

February 5, 1979

Vice-Chairperson O'Connell called the hearing because Chairman Brand was excused, the hearing began at 9:00 a.m., and Rep. Kanduch didn't arrive until 9:30, which was anticipated.

HB 346-Sponsored by Rep. Uhde -- This deals with the use of personal cars in place of state cars. The state cars are cheaper for the state to operate. This was put in at the request of the Montana Sheriffs Association and I haven't seen them this morning. The purpose is to discourage the use of private vehicles when there is a state vehicle available.

NO OPPONENTS

PORTER-If the Sheriff of your county had to go to Nevada to pick up a prisoner, would this bill encourage him to use a state car? UHDE-This applies only when a government vehicle is not available. McBRIDE-Isn't there some limitation on leaving the state in state vehicles? O'CONNELL-Somewhat, but there are obvious times when they have to go out of state. RAETH-I think this is needed to replace the old law.

HB 386-Sponsored by Rep. Sales -- This is probably the most unexciting bill we will have. A couple of years ago a bill was passed allowing counties to use local CPA's to do their audits. All the bill does is set a flat charge of \$20 an hour, which is fairly common. This is to encourage the use of local CPA's because DCA doesn't like having to send someone out to the Toolies when there's someone there who could do it just as easily. This just let's them know what it will cost. The repealer shows exceptions.

OPPONENTS


DAN MIZNER-League of Cities & Towns -- The language is better than it was before. The fiscal note shows an increased expenditure to local government. He complained that the CPA's are lazy, slow and lax. I would ask that you insert on line 14, following "audit", insert: "for only those hours spent on actual auditing of the unit of local government". We think the state could absorb this cost and not be mandating another use of the property tax at the local level. I would hope you would consider making this a committee bill with the state paying for this.

PORTER-When these audits are contracted out, you often get an unskilled auditor who takes longer and when you put a floor like \$20 on this.....well? SALES-I would like to ask Dan why the towns aren't using local CPA's. MIZNER-The bill was only passed last session. Many of the CPA's are too costly. There are some cities that have a contract with these guys and it gives the city more control. SALES-I like Dan's suggestion that we make a committee bill that could be of more assistance than what we have here. STAIGMILLER-Would the city have a choice? SALES-Yes. PISTORIA-How much are CPA's charging now? SALES-It varies in terms of locality and experience, but \$20 is a reasonable fee. BENNETT-This wouldn't really limit the amount that could be paid to the local auditors? MIZNER-There's another bill that provides for local use. This bill simply sets the fee that DCA can charge. McBRIDE-This bill doesn't seem to be addressing private CPA's at all. SALES-No, that is in another bill. PISTORIA-With this bill and the other one do we even

(Pistoria continued)-need DCA? MIZNER-This bill has no effect on DCA. Whether you pass, amend or kill, DCA will continue to do what they do. This bill simply limits the amount of money that can be charged. KROPP-How did they arrive at this fiscal note? MIZNER-I have no reason to support or question the fiscal note. I had no input and nothing to dispute in the fiscal nature of it. DCA has auditors stationed all over the place, so their travel isn't always based upon travel from Helena. Many places don't get audited because DCA doesn't the time. The largest complaint we get from cities and towns has been that of challenging the costs involved in audits. These are people out in the field whose accountability is very seldom challenged. I think the state should have the expense since these audits are mandated.

O'CONNELL-Since the Chairman isn't here we won't have any executive session.

Adjourned: 9:45 a.m.


Helen O'Connell, Vice Chairperson




Nita Sierke, Secretary