

MINUTES OF THE MEETING
SENATE STATE ADMINISTRATION COMMITTEE
JANUARY 26, 1977

The meeting was called to order by Senator Towe, Chairman, at 11:00 a.m. in Room 410 of the Capitol Building. Committee members present were Senators Towe, Story, Brown, Blaylock, Rasmussen, Roskie, Jergeson and Devine.

The following bills were discussed:

	SB 106
	SB 104
	SB 107
	SB 101
	SJR 6

SENATE BILL 106

Senator Dunkle, District 15, sponsor of the bill, stated the purpose of the bill is to transfer certain property of the State Fairgrounds to Lewis & Clark County for \$1. He stated in the mid '50's the fairgrounds had deteriorated. The Fair Board was appointed and has developed the area into a first class fairgrounds. The county has invested many thousands of dollars in it and it is felt the part the county has developed should be turned over to the county.

PROPONENTS: Tom Dowling, County Attorney, Lewis & Clark County, stated the county commissioners secured a 99-year lease from the state in the 1950's. At the end of the lease the state has to buy it back and by that time the price tag could be well over \$1 million dollars. This bill would, offset that happening. The fairgrounds require a \$200,000 renovation right now due to the National High School Rodeo Finals being held in Helena this summer. He stated he felt the bond issue would have little chance of passage by the voters if the county did not own the land.

Jack Crosser, Director of the Department of Administration, stated the fair value of the property at the beginning of the lease was \$30,000. With all the improvements the grounds and building value have increased dramatically.

Art Woods, Lewis & Clark County Commissioner, stated he was representing Broadwater and Jefferson Counties also. He stated there has been over \$370,000 put into the Fairgrounds in the last 4 years. It serves all three counties and he stated he felt they would have to own the fairgrounds to be able to pass a bond issue.

Ed McHugh, from the Horse Racing Association, stated he supported the bill.

Chris Gardner, Lewis & Clark County Commissioner, stated he also supported the bill.

Mr. Donaldson & Mr. Anderson of the Lewis & Clark Fair Board stated they supported the bill and noted they had put up 9 new buildings

in the last 8 years.

Linda Ryan, representing the Chamber of Commerce, passed around "before and after" pictures of the fairgrounds. She stated the race track is now one of the best in the Northwest.

There being no further proponents and no opponents, the hearing was opened to questions by members of the committee.

Senator Blaylock asked how many acres are in the fairgrounds.

Mr. Woods replied, 180.

Senator Jergeson asked if this includes the undeveloped land.

Mr. Dowling stated it would be the developed land, only that would be transferred.

Senator Roskie asked how much of the 180 acres would be transferred.

Mr. Donaldson replied, approximately 100 acres.

Senator Dunkle closed by urging support for the bill.

SENATE BILL 104

Senator Himsl, District 9, sponsor of the bill, stated the bill is the result of a number of legislative audits and deals primarily with the period of time when payrolls are submitted and distributed. At present payrolls are submitted on Friday and delivered the next Thursday. This creates an estimated payroll situation. The bill had originally included the University system payroll but due to differences in their payroll systems, it couldn't be done. Senator Himsl recommended the bill be amended to correct that situation.

PROPOSERS: Morris Brussett, Legislative Auditor, stated the central payroll was set up in 1968. He felt that in order to eliminate the estimation procedure, the ten calendar days should be changed to ten working days.

OPPOSERS: Tom Schneider, Executive Director of the Montana Public Employees System, stated he reluctantly opposes the bill. He stated that the changes to the current system caused many problems in the past. Employees do not understand why it takes a week to process the checks. He felt another change would make the employees even angrier.

There being no further proponents or opponents, the hearing was opened to questions by members of the committee.

Senator Himsl closed by saying the real concern is in asking

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people to certify an incorrect pay period and make corrections the next week. It makes an audit trail nearly impossible and also it is nearly impossible to determine if corrections have been made.

SENATE BILL 107

Senator Regan, District 31, stated this bill merely corrects an oversight in SB 1 of last session. In that bill, fees were set by combining the beer and liquor acts. In setting a total combined fee of \$800 as opposed to separate fees of \$500 each, there was an inadvertent drop of \$200 to each city and town.

PROPOSERS: Greg McCurdy, representing the Montana Association of Counties recommended the bill be given a DO PASS recommendation. He stated he was also speaking for the League of Cities and Towns also.

OPPOSERS: Bob Gehrke, representing the Montana Tavern Association, stated they would protest any increase. He stated they were aware of the oversight, but it was to their advantage so they didn't volunteer the information. He stated the \$100 increase would be an added license fee assessed against an industry already paying the highest fees to do business of any business in the state.

There being no further proponents or opponents, the hearing was opened to questions by the committee.

Senator Regan stated in closing, it is true the liquor industry is highly taxed, but they are also a monopoly and high costs must be absorbed by cities and towns as a result of alcohol related problems.

SENATE BILL 101

Senator Jergeson, District 3, sponsor of the bill, stated he has been aware for some time of an undercurrent of suspicion and distrust of government. This bill would provide for legislative review of rules and provide for clarification of the checks and balances system as the legislature must have some oversight on executive branch rule-making during the interim.

PROPOSERS: Bob Gerhke, Montana Tavern Association, stated he supports the bill but doesn't feel it goes far enough.

Chad Smith, Montana Hospital Association, stated he supports the bill as hospitals have problems with regulations coming in floods, mostly from SRS. A perfunctory hearing is generally the rule with protests ignored. He stated review of rules should be known and reviewed by the legislature. The further stated rules become effective almost immediately and they have no chance to prepare to implement them.

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Rod Gudgel, Montana Nursing Home Association, stated SB 101 is the best bill he's seen. He said they have attended many hearings in the last year and any protests they made were totally ignored. He felt the interim committee should have full oversight powers over rule making regarding the laws they originally passed.

Greg McCurdy, Montana Association of Counties, stated the Administrative Procedures Code is not a favorite of counties. He stated huge problems now exist due to present rule-making procedures and urged support of the bill.

OPPONENTS: Bob Lohn, Governor Judge's staff attorney, welcomed guidance from the legislature. He stated the burden on legislators would be high: 200-400 regulations minimum during 2 years. He suggested the legislature should consider passing fewer laws and be more specific in their laws with a statement of intent if necessary. He noted that today rules are the knife edge of government.

Bob Cockrane, Counsel for the Department of Revenue, stated he supported Mr. Lohn's comments. He noted there are hundreds of taxing statutes in Title 84, with many other non-taxing statutes also pertinent. He figured a minimum of 16 person hours to type up a rule, more if its complicated. It is then sent to the Administrative Code Committee. Fifty percent are returned for further work, which entails at least another seven hours work. The cost is grossly high. Section 82-4205 states, "any rule not so filed shall be deemed a fabrication by the department or agency" and the Department of Revenue recently lost a court case because they didn't have a rule to follow. There is constant pressure from the federal government to adopt federal rules - if the rules are not written, many federal dollars are lost.

Mike Young, Department of Administration, stated reaction is now excessive to government in all areas. Federal laws require rule making as well as state laws. No one enjoys rule making. It costs thousands of dollars to hire independent people to conduct hearings and there are no monies budgeted for that purpose, so it becomes necessary to use department personnel.

There being no further proponents or opponents, the hearing was opened to questions by the committee.

Senator Roskie explained the function of the Administrative Code Committee.

There were comments from the committee expressing concern over the uncreased work load necessitating larger or annual sessions.

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Senator Blaylock stated, the Uniform Building Code is longer than the Local Government Code.

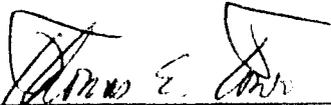
Senator Jergeson closed by stating only controversial rules would be allowed for review. He felt the legislature must simply assume its responsibilities in the checks and balances system as an oversight body.

SENATE JOINT RESOLUTION 6

There being no proponents or opponents present for the bill, it will be taken up in executive session.

Tom Kearney, Clerk of the Supreme Court, met with the committee to ask them to consider the salary recommendation for his office. He noted the proposed increase was intended as compensation for the many years his office received no raise in salary. He noted city clerks make \$20,000 to \$23,000 in Great Falls and Billings. He told the committee his responsibilities have tripled, but he has not increased personnel.

There being no further business the meeting adjourned to reconvene Wednesday, January 26, upon adjournment.



Senator Tom Towe, Chairman

SB 101
104
106
107
BILL SRB

SENATE ST. AD. COMMITTEE

VISITORS' REGISTER

DATE _____

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPPOSE
<i>John Spaulding</i>	<i>myself</i>			
<i>James Roper</i>	<i>Juniata Clark Co Fair Board</i>	<i>SB 106</i>		
<i>Clint W. Wade</i>	<i>Chair of Clark County Commission</i>	<i>SB 106</i>		
<i>John Gardner</i>			<input checked="" type="checkbox"/>	
<i>Arthur Anderson</i>	<i>Juniata & Clark Fair Bd.</i>	<i>SB 106</i>		
<i>Myron Davidson</i>	<i>Juniata & Clark Fair Board</i>	<i>2.13.106</i>		
<i>Christy Lawrence</i>	<i>Observatory Student</i>			
<i>D. Robert Lohm</i>	<i>Governor</i>	<i>SB 101</i>		
<i>John Curran</i>	<i>DEPT. OF REV</i>	<i>SB 101</i>		
<i>Mark J. Risher</i>	<i>Helena Area Chamber Comm</i>	<i>SB 106</i>		
<i>Thomas J. Keasney</i>	<i>West Superior Post</i>	<i>S.B. 71</i>		
<i>Sam Munk</i>	<i>MTA</i>	<i>107</i>		<input checked="" type="checkbox"/>
<i>Bob Grogan</i>	<i>MNHA</i>	<i>101</i>	<input checked="" type="checkbox"/>	
<i>Walter Young</i>	<i>Dept. of Admin</i>	<i>101</i>		<input checked="" type="checkbox"/>
<i>Jack C. Cross</i>	<i>Dept of Admin</i>	<i>106</i>	<input checked="" type="checkbox"/>	
<i>Morris D. Brasett</i>	<i>Legislative auditor</i>	<i>SB 104</i>	<input checked="" type="checkbox"/>	
<i>Sen. Max Hermal</i>	<i>Spencer</i>	<i>SB 104</i>	<input checked="" type="checkbox"/>	
<i>Greg L. McCurdy</i>	<i>MT ASSN OF COUNTIES</i>	<i>SB 101 SB 107</i>		<input checked="" type="checkbox"/>

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

NAME GREGG L. McCURDY

Bill No. 50107

ADDRESS BOX 234, AVON, MT. 59713

Date _____

WHOM DO YOU REPRESENT? MONTANA ASSOCIATION OF COUNTIES

SUPPORT OPPOSE AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

NAME: D. Robert Lohm

DATE: 26 Jan 77

ADDRESS: Rm 216

PHONE: 311

REPRESENTING WHOM? GOVERNOR

APPEARING ON WHICH PROPOSAL: SB 101

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

