The fiscal note indicates that over \$2,000 per biennium will be saved.

Questions From Committee Members:

REP. ROTH asked Mr. Hoover if any of the facilities had annual audits on their own for other purposes such as accreditation and if so, was it separate from the audit in the bill. Mr. Hoover said that they do; and as a condition of bond issuance or their loan, they have to submit an audited financial report to the authority each year in addition to the audit referred to in the bill.

Closing by Sponsor: Rep. Wallin said he doesn't introduce bills very often that save the state money. He said it isn't a lot of money, but it is also a saving of the time that goes towards making the audits. Ex-Governor Schwinden thought that the audit was an unnecessary duplication. The amount of money that the MHFA handles, while it is large, is all "in and out" of people applying for loans. Bonds are sold to cover the loans and the MHFA imposes a 2 percent charge on the amount of the bond. Rep. Wallin said that this is the only money the authority has to operate on and the MHFA is self-sustaining.

DISPOSITION OF HB 216

Motion: Rep. Campbell moved DO PASS.

Discussion: None

Amendments and Votes: None

Recommendation and Vote: The motion CARRIED unanimously.

DISPOSITION OF HJR 5

Motion: Rep. Campbell moved HJR DO NOT PASS. Rep. Whalen made a substitute motion that HJR DO PASS.

Discussion: REP. WHALEN said he would like to respond to some of the things that were raised in Committee Friday when the bill was being heard. In particular, he said that the Committee saw Jacqueline Terrel hold up a volume of the Montana Codes and opened up about half of it and said these are the insurance regulations that we have in the state. But the fact of the matter is that the Insurance Commissioner doesn't have any meaningful, effective regulation of the insurance industry. The insurance industry is right now in a committee trying to kill a bill to require insurance companies to set rates on a regional basis so that we are not subsidizing malpractice rates in other parts of the country. He said that the way the insurance industry operates is that they whipsaw the states off one another. Then the insurance companies threaten to leave the state and issue all sorts of veiled threats. We need to be mindful of the fact that we are only 3/10ths of one percent of the insurance underwriting market and Montana is particularly susceptible to their threats. He reminded the committee that they are exempt to the anti-trust laws, and they do price fix. In 1987, Montanans paid out a billion dollars to out-of-state insurance companies in the form of insurance premiums and the insurance companies won't tell us what they paid back in claims. He said that he thinks that this is one of the most important pieces of legislation and he strongly urged the Committee's support.

REP. COCCHIARELLA said that if the Committee read the article that was handed out, HIT AND RUN, they would have noted that the insurance companies own over 80 percent of the real estate in the United States, have

the largest number of lobbyists in Washington, D.C., and spend more money than anybody can possibly imagine in their lobbying efforts. She said that almost half of the states are working on this effort right now -- we are not alone.

Amendments and Votes: None

Recommendation and Vote: The DO PASS motion failed by a vote of 8 to 9. HJR 5 failed to pass the committee.

DISPOSITION OF HB 139

Discussion: CHAIRMAN BROWN said that there was a question raised as to whether the title of the bill could be amended to permit a revision in the \$7 amount received as reimbursement for lodging in a noncommercial, non-receiptable lodging. Ms. Menzies said that such an amendment could be made within the title of the of the bill if the Committee was interested in doing that.

Amendments and Votes: Rep. Compton moved Rep. Simon's amendment, (Exhibit 6) and said he wished to strike Japan and Taiwan and insert foreign countries. The motion CARRIED 14 - 3 with Reps. Cocchiarella, Squires and Davis voting no.

Chairman Brown asked if the Committee would like to increase the \$7 figure. Lois Menzies explained Rep. Simon's request. She said that if an employee or elected official stayed at a nonreceiptable facility, like at someone's house, he or she is entitled to receive a \$7 reimbursement for lodging at that facility. She said that Rep. Simon wished to increase this to \$12, and that such an amendment would be germane to the title of the bill. REP. PHILLIPS said he thought that the \$7 was put in there for a good reason. There are about 260 to 270 people on the road every night that have a lot of relatives where they could stay where it doesn't cost them anything and the \$7 covers their expenses. He said he thought we should let the \$7 stay. REP. ROTH said that there are good arguments on both side of the issue, and that he thought the problem was that state employees would have to end up paying out of their pocket when in fact they are saving the state money. He said he didn't think that is a reasonable thing to require. He thought that instead of changing the figure of \$7 the Committee should allow receiptable lodging from a landlord or landlady to be in a form that could be reimbursed as

long as it was under the state's allowable amount. REP. O'CONNELL told the Committee the history of the \$7 amount. She related that when she had relatives living in East Helena that she had stayed with them during a special session. She said that she wasn't able to ask for any reimbursement, and she spoke up saying that no reimbursement wasn't fair. She said that at times she would take the relatives to dinner or buy groceries to reimburse them for their additional expense. At that time they put the \$7 limit in the statute for staying with relatives or friends. REP. DEBRUYCKER said that since the bill we were talking about was travel in foreign countries, we shouldn't be amending the bill for travel within the state.

REP. ROTH moved the bill be amended to include the foreign countries, not just Japan and Taiwan and not include the changing of the \$7 limit.

REP. PHILLIPS said he did not like Page 3, Line 7, including the members of boards, commissions and households. He said he doesn't know how to get that broad reference out of the bill. He said he can understand that if there are state employees in an office in foreign countries being paid, but he doesn't want to see anyone loading up airplanes and taking around 40 or so folks for a Governor's reelection, no matter which party, as he does not want the state to pay for that. REP. RUSSELL requested clarifying information in a fiscal note as to the numbers of people in those offices that would be traveling besides the commissions, that the Committee could make a decision. CHAIRMAN BROWN asked Ms. Menzies if it would be possible to get a clarification as to those that it would be absolutely essential to be traveling there and the cost and a revised fiscal note. Ms. Menzies said rather than getting a revised fiscal note, she would research the areas that the Committee was interested in. REP. ROTH said he thought that the people over there would be included in a separate budget as they are there more or less permanently. He said he thought that what the Committee is dealing with is those traveling over there for other purposes. He thought we should request how many people traveled over there under state expense that are not part of the permanent offices. It was also requested that Ms. Menzies find out under which department the people would be traveling.

REP. BROWN asked REP. ROTH if he would like to withdraw his DO PASS. REP. ROTH withdrew his motion.

DISPOSITION OF HB 140

Motion: Rep. DeBruycker moved HB 140 DO PASS.

Discussion: REP. SQUIRES made a substitute motion that HB 140 DO NOT PASS. REP. WESTLAKE said he supports Rep. Squires' position on the bill and has been requested by Gallatin County Commission to oppose HB 140 as being past its stage of usefulness and that they feel like there is no longer a need for this type of legislation. REP. WHALEN asked REP. WESTLAKE if his county chairman was opposed to the bill or to the Board. REP. WESTLAKE said that basically they were opposed to the Board, but they did make an additional comment that they would like to have the whole bill defeated. REP. WHALEN made a comment that the Board sets the maximum rate that could be charged not the minimum, and it still goes to competitive bidding. He said that when you have a one-newspaper town and you don't have a board setting the rate, they can charge the county whatever they want. REP. PHILLIPS said he thought the Board probably was holding down some printing costs and that the Board wasn't hurting anything. REP. SPRING said that he had talked to some of the lobbyists concerning the bill, and he supports Rep. Squire's position.

Recommendation and Vote: The motion CARRIED with Reps. Nelson and DeBruycker voting no.

ADJOURNMENT

Adjournment At: 10:44



REP. JAN BROWN, Chairman

JB/jb

2014.min

DAILY ROLL CALL

STATE ADMINISTRATION COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date January 24, 1989

NAME	PRESENT	ABSENT	EXCUSED
Rep. Jan Brown, Chairman	✓		
Rep. Helen O'Connell, Vice Ch.	✓		
Rep. Vicki Cocchiarella	✓		
Rep. Ervin Davis	✓		
Rep. Floyd "Bob" Gervais	✓		
Rep. Janet Moore			✓
Rep. Angela Russell	✓		
Rep. Carolyn Squires	✓		
Rep. Vernon Westlake	✓		
Rep. Timothy Whalen			
Rep. Bud Campbell	✓		
Rep. Duane Compton	✓		
Rep. Roger DeBruycker	✓		
Rep. Harriet Hayne	✓		
Rep. Richard Nelson	✓		
Rep. John Phillips	✓		
Rep. Rande Roth	✓		
Rep. Wilbur Spring, Jr.	✓		

STANDING COMMITTEE REPORT

January 24, 1989

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Bill 216 (first reading copy -- white) do pass.

Signed: _____
Jan Brown, Chairman

1/27/89
30

STANDING COMMITTEE REPORT

January 24, 1989

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Joint Resolution 5 (first reading copy -- white) do not pass .

Signed: Jan Brown
Jan Brown, Chairman

Note: HJR 5 was reported out of committee incorrectly on the Standing Committee Report. It should have read DO PASS.

STANDING COMMITTEE REPORT

January 24, 1989

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Bill 140 (first reading copy -- white) do not pass

Signed: _____
Jan Brown, Chairman

EXHIBIT 1
DATE 1-24-89
HB 270

Amendments to HB270.

1. Page 1, line 14.

Strike: section 2 in its entirety

Insert: Section 2. Establishment. The Department of Administration will provide and maintain a central electronic bulletin board for State Government agencies to use as a means of conveying information to the citizens of Montana. Agencies involved in communicating information with the public will maintain appropriate information on that system. The establishment of this initial system will serve as a pilot project to encourage the practice of providing for direct citizen access to state computer information where that access is cost beneficial."

2. Page 1, line 23.

Strike: line 23 through 24 in their entirety

Insert: (2) The Department of Administration will be responsible for the security and integrity of the bulletin board system. Each Department will be responsible for the integrity and appropriateness of their information on the system.

(3) The Department of Administration will be responsible for providing an equitable method of recovering the cost of operating the system.

3. Page 2, line 10.

Strike: July 1, 1989

Insert: October 1, 1989

EXHIBIT 2
DATE 1-24-89
HB 270



STAN STEPHENS
GOVERNOR

STATE OF MONTANA
DEPARTMENT OF AGRICULTURE

OFFICE OF THE DIRECTOR
AGRICULTURE/LIVESTOCK BLDG.

CAPITOL STATION
HELENA, MONTANA 59620-0201

TELEPHONE:
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444-3144

FAX 406-444-5409

EVERETT M. SNORTLAND
DIRECTOR

TESTIMONY OF THE MONTANA DEPARTMENT OF AGRICULTURE
FOR THE HOUSE STATE ADMINISTRATION COMMITTEE
ON HOUSE BILL 270
TUESDAY, JANUARY 24, 1989
HELENA, MONTANA

Chairman Brown and members of the committee. For the record my name is Ralph Peck, Deputy Director and I'm here today at the request of Representative Ramirez, as a resource to the committee to provide information pertaining to the Agricultural Marketing Bulletin Board (AMBB) currently located within the Department of Agriculture's, Agricultural Development Division (see attached brochure and fact sheet).

The department initiated its bulletin board just over a year ago to address the need for information and statistics in agriculture. Since its' origination the bulletin board has been accessed approximately 3,350 times. Individuals using the system have been very happy with the service and continually suggest improvements. New and innovative concepts are continually being added to the system (see attached fact sheet).

The bulletin board provides a central source of information that can be accessed from anywhere in the country by anyone with a computer and phone modem. This concept is especially advantageous in the area of agricultural market development and is in touch with the increasingly higher technology of United States agriculture.

I will be happy to provide additional information or answer questions from the committee.

MONTANA DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING BULLETIN BOARD
JANUARY 24, 1988

Date of inception - January 10, 1989

Number of calls - 3,350

Numbers of users - 315

Typical users: Agribusiness
Commercial banks
Educational institutions
Farmers
Ranchers
Government agencies
Public libraries
Regional development groups
MSU Extension
News Services

The AMBB is serving as a model for state departments of Agriculture nation wide. The AMBB was featured at recent symposium in Denver, Colorado sponsored by the Agricultural Research Institute. The Virginia Department of Agriculture is actively developing a bulletin board modeled after Montana's.

The AMBB serves as an educational tool for vo-tech and high school science teachers.

Public libraries and regional development groups are showing interest in establishing a network of computers capable of linking with the AMBB and providing wider access to AMBB services.

The Alberta Department of Agriculture has agreed to allow the department to include a series of farm and ranch computer programs on the AMBB. These programs are designed to assist the average farmer or rancher in daily farm\ranch operation and economics.

Montana State University has agreed to open a section for MSU publications and news. This will allow newspapers across the state to access MSU Agricultural news stories without the need to typeset the text.

By adding multi-line capability, the AMBB can now be accessed by three users at the same time, preventing delays from the system being tied up.

07:00 am HB 270
312-1 Electronic
Bulletin Board

DAVE MARSHALL - INFO. CNTR.

444-2920

EXHIBIT 4
DATE 1-24-89
HB 270

1/20/89

1091

Representative Ramirez,

The attached amendments to HB270 will serve to scale things down to a pilot project size and cost. I have also attached a copy of our fiscal note response so you can see what we've done there.

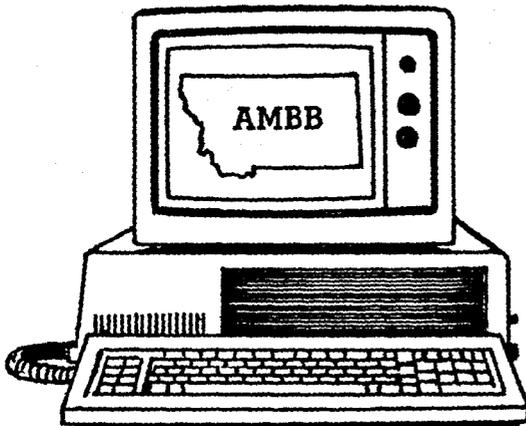
I will attend the hearing on tuesday to offer support and answer questions the committee may have about how this approach might work. I won't be able to stop in to see you early Monday due to my budget executive session being scheduled at 8:00am. I'll stop by your office when they are through with me. If I don't catch you in, you may want to give me a call (ext. 2700) if you have questions.

Mike Trevor
Mike Trevor

HB 270
Exhib. #4
HB 270
201 9/1

EXHIBIT 3
DATE 1-24-89
B-270

MONTANA AGRICULTURAL MARKETING BULLETIN BOARD



1-406-444-5411

PROVIDING AGRICULTURAL
MARKETING SERVICES
FOR THE WESTERN
REGION

Montana Department
of Agriculture
Keith Kelly, Director

Unproofed Draft
Printed 9:44 am on January 4, 1989

EXHIBIT 4
DATE 1-24-89
HB 270

LC0661 3099

*** Bill No. *****
Introduced By *****
By Request of *****

A draft for a bill entitled: "An act establishing an electronic bulletin board in each department of state government; and providing an effective date."

Be it drafted for sponsor approval

Section 1. Definitions. As used in [sections 2 and 3], "electronic bulletin board" means a remote database system containing various types of information and accessed by means of a computer, a modem, and a telephone line.

Section 2. Establishment. Each department of state government shall establish and maintain an electronic bulletin board as a means of conveying information to the citizens of Montana.

Section 3. Responsibilities. (1) The department of administration shall:

(a) set standards for the selection of software for the electronic bulletin boards; and

(b) determine procedures for bulletin board usage.

Unproofed Draft

Printed 9:44 am on January 4, 1989

EXHIBIT 4
DATE 1-24-89
HB 270

4 of 91

(2) Each department shall provide security to protect the integrity of its electronic bulletin board system.

Section 4. Extension of authority. (Standard language to implement 5-4-402(3), MCA, see Bill Drafting Manual, section 4-17.)

Section 5. Codification instruction. [Sections 1 through 3] are intended to be codified as an integral part of Title 2, chapter 17, part 3, and the provisions of Title 2, chapter 17, part 3, apply to [sections 1 through 3].

Section 6. Effective date. [This act] is effective July 1, 1989.

-END-

LC0661

Machine ID M5011

COMPLIANCE TITLE: 3. Chapter 4, Part 2 of the Montana Code Annotated (MCA).
 AGENCY OR UNIT: Administration

Completed worksheets are due in the Office of Budget and Program Planning on or before 1-21-20.
 Note: The copy of the proposed legislation must be returned to the Budget Director with the completed worksheets.

Fiscal Note estimate and statement are requested for:
 S.B. _____
 H.B. 270
 As Originally Introduced Bill
 Second Reading (yellow) Copy
 Third Reading (blue) Copy
 Salmon Reference Copy
 Ivory Final Reference Copy
 Senate Amendments (pink)
 House Amendments (green)
 Other, as described _____

	First Fiscal Year of Next Biennium - FY - 90			Second Fiscal Year of Next Biennium - FY - 91		
	Estimated Amount Under Current Law	Estimated Amount Under Proposed Law	Estimated Increase (Decrease)	Estimated Amount Under Current Law	Estimated Amount Under Proposed Law	Estimated Increase (Decrease)
A. Effect on Revenue by Source:						
(List in Detail)	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL REVENUE						
B. Effect on Expenditures by Category:						
Personal Services	N/A	N/A	N/A	N/A	N/A	N/A
Operating Expenses		14,572			14,572	14,572
Capital Outlay		6,538				
Local Assistance, Grants						
Benefits & Claims						
TOTAL EXPENDITURES		21,110			21,930	14,572
NET EFFECT (A LESS B)		(21,110)			(21,930)	(14,572)
C. Fund Information:						
General Fund						
Earmarked Special Revenue Fund						
Fed & Private Special Revenue						
Capital Project Fund						
Proprietary Fund						
Other (describe)						

60991

STATE OF MONTANA
FISCAL NOTE WORKSHEET

REQUEST NO. _____

Form BD-14

IV. EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:
Provide an estimate of the local impact.

None.

V. LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Use this space to describe any potentially significant effects the proposed legislation might have on expenditures and/or revenues for subsequent fiscal years, give quantitative estimates whenever possible.

Use of this system is likely to grow at a substantial rate by both agencies and the public. For example, multiple users at one time are likely to be required as well as a larger computer to handle more information. Each additional concurrent user would require about \$2700 in equipment, \$270/year operating expenses, plus additional telephone costs and additional fractional FTE.

VI. TECHNICAL OR MECHANICAL DEFECTS OR CONFLICTS WITH EXISTING LEGISLATION:
Explain.

None.

Agency Representative Who Prepared Estimates:

Mike Swartz
(Name)

Administrator, ISD 444-2700
(Title)

January 20, 1989
(Date)

(Phone No.)

(Date)

Office of Budget and Program Planning:

Received _____
Analyzed by _____

Fiscal Note by _____
Date _____

EXHIBIT
DATE 1-24-89
HB 270
70991

STATE OF MONTANA
FISCAL NOTE WORKSHEET

REQUEST NO. _____
Form BD-14

II. ASSUMPTIONS USED IN OBTAINING ESTIMATES:
(Please list clearly and in detail; use extra sheets if necessary).
List assumptions made during preparation of the fiscal note. If certain costs associated with the proposed legislation can be absorbed without additional funds, indicate this as an assumption. If no dollar estimates have been presented, list reasons in this space.

See attached Assumptions II.

III. DERIVATION OF ESTIMATES:
Show basic calculations or provide a brief description of the techniques used to obtain estimates; also, cite sources of basic data used for projections.

See attached Derivation of Estimates III.

8/91

II. ASSUMPTIONS USED IN OBTAINING ESTIMATES:

1. This fiscal note assumes the following amendment is incorporated into the bill.

Amendments to HB270.

1. Page 1, line 14.

Strike: section 2 in its entirety

Insert: Section 2. Establishment. The Department of Administration will provide and maintain a central electronic bulletin board for State Government agencies to use as a means of conveying information to the citizens of Montana. Agencies involved in communicating information with the public will maintain appropriate information on that system. The establishment of this initial system will serve as a pilot project to encourage the practice of providing for direct citizen access to state computer information where that access is cost beneficial."

2. Page 1, line 23.

Strike: line 23 through 24 in their entirety

Insert: (2) The Department of Administration will be responsible for the security and integrity of the bulletin board system. Each Department will be responsible for the integrity and appropriateness of their information on the system.

(3) The Department of Administration will be responsible for providing an equitable method of recovering the cost of operating the system.

3. Page 2, line 10.

Strike: July 1, 1989

Insert: October 1, 1989

2. ISD costs and FTE can be absorbed in the current level. ISD will have to reallocate and upgrade FTE from areas which are currently experiencing workload reduction.
3. Some agency costs and payments to ISD may not be able to be absorbed.
4. Equal access to all Montana citizens regardless of location was assumed. If this assumption is not made the cost of the toll free access can be removed.
5. One user at a time access is sufficient as a starting point. Busy signals to the public on a regular basis are acceptable during the pilot period. (See Long Range effects below.)

III. DERIVATION OF ESTIMATES:

Provide one personal computer in DOA.

	Initial Cost	Operating Cost
Personal Computer (model 60) 80286 processor 70MB hard disk 1MB memory Surge protector (based on current IBM term contract prices)	\$4200	\$300/yr
Software DOS 3.3 Fido or equivalent bulletin board software Disk utility	\$ 200	\$ 50/yr
Modem (Hayes 2400 bps)	\$ 500	\$ 50/yr
Tape Backup Unit (estimates based on typical market prices)	\$1500	\$200/yr
Supplies		\$100/yr
Phone costs	\$ 78	\$210/yr
Toll free (800 number) (based on estimated usage of 80 hours per month)	\$ 60	\$13,662/yr
	_____	_____
Total:	\$6538	\$14,572/yr

ISD Staff 0.50 FTE (setting standards, trouble shooting, security, change control, disk maintenance, backup, phone call problem resolution, information collection, review and updating, etc...)

FTE estimates are based on Information Center experience responding to current public access computer system needs and the experience of other agencies and private groups currently offering electronic bulletin boards.

Agency staff time (information gathering and putting into electronic form) is assumed to be comparable to the current effort used in distributing information in other forms.

EXHIBIT

4

DATE

1-24-89

HB

270

10 of 11

6. Assume that the amount of information offered by agencies will grow at a moderate rate (less than 30 MB per year) in the beginning.

Always Support It

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EXHIBIT A
DATE 1-24-89

Ralph Anderson

State should eye 'bulletin boards'

A major question now facing state government is how to enhance services to Montanans without adding more state employees to the payroll.

One way is through the use of computers, modems and the development of toll-free government agency computer "bulletin boards." Let me explain. A modem is an inexpensive device that allows computers to talk to each other over regular telephone lines. The text, graphics or programs, are converted to electronic signals and a modem on the other end of the line changes the signals back into words, pictures, or programs.

Thousands of computer bulletin boards exist across the nation and world today. They are used for exchanging personal and technical information, computer programs, and buying and selling goods. Professional boards exist for doctors, lawyers, research science, investments, insurance, foods, sports, genealogy, and just about everything else.

Accessing and using the capabilities of the boards is simple. You don't have to be a computer specialist to succeed. So, you're probably asking, what does this have to do with state government? One such government board is run by the Department of Agriculture. It's called the Ag Marketing Bulletin Board. Who is producing and selling what agricultural products in Montana, how much snowpack is in the mountains, and the current market price of grain, hay, and livestock are only some of the areas of useful information. And it's available 24 hours a day.



GEORGE OCHENSKI

While this board is used primarily for marketing, there is no reason why the state shouldn't be using similar boards for the benefit of citizens, industries, businesses, and organizations across Montana. And for the most part, it can be done with existing equipment.

Boards can provide a cheaper, quicker, and more comprehensive way to request proposals, bids, and services. They can decrease postage, paper and copying costs and increase competition, thus saving the state money.

And, like the Ag Board, they would enhance assistance to other business sectors through better communication with the state, each other, and likely customers. While estimates vary on exactly how much it would save the state in copying and postage, those familiar with the current board agree that the staff time saved would in itself compensate for the small cost of operating the boards. Want to get a report or find out what state jobs might

be available in a specific agency? Call up and scan the files from the comfort of your home, or maybe from a local library.

In a state like Montana, with vast distances to the Capitol from the far corners of our state, such a system makes sense and assures equity. If you're in Glendive and you need information from Helena, your only choice now is to write a letter, or make a long distance call. Then you hope that the right person is in, and that they have the time to deal with your request.

If demand for government services continues to grow faster than the willingness to pay for them, the situation is understaffed and overworked agencies is unlikely to improve.

The "modernization" of government in Montana offers a workable, cost-effective solution to this dilemma. Sure, not everyone has a computer with a modem, but thousands do. Most citizen and professional organizations find the computer an indispensable tool, and the use of modems is a cheap and simple adjunct that offers considerable benefits. Moreover, local and county government offices could almost certainly enhance their ability to communicate using the same system.

The potential savings and benefits make this proposal worth further investigation by a new administration faced with a tight budget.

GEORGE OCHENSKI is a former lobbyist for the Helena-based Montana Environmental Information Center.

Rantsen emerges a true winner

EXHIBIT 5
DATE 1-24-89
HB 114

House Bill 114

House Bill 114

MADAM CHAIRMAN AND MEMBERS OF THE STATE ADMINISTRATION COMMITTEE, I APPRECIATE THIS OPPORTUNITY TO APPEAR BEFORE THIS COMMITTEE, AS ONE OF THE SPONSERS OF THE LEGISLATION YOU ARE NOW TO CONSIDER.

FIRST I WOULD LIKE TO GIVE A LITTLE BACKGROUND OF WHY THIS BILL HAS BEEN INTRODUCED. DURING THE 47th LEGISLATIVE SESSION HB 637 " AN ACT TO PROVIDE VETERANS OF THE VIETNAM CONFLICT ERA SERVICE CREDITS FOR THE TEACHERS" RETIREMENT SYSTEM COMPARABLE TO THOSE GRANTED VETERANS OF WORLD WAR II AND THE KOREAN CONFLICT" WAS PASSED. THE DATES ESTABLISHED IN HB 637 WERE BETWEEN AUGUST 5, 1964 and MAY 7, 1975

THEN, THE AMERICAN LEGION IN NATIONAL CONVENTION ASSEMBLED IN HOUSTON, TEXAS, AUGUST 22, 1979 PASSED A RESOLUTION TO PETITION TO CONGRESS TO AMEND THE DATES FOR THOSE MEMBERS OF THE ARMED FORCES WHO SERVED HONORABLY IN VIETNAM BEGINNING DECEMBER 22, 1961 AND ENDING MAY 7, 1975 THUS ESTABLISHING THE ELIGIBILITY DATES FOR MEMBERSHIP IN THE AMERICAN LEGION DURING THE VIETNAM ERA.

MADAM CHAIRMAN, I AM PROUD OF THESE MEN AND WOMEN WHO SERVED DURING THIS PERIOD AND I FEEL THAT THEY ARE OWED A DEBT BY ALL OF US. THIS LEGISLATION WILL CONFORM ELIGIBILITY DATES ESTABLISHED BY THE AMERICAN LEGION AND APPROVED BY THE CONGRESS OF THE UNITED STATES. IN CONCLUSION, AGAIN I THANK YOU FOR THE OPPORTUNITY TO APPEAR BEFORE THIS COMMITTEE AND I WILL BE HAPPY TO ANSWER ANY QUESTIONS YOU MAY HAVE.

refer to testimony given to subcommittee

EXHIBIT
DATE 1-24-89
HB 139

AMENDMENT TO HOUSE BILL 139
Introduced Bill

House Bill 139 is amended to read as follows:

Amend Title, line 7.

Delete: Japan and Taiwan
Insert: Foreign Countries

Amend page 3, line 5.

Delete: Japan and Taiwan
Insert: Foreign Countries

VISITORS' REGISTER

STATE ADMINISTRATION COMMITTEE

BILL NO. HB 270

DATE January 24, 1989

SPONSOR REP. RAMIREZ

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Jim Jansen	Helena WETC	✓	
GEORGE OCHENSKI	HELENA	✓	
Don Reed	Helena	✓	
Mike Frew	Helena/DOA	✓	
Wes Krawczyk	HELENA	✓	
Kathleen Harrington	Helena	✓	
Ralph Pak	Mt Dept of Agriculture		
Clive Roopery	MT D o S Agriculture	✓	
Don Siles	Helena	✓	
Ph. J Brooks	Univ. System		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

ROLL CALL VOTE

STATE ADMINISTRATION

COMMITTEE

DATE 1-24-89

BILL NO. HJR 5

NUMBER 1

NAME	AYE	NAY
Jan Brown	X	
Bud Campbell		X
Vicki Cocchiarella	X	
Duane Compton		X
Ervin Davis	X	
Roger DeBruycker		X
Floyd "Bob" Gervais	X	
Harriet Hayne		X
Janet Moore		
Richard Nelson		X
Helen O'Connell	X	
John Phillips		X
Rande Roth		X
Angela Russell	X	
Wilbur Spring, Jr.		X
Carolyn Squires	X	
Vernon Westlake		X
Timothy Whalen	X	

TALLY

8 9

Judy Burgoyne
Secretary

Jan Brown
Chairman

MOTION: Do Pass motioned failed 8 to 9.