

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

January 31, 1979

The fourteenth meeting of the State Administration Committee was called to order by Acting Chairman George Roskie at 10:00 A. M. in Room 442 of the State Capitol on the above date.

ROLL CALL: All members of the Committee were present, except Sen. Story who was excused due to a prior committment and Sen. Brown who was absent.

CONSIDERATION OF SENATE BILL No. 213: Acting Chairman Roskie called on Sen. Chet Blaylock, Senate District 35, Laurel, to present his testimony as sponsor of the Bill.

Sen. Blaylock advised this Bill was introduced at the request of the Secretary of State for the purpose of allowing the Sec. of State to use some of the more modern methods of micro' lming records and to allow transfer of some of these records to the Montana Historical Society where they could be kept in a safe place. The space allotted to the Sec. of State is becoming quite limited due to the large number of documents processed each year, and if this information was at the Historical Society, it would still be available for use by scholars, etc. He then proposed an amendment to the bill so it would read "until disposal takes the form of transfer, in which case reproduction will not be necessary".

The Vice Chairman called for proponents to the Bill.

Bonnie Wallem, representing the Secretary of State, as chief archivist, supported the Bill, stating the Sec. of State's office is directed to keep and maintain all executive office and legislative office records. What this Bill asks is to allow them to explore a more modern method of maintaining those records.

There being no opponents to the Bill, closing statement was waived and the hearing opened for questions by the Committee.

Ms. Wallem answered Sen. Ryan's inquiry that was necessary to keep one copy of these records away from those they were using in a secure place.

Sen. Blaylock responded to Sen. Roskie's question that the record-keeping would be improved by reducing the records on microfilm.

There being no further questions, the hearing on Senate Bill No. 213 was closed.

CONSIDERATION OF SENATE BILL No. 210: Vice Chairman Roskie called on Sen. Bill Norman, Senate District 47, Missoula, to present his testimony as sponsor of the Bill.

Sen. Norman stated this Bill came to his attention from an incident in Missoula where some large warehouses on the campus caught fire. It was very difficult for the city firefighters to put it out and there was considerable expense involved. There are also other problems, such as sewage disposal, that the local government is paying for. The cities are providing these facilities for the state, in other words, subsidizing the state for these services. He questioned if it was really intended that the local governments should provide these state services. There are many other cities which have these problems, including Helena. He stated the Fiscal Note was not accurate, according to facts furnished to him, although he appreciated that it would be difficult to write a fiscal note on this because of the type of services which local governments provide being so broad.

Acting Chairman Roskie then called for further proponents.

Dan Mizner, Director, League of Cities and Towns, supporting the Bill, stated it provided a mechanism for cities and towns to set down and negotiate a contract for the services that are provided to the state, that is, direct services, not including administrative costs. Some of these services are leased out, such as garbage and sewer, but some are not, such as police protection, road maintenance and fire protection. If the state wants the fire protection and police protection, they should be able to contract with the local government to provide these which would require the authorization provided under this Bill. This Bill also provides for a time limit and how to settle disputes. They feel the Legislature has a responsibility to appropriate the funds necessary for the state to contract for these services and should involve only 30 to 40 contracts.

Sam Gesko, representing the City of Bozeman, testified in support of the Bill that although without the college at Bozeman, the city would be hurting, it has cost the city additional expense. The fire protection was inadequate, so an additional fire station had to be built to accommodate the high-rise buildings on the campus. New equipment had to be purchased as they did not have anything that would take care of them; this led to a cost of over 50 mils. having to be assessed to pay for the additional fire protection. This is a large part of their general budget. Other facilities which put a drain on the city but were necessary to accommodate the university are voter facilities, municipal park, library, etc. This does represent a very serious financial obligation to the city as the total population of Bozeman is only twice what the campus population is.

Dick Larson, City Administrator, Billings, also supported the Bill, stating he had been in states where this negotiation for facilities is done and works. He said that Billings was having the same problems as experienced by Bozeman. Referring to EMC and the cost of supplying the fire and police protection there, he stated this was 61.4% of their general fund expenses, and they are being pressed to add high-rise equipment. Another problem is when the existing

equipment was tied up at Eastern, it was not available for the downtown area.

Larry Hager, Finance Officer, City of Missoula, in support of the Bill, stated the tax burdon imposed on Missoula was inappropriate. Missoula has a stable population of about 60,000 which are the ones paying the largest amount of taxes. They hear the argument that having the University adds to the economy, but under the tax system in Montana, it is the stable families who are footing the bill for services provided to a transient population.

Al Sampson, Assistant Fire Chief, Missoula, testified in support of the Bill that they had ordered a high-rise ladder because of the high-rise buildings on the campus which has the biggest risk, but they pay no taxes or support the City of Missoula to any large extent. They may contribute to the economy of the whole, but the City suffers.

Les Nelson, Montana State Firemen's Assoc., also supported the concept of the state paying for these services.

Dean Zinnacker, Montana Association of Counties, said, in support of the Bill, that it would apply not only to the large counties, but also benefit the smaller, rural areas where recreational facilities are provided, for instance, Canyon Ferry, where the road must be maintained.

Opponents were then called for.

Dave Lewis, Director, Department of Administration, commented on the Fiscal Note, explaining how he had arrived at the figures shown and admitted that this was a very conservative figure. Regarding the administration costs if this Bill were passed, they would have to negotiate with every town in the state which has a state facility, such as a warehouse, etc., and rather than the 30 to 40 contracts having to be negotiated, separate ones would have to be negotiated with every town in the state and will cost much more than previously figured.

In closing, Sen. Norman added that if the state facility in a small town represented a trivial matter, that the local government would not want to waste their time to negotiate on this. Also, the Bill could be amended to put a floor on to limit the amount and also to limit it to fire and police protection. He felt this could be handled by the local area, rather than going to the state each time a dispute arose.

The hearing was then opened for questions by the Committee.

In answer to Sen. Jergeson's question as to why no one appeared to represent Havre, Butte or Dillon, Mr. Mizner advised the Committee should have received letters from these places, and that, due to the bad weather, there were several who could not get to Helena.

Sen. Roskie questioned the figures given on calls to the University,

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to which Mr. Gesko responded that the 14% figure represented 438 calls responded to by the police which were University related.

Sen. Norman explained for Sen. Roskie's benefit that the calculation for services might include a formula based on taxable valuation according to insurance figures and how much the fire protection would bear in relation to that building; or, the appraised value of the building could be used.

Sen. Roskie questioned how that could relate to maintenance of roads, to which Mr. Zinnacker replied that it could be worked out on how much the road was used in comparison to how much repair was needed.

Mr. Mizner suggested another formula which the Legislature approved last year for negotiations with the Dept. of Administration could also be used, which Mr. Lewis objected to as not being able to apply to this situation as the local government could say the state should pay what everyone else pays.

Sen. Norman explained in more detail the provision for negotiations if a contract were in dispute, and explained for Sen. Ryan that SID's referred to special improvements, such as curbing.

There being no further questions, the hearing was closed on Senate Bill No. 210.

CONSIDERATION OF SENATE BILL No. 170: Acting Chairman Roskie called on Sen. Tom Rasmussen, Senate District 16, Helena, to present his testimony as sponsor of this Bill.

Sen. Rasmussen advised this Bill would eliminate the use of lists of persons as compiled by state agencies as mailing lists for junk mail dealers; it would eliminate the sale of these lists to private agencies. He had read an article in the local Helena paper where last year it stated that these lists are being sold. In today's society, it is virtually impossible for a person not to be involved with state government; however, he felt this was a private and basic right which should not be violated by the state. Some individuals do have a right to state documents and records, and this Bill will stop the state government from having an active part in making those person's names and addresses available to any buyer who wants them. He felt this did strike a balance between the public right to know and the right of privacy.

Further proponents were called for by the Vice Chairman.

Dennis Rehberg, representing the Association of Realtors, supported the concept of the Bill, but because they use certain types of lists in order to send out information regarding their continuing educational programs, particularly to beginners, he offered an amendment to exclude this type of availability to state lists.

Larry Majerus, representing the Motor Vehicle Division, stated

that his office was the target of the news article, and referred the Committee to the enabling legislation at Sec. 63-101, Subsec. 8, MCA, which allowed the state to do this and actually prevented them from not supplying this information. He suggested that in Sec. 3 of the Bill, that law enforcement officers and agencies should be exempted in order to have access to the information needed for law enforcement purposes. He also asked that the Committee consider if this was to refer to voter registration lists and how this would effect those with junk vehicle licenses. Also, highway recall programs might be affected if there was a potentially dangerous car and the manufacturer issued a recall, these lists of names should be available.

Jack Rigg, Motor Vehicle Manufacturer's Assoc., stated that there are other factors for which recalls are made rather than just defective cars, such as emission control devices, tires, etc. They also use these lists for contact with customers so they can send out survey forms. He requested that this practice be allowed to continue as it is a means of staying in touch with their customers. He offered an amendment which is attached to these original minutes and to which reference is hereby made for further particulars.

Don Pratt, representing the Optometric Association and Funeral Directors Association, supported the amendments offered by Dennis Rehberg relating to the exemption of use for educational purposes, and supported the Bill with the amendments attached.

Leonard Larson, Chief Deputy, Secretary of State, felt this type of legislation is needed as they do not like their files used for sales of junk mail. However, he felt the lists of voter registrations should be reconsidered as these are public records.

Opponents were called for.

J. D. Lynch, representing the R. L. Polk Co., objected to the Bill as this company purchases such lists throughout the country to resell to its customers. However, he requested as he had not been aware of this Bill earlier, that the Committee defer action until he could have an amendment prepared and submitted for the Committee's consideration.

In closing, Sen. Rasmussen conceded that some of the amendments offered do make this a better Bill and should be considered, as perhaps, there are some areas where these lists serve a valid purpose. He stated he was willing to wait until Monday to allow Mr. Lynch his request for additional time. However, it was his intent to cut down junk mailers from securing information of a personal nature.

During questioning by the Committee, Sen. Ryan posed a question if this would restrict some people from receiving material they would want to receive, to which Sen. Rasmussen responded that, to some, it may provide a service, but for the most part, it is junk mail. Some of the information is private and should not be provided to

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anyone who asks to get it.

Further discussion related to the penalty for unauthorized sale of these lists of persons.

There being no further questions, the hearing on Senate Bill No. 170 was closed.

Sen. Story appeared and apologized for not being able to attend the hearings, but was tied up in a previous committee.

He assumed the Chair and discussed the scheduling of an executive session to process the bills in the Committee which had been heard but not acted on.

ADJOURNMENT:

There being no further business to bring before the Committee, Chairman Story adjourned the meeting at the hour of 11:30 A. M.

Pete Story, Chairman

DATE JANUARY 31, 1979

COMMITTEE ON SENATE STATE ADMINISTRATION

SENATE BILLS 213, 170 & 210
VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Opp
Larry MATHERS	Motor Vehicle Division	170		
Jack Rigg Jr	Motor Vehicle Mfrs	170		
Lee Nelson	MT ST Fireman's Assc	210	✓	
fr Lauer	City of Billings	210	✓	
Don McJannet	Mont League of C&T	210	X	
Don Finckel	9th. Ann of Counties	210	✓	
Paul Dunbar	Community System	210 170		
Brian Cockhill	St. Records Comm.	213	X	
Coland Pratt	MT Optometric Assc Funeral Directors Assc	170	✓	
Bonnie R. Waller	Sec. of State		✓	
Jimmie R. Poljony	mt assoc. of Realtors	170	✓	
James Lamm	Sec of State	213 170	✓	
Dane Lewis	Dept of Admini	SB 210		
Wickson	Mont. State Fireman's Assc	210	✓	
El Sampson	Mont state fire chiefs City of Missoula	210	✓	
Larry Heggen	City of Missoula	210	✓	
J.A. Lynch	R.L. Polk Co.	170		

NAME: AL Sampson DATE: 1-31-78

ADDRESS: 829 Rollins missile

PHONE: 549 0131

REPRESENTING WHOM? Mont. State Fire Chiefs - City of Missoula

APPEARING ON WHICH PROPOSAL: SB. 210

DO YOU: SUPPORT? AMEND? OPPOSE?

COMMENTS: This is needed to help the cities that have large influx of non tax payers yet are required to furnish the added services.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: LES N. /son DATE: 1-31-79

ADDRESS: 917 - 3rd Ave So - Great Falls

PHONE: 453 1179

REPRESENTING WHOM? Montana State Economic Dev.

APPEARING ON WHICH PROPOSAL: SB 210

DO YOU: SUPPORT? AMEND? OPPOSE?

COMMENTS: We support the concept of paying for
services rendered. This will bring more
money into cities, money that the state would
be able to pay money that the cities need.
Administrative costs of \$50000⁰⁰ seem quite
high on the fiscal note.

NAME: John B. (Lester) Rigg, Jr. DATE: 1/30/27

ADDRESS: 1390 Boyer #210

PHONE: 303/232-1421

REPRESENTING WHOM? Motor Vehicle Mfg. of Pa. Assn.

APPEARING ON WHICH PROPOSAL: SB 110

DO YOU: SUPPORT? AMEND? OPPOSE?

COMMENTS: Allow exceptions re attorney fees
for vehicle safety recalls and other recalls,
such as those for which recall is required
by the manufacturer.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Dean P. Rehberg DATE: 1/31/78

ADDRESS: 1737 402 St. Bluff

PHONE: 443-2325

REPRESENTING WHOM? Montana - P. Rehberg

APPEARING ON WHICH PROPOSAL: SB 170

DO YOU: SUPPORT? AMEND? OPPOSE?

COMMENTS: amendment requested at hearing

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Calvin D Pratt DATE: 1/31/79

ADDRESS: Helena

PHONE: 3458-5386

REPRESENTING WHOM? MT Optometric + Funeral Directors Assoc

APPEARING ON WHICH PROPOSAL: SB 170

DO YOU: SUPPORT? _____ AMEND? OPPOSE? _____

COMMENTS: Amend to exclude asso. with
continuing Education requirement =

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

STATE OF MONTANA

Request No. 92-79

FISCAL NOTE

Form BD-15

In compliance with a written request received January 24, 1979, there is hereby submitted a Fiscal Note for Senate Bill 210 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION

An act authorizing local government units to charge the state for services supplied for the benefit of the state.

ASSUMPTIONS

1. Appraised value of all state buildings is 56% of total current market value.
2. The average current mill levy for applicable services is 30 mills.
3. The Department of Administration will need an additional two FTE positions to administer the act.
4. The additional administrative costs would be funded with General Fund monies; the payments to local governments would be one-third from other funds and two-thirds from the State General Fund.

FISCAL IMPACT

Current market value of all state buildings	\$347,595,000
x .56 to arrive at appraised value	x.56
Estimated appraised value	194,653,200
x .0855 to arrive at taxable value	x.0855
Estimated taxable value	16,642,848
x Estimated mill levy for services (30 mills)	x.030
Estimated payment by state to local governments	499,285
Add: Additional administrative costs	50,000
Total additional cost per year of proposed legislation \$	<u>549,285</u>

FUND INFORMATION

General Fund	\$383,023
Other Funds	166,262
Total	<u>\$549,285</u>

Richard L. Dwyer
 BUDGET DIRECTOR
 Office of Budget and Program Planning
 Date: 1/24/79

1-31-79

Regulatory Amendment

SB 170

To §, line 2, after "13-38-172."

Insert

This section does not apply to the distribution or sale for use as a mailing list of any list of persons for the purpose of contacting owners of motor vehicles regarding defective conditions which may exist regarding such vehicles, or for the purpose of contacting owners of motor vehicles regarding the sale and service of such motor vehicles.

John B. Riggs Jr
Motor Vehicle Manufacturers Assn
1390 Logan, Suite 210
Denver, Colorado 80203
303/852-1477