

STATE ADMINISTRATION COMMITTEE

February 14, 1979

House of Representatives -- Even in the Legislature, it is Valentine's Day --

Chairman Brand called the hearing to order at 8:00 a.m., and commented on the Valentines -- all members were present.

HB 533-Sponsored by Rep. Metcalf -- I introduced this at the request of a private air service and the bill just asks that when a private service can provide transportation at a lower cost that the state will go with that.

JOHN PATTON-Capitol Aeronautics Service -- He submitted written testimony, see Attachment #1.

SCOTT SEACAT-State Auditor's Office -- He elaborated on the audit of the aeronautics board in '76 and the inefficiencies that were found. State agencies seem to be the problem. There is no regulation about travel. We don't favor or oppose this bill and I'm available for questions.

OPINIONS

REP. DONALDSON -- Even though I'm on the bill as a co-sponsor, I think there are some problems. He read a letter from the President of the Montana Aviation Trades Association - see Attachment #2. They feel that this is already covered in the Administrative Rules, and that safety isn't considered.

MIKE FERGUSON-Administrator, Aeronautics Division -- We think this would create a real problem anytime anyone wants to go anywhere. There are always single engine planes available, but is it always safe? In present form, we ask that you strike the bill down.

METCALF-There is a rule that says this be done but it isn't being practiced to the extent that it needs to be and I would be happy to see it amended to include safety.

FERGUSON-Anytime anyone wants to take a trip there would have to be an investigation and one private is opposed to the bill and the other one drafted it.

KANDUCH-Is the intent such that if I travelled I would have to fly? PATTON-The word "certification" entails a lot of safety precautions and regulations. SEACAT-The concern is that agencies are spending more on travel than they need to.

HB 654-Sponsored by Rep. Schultz -- This requires state agencies to prepare a fiscal note on administrative rules. See Attachment #3 for the remainder of his testimony.

DEAN ZINNICKER-Director, Montana Association of Counties -- We support this. Most people agree that some regulation is possible and much needed. Responsibility and accountability must be placed on the regulators. The only arguments against this will probably be the additional cost but can we afford not to regulate the regulator?

CHAD SMITH-Montana Hospital Association & Montana School Board Association -- We feel there should be something to make the rule makers come up with something like what you have to have on bills. In the hospital industry we have seen real

(SMITH continued)--costs imposed without any true regulation being imposed. We are anxious to see what it costs the public for the compliance of these rules, and we urge DO PASS.

JOHN ST. GERMAINE-Operating Engineers Association -- We dislike the term "reasonable time" -- but we still recommend DO PASS.

KEITH ANDERSON-Montana Taxpayers' Association -- Anyone observing government can tell you that the Administrative Procedures Act has come to be a very expensive system. I think it very important that this apply to the public as well as private sector. The people having to pay the bill should know how much it will cost when a rule is handed down.

JIM HALVERSON-Roosevelt County Commissioner -- This would make these agencies more accountable and we urge passage.

PAT STUART-Montana Coal Council -- We recognize the need for unanimity and safe conditions, but sometimes they are simply burdensome and costly.

GARY LANGLEY-Montana Stock Growers -- We support this because we feel it is a good step in regulation. We think this might help to lessen government interference.

JIM MOY-Lincoln County Commissioner -- The only thing better than this bill would be to abolish the Administrative Procedures Act.

LARRY ANDERSON-Liberty County Commissioner -- I do feel that cost isn't given proper consideration in these rules.

JANELLE FALLON-Montana Chamber of Commerce -- She rambled on about comparative figures and submitted Attachment #4.

OPPONENTS

GEORGE BOUSLIMAN-Budget Director -- If this is passed you may be piling paperwork on paperwork and I ask that you look at the specifics carefully.

BILL GROFF-Department of Revenue -- The Procedures Act was passed with the thought in mind that within the scope of the law, what happens within that (scope) would be explained to the people. They don't go outside of the law. This won't change a thing because these rules are passed to comply with the intent of the Legislature and someone is going to still have to pay. The only thing you will gain is an additional cost to each of these departments which you will pay. I think you are attacking the problem from the wrong side of the law.

SCHULTZ--There a great deal of concern in some of the counties about these rules and there seems to be a great difference between what we do here and what comes to the people.

HB 536-Sponsored by Rep. Burnett -- I will ask John Bell to explain this.

JOHN BELL-Montana Association of County Clerks & Recorders -- This would do away with the law that says that candidates names be rotated on the ballots -- this was enacted before single member districts. Nobody like to have their name second or third on the list because the guy who is first will probably get more votes.

HAL STEARNS-Printer -- When we used letterpress, it was much simpler - but with offset you have to make a new plate for every rotation of names and this is extremely costly and laborious.

JOHN BELL-The feds have passed a law relative to federal elections -- the election officials are going to have to get absentee ballots out to military and federal employees 10 days before the election and with the present system this could be impossible.

DARLENE HUGHES-Ravalli County Clerk & Recorder -- I think our biggest problems are the cost and time involved in doing these ballots. We have paper ballots and have to go to the Great Falls Tribune to have them printed. We had 12 rotations in the last election, and we are a small county.

NO OPPONENTS

McBRIDE-Is there some way we can limit this to places that use paper ballots? We use voting machines and the rotation is very simple. BELL-4/7 of Montana's population live in cities and 3/7 in rural areas -- and I think more than half of the voting is done on paper ballots. You could make it only applicable to paper ballot areas but I think that would be class legislation.

HB 709-Sponsored by Rep. Underdal -- Please see Attachment #5 for his testimony.

NO OPPONENTS, NO QUESTIONS.....SO ON TO THE NEXT ONE.

HB 738-Sponsored by Rep. Brand -- I will let the Treasurer explain this.

VERA FRIESEN-Administrator, Treasurer's Office -- She submitted written testimony please see Attachment #6.

NO OPPONENTS, NO QUESTIONS

HB 538-Sponsored by Rep. Pistoria -- I don't think this is controversial. This restricts the mileage allowance on county commissioners of counties of 30,000 or more people. In the last few years the larger counties are working full time even though they live outside the city limits. This doesn't require rural commissioner to live in town. This would only affect 7 counties.

OPPONENTS

DEAN ZINNICKER-Director, Montana Association of Counties -- We oppose this on the basis of discrimination. I don't think the bill would be fair to those that get mileage and those that don't.

JOHNSTON-Would you mind amending the bill to include any commissioners on salary?

(JOHNSTON continued)--so that it wouldn't be quite so discriminatory? PISTORIA-I will do anything so that the bill will pass. KROPP-I think we need to bear in mind that county commissioners have business all over the county and a lot of time these guys are going home they are also taking care of business. ZINNICKER-Anytime there's a minute entry in the Commission Journal they are entitled to mileage. PISTORIA-This doesn't pertain to any county business, it just pertains to going home and to work. MAGONE-If a man lives 50 miles away he spends \$17.50 a day and that's less than a hotel room.

HB 626-Sponsored by Rep. O'Connell -- In the three terms I have served here a bill like this has come in and they have been denied this every time. There's only one other area in state government that is denied this -- Game Wardens.

BRAND-Larry Nachtsheim left an amendment so that it wouldn't cost the state any money.

JOHN BELL-Montana Sheriffs & Peace Officers -- I asked that this be drafted similar to the PERS bill. The sheriffs got their own system in '75, but didn't get military service credit. This sheriffs fund is solvent and with this they can have 10 years of military service and be able to buy 5 years of retirement. When someone is already getting military retirement they aren't eligible.

JIM TURCOTT-Assistant Administrator PERS -- Please see Attachment #6 for his testimony.

NO OPPONENTS

O'CONNELL-In my opinion, this would be strictly optional and because of the fiscal note, the sheriffs would have to pick up the state's share.

SALES-How much is the county going to have to dig up? TURCOTT-This refers to the sheriff who is a sheriff already, goes into service, then comes back to be a sheriff again. This buy back lets people who weren't sheriffs to begin with accrue retirement. Section 2 refers to the individual who is sheriff, goes to the military, and goes back to the sheriff. He must contribute what he would have had he been a sheriff at that time. If he weren't a sheriff and went in the service, he may purchase that time. This is a bill that lets people whose sheriff service was interrupted by military service buy back that time. This applies to anyone in the sheriffs' department. If you weren't a sheriff to begin with you can't buy it. The increase in the employee contribution will cover the county share. Some of them will elect to qualify. You will be charging all of them for this and only some of them will take advantage of it. BRAND-You said it wouldn't cost the counties any money? TURCOTT-If you put the increase on the employee contribution the county doesn't have anything to pay, if you put it on the employer contributions, then the county has to pay. There's no transferability between any system except teachers and PERS. If they are a Highway Patrolman and qualified, he has to have 20 years of service -- with this he has to have 10 years of service so you are looking at a very long working career. BARDANOUVE-Is the interest earned being considered in this? TURCOTT-Page 3, line 1 -- the amount of interest is not significant because the only interest lost is the employer contribution. BELL-I believe it would only be fair that the ones changing this were obliged to pay.

EXECUTIVE SESSION

HB 533-O'CONNELL moved DO NOT PASS, which passed with Kropp, Sales, Porter, McBride and Magone voting NO.

HB 536-SALES proposed an amendment on Page 4, line 1: "each county shall hold a drawing to determine the order on the ballots for the precincts in that county", which was adopted.

SALES moved HB 536 AS AMENDED DO PASS.

STAIGMILLER made a substitute motion of DO NOT PASS, which carried on a roll call vote 15 - 4.

HB 538-BAETH-Could I make a motion that this be passed out of committee with no recommendation?

BARDANOUVE-I move DO NOT PASS, because I feel this is discriminatory. Any county commissioner could sue and have a good court case.

The DO NOT PASS motion carried 14 - 4 with Pistoria abstaining.

HB 626-O'CONNELL-I would ask that this be TARLED, which carried.

HB 654-KROPP moved DO PASS.

BARDANOUVE-We are saying we want to save money and yet we keep passing bills that add more and more layers of cost. We would probably have to hire more people to prepare the fiscal notes and then before long we would have to have people to figure the cost of preparing the fiscal notes. PORTER-If there had to be a statement 30 days before a rule goes through perhaps it would make us think more. MCBRIDE-There are externalities involved in this that are not being addressed here. BRAND-There are some amendments that have been proposed and maybe we should wait.

But the committee wanted to go ahead, so the DO PASS motion carried 12 - 5 on a roll call vote with 2 not voting.

HB 709-FEDA moved DO PASS, which carried unanimously.


HB 738-KANDUCH moved DO PASS, which carried unanimously.

HB 386-PISTORIA-Rather than sit and argue about this, I went to the Budget Office the Department of Revenue and the Montana Public Employees' Asso. and we have come up with some amendments - see Attachment #7.

AZZARA moved the amendments, which carried; then JOHNSTON moved HB 386 AS AMENDED DO PASS, which carried.

Adjourned: 11:30 a.m.


Joe Brand, Chairman


Nita Sierke, Secretary