

**MINUTES**

**MONTANA SENATE  
55th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON FINANCE & CLAIMS**

**Call to Order:** By **CHAIRMAN CHUCK SWYSGOOD**, on January 10, 1997,  
at 3:45 p.m., in Room 108.

**ROLL CALL**

**Members Present:**

Sen. Charles "Chuck" Swysgood, Chairman (R)  
Sen. Thomas A. "Tom" Beck (R)  
Sen. James H. "Jim" Burnett (R)  
Sen. B.F. "Chris" Christiaens (D)  
Sen. Eve Franklin (D)  
Sen. Loren Jenkins (R)  
Sen. Greg Jergeson (D)  
Sen. John "J.D." Lynch (D)  
Sen. Dale Mahlum (R)  
Sen. Ken Miller (R)  
Sen. Mike Taylor (R)  
Sen. Daryl Toews (R)  
Sen. Mignon Waterman (D)

**Members Excused:** Sen. Thomas F. Keating, Vice Chairman (R)  
Sen. Larry Baer (R)  
Sen. Arnie A. Mohl (R)  
Sen. Linda J. Nelson (D)

**Members Absent:** None

**Staff Present:** Clayton Schenck, Legislative Fiscal Division  
Sharon Cummings, Committee Secretary

**Please Note:** These are summary minutes. Testimony and  
discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 1, 1/9/97; SB 35, 1/6/97  
Executive Action: HB 1 Do Concur; SB 35 Do Pass  
As Amended

**HEARING ON HB 1**

**Sponsor:** REP. TOM ZOOK, HD 3, Miles City

**Proponents:** None

**Opponents:** None

Opening Statement by Sponsor:

REP. TOM ZOOK introduces HB 1. Increases are: per diem, \$20.00 per day; pay, \$1.12 and mileage, 1 cent. (EXHIBIT #1)

Questions From Committee Members and Responses:

Is the mileage reimbursement the automatic one everyone gets? Do we have to apply for that or is that going to be in our first per diem check?

Bob Person, Legislative Services Division (LFD), states the one round trip is automatic, you need to apply for the others.

SEN. LOREN JENKINS asks how many trips are allowed per session.

Mr. Person responds four, one automatic and three to apply for.

Closing by Sponsor:

REP. ZOOK closed.

{Tape: 1; Side: A; Approx. Time Count: 2.5 min.; Comments: None.}

EXECUTIVE ACTION ON HB 1

Amendments:

Motion: SEN. TOM BECK MOVED HB 1 BE CONCURRED IN.

Discussion: SEN. KEN MILLER is going on record as voting against this bill. He feels the 36% increase in per diem is not an acceptable increase since we are trying to cut back on spending in other areas.

Vote: The BE CONCURRED IN motion for HB 1 CARRIES with SEN. KEN MILLER & MIKE TAYLOR voting NO.

{Tape: 1; Side: A; Approx. Time Count: 4 min.; Comments: None.}

EXECUTIVE ACTION ON SB 35

Amendments: #sb003501.atp as contained in (EXHIBIT #2).

Motion: SEN. J.D. LYNCH moves to adopt amendment #sb003501.atp.

Discussion: Clayton Schenck, LFD, explains that this amendment is prepared by the Legislative Fiscal Analysts (LFA) office. The first part is technical, to change the name of the LFA office to fiscal instead of finance. Later on in line 15 we shouldn't be referring to revenue estimates. This is dealing totally with comparisons of expenditures.

**Vote:** Motion to adopt amendment #sb003501.atp CARRIES UNANIMOUSLY.

*{Tape: 1; Side: A; Approx. Time Count: 5 min.; Comments: None.}*

**Amendment:** From the Office of Budget & Program Planning as contained in (EXHIBIT #3).

**Motion:** SEN. LYNCH moves to adopt this amendment for the point of discussion.

**Discussion:** Mr. Schenck explains this is a Finance Committee bill but the Budget Office suggests an amendment to clarify that reversions be factored in to this.

SEN. LYNCH asks what happens if an agreement cannot be reached.

Mr. Schenck responds that any disagreement will have to be addressed in the analysis.

SEN. BECK understands the argument between the two departments probably won't be about the reversions but might be the amount.

Mr. Schenck says that is correct.

**Vote:** Motion to adopt the amendment as contained in (EXHIBIT #3) CARRIES UNANIMOUSLY.

*{Tape: 1; Side: A; Approx. Time Count: 7 min.; Comments: None}*

**Amendment:** From the Office of Budget & Program Planning as contained in (EXHIBIT #4).

**Discussion:** SEN. BECK asks what the local government problem is.

Mr. Schenck explains the purpose of this bill is to incorporate those taxes and licenses considered as total state expenditures. The Finance Committee decision was that since these are state taxes they should be included in the comparisons. This amendment would strike including tax distribution to local government.

**Motion:** SEN. BECK moves to adopt the amendment from the Office of Budget & Program Planning as contained in (EXHIBIT #4).

SEN. BECK states it is his understanding that these funds are passed through and not available to state government.

Terry Johnson, LFD, responds that SEN. BECK'S statement is technically correct but the underlying issue is that all it takes is a statutory change for these funds to be used by state government. Example: beer or liquor taxes are statutorily

allocated to local government but a statutory change would allow these funds to be used by state government.

**Steve Bender, Office of Budget & Program Planning (OBPP)**, explains that state government does not directly spend this money. This money is allocated for local functions, why should state government be tagged as the ones spending the money. There may be another bill to move it back into a state special account. If that is the case, this amendment wouldn't do anything.

**SEN. JENKINS** asks is the only agency fund in state government, nothing goes to local government.

**Mr. Bender** states that is incorrect. There are numerous little funds maintained by the agencies for whatever purpose. Example: Department of Revenue has quite a few funds for non-sufficient fund checks, they get a tax collection that doesn't clear, they report that money in an agency fund.

**Mr. Bender** states his amendment is so agency funds are not included in the budget comparisons, they are all excluded regardless of their use.

**SEN. JENKINS** asks what funds will be excluded.

**Mr. Bender** states the only money affected by the amendment is distributions to local government, which are all revenue estimates.

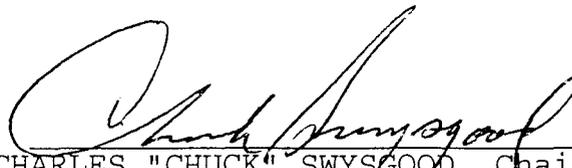
**Vote:** Motion to adopt the amendment as contained in (EXHIBIT #4) fails.

*{Tape: 1; Side: A; Approx. Time Count: 13 min.; Comments: None.}*

**Motion/Vote:** SEN. LYNCH MOVES SB 35 DO PASS AS AMENDED. The motion CARRIES UNANIMOUSLY.

ADJOURNMENT

Adjournment: 4:04 p.m.



SEN. CHARLES "CHUCK" SWYSGOOD, Chairman



SHARON CUMMINGS, Secretary

CS/SC