

AUG 10 1979

MINUTES OF THE MEETING  
STATE ADMINISTRATION COMMITTEE  
MONTANA STATE SENATE

OF MONTANA

March 1, 1979

The thirty-second meeting of the State Administration Committee was called to order by Chairman Pete Story on the above date in Room 442 of the State Capitol at 10:00 A.M.

ROLL CALL: All of the Committee members were present, with Senators Roskie, Brown and Ryan arriving late.

CONSIDERATION OF HOUSE BILL No. 113: The Chairman called on Representative Francis Bardanouve, House District 36, Harlem, sponsor of the Bill, to present his testimony.

Representative Bardanouve testified this was requested by the Department of Administration as some agencies had ceased to operate but there was no clear authority to handle closing out procedures. When a state agency which was created for a particular purpose no longer operates and there are some assets or liabilities left, an accounting is left hanging in the air as there is no present clear authority. The Department of Administration has taken over the responsibility of closing out these agencies, but they don't really have any legal basis to do so. Examples cited were the Montana Educational TV Association which had several hundred dollars' worth of equipment left, along with other supplies and equipment; the Bicentennial committee and the Montana train which traveled around the country with exhibits, etc. There is no operational procedure for winding up the affairs of these agencies. This Bill would make the Department of Administration the official agency to take over these functions. He referred to page 2, line 10 of the Bill, which provided that the Department would pay any creditors from funds remaining; or, if there were insufficient funds available, these would be prorated and then a supplemental appropriation made to take care of any remaining bills. Any fund left over would go into the general fund.

Further proponents were called.

Doyle Saxby, Department of Administration, supported the Bill as they have had problems in the past with administration of defunct agencies.

No opponents appearing, the hearing was opened for questions from the Committee.

Senator Jergeson questioned if a letter of intent was necessary as Section 2 of the Bill gave rule-making authority; Representative Bardanouve replied this had not been raised in the House, but if the Senate felt it appropriate, he had no objection.

Senator Greg Jergeson moved that House Bill No. 113 BE CONCURRED

IN; motion carried by unanimous vote of the Committee members present, with Senators Roskie, Brown and Ryan being absent at this time.

CONSIDERATION OF HOUSE BILL No. 186: Also sponsored by Representative Francis Bardanouve, who was requested to proceed with this presentation.

Representative Bardanouve advised this was requested by the Office of Budget and Program Planning, and was a function which had been overlooked when reorganization took place. This function had been in the old Department of Budget, but when this was revised and placed under the governor's office, through an oversight in drafting, it was deleted, and the power to establish an allotment system remained in the previous agency. This Bill would transfer the function to the proper budget office where it should be.

The Chairman called for proponents.

George Bousliman, Director, Office of Budget and Program Planning, testified that this was merely a housekeeping bill as it had been overlooked in 1973 when the governor's office was reorganized.

There being no opponents, the hearing was opened for questions.

There being no questions, Senator Greg Jergeson moved that House Bill No. 186 BE CONCURRED IN; motion carried by unanimous vote of the Committee members present, with Senators Roskie, Brown and Ryan being absent at this time.

CONSIDERATION OF HOUSE BILL No. 187: Representative Bardanouve, as sponsor of the Bill, presented his testimony.

Representative Bardanouve stated this Bill was also requested by the Office of Budget and Program Planning, and would require the Budget Office to make one biennial report from the governor's office, rather than the present annual report, copies of which are furnished to the legislators after the first of the year. The Bill got hung up in the House Committee and they tried to amend it to change the procedure in such a manner as to put it back to annual reports. He then suggested the Senate Committee may want to reconsider these amendments.

George Bousliman, Director, Office of Budget and Program Planning, in support of the Bill, stated the original Bill would have helped his office in that it would have cut the preparation of these reports to one every two years rather than preparing one every year which comes out at a time when the legislature goes into session and legislators don't have much time to study it. They planned to have the biennial reports out at a time prior to session to allow more time for going through it. It would have also helped them time-wise as they are in the middle of budget preparation when they are also supposed to be preparing this report at the present time.

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Representative Bardanouve added that this Bill was originally drafted to ease the work load so these two important documents would not have to be prepared at the same time.

Questions by the Committee were called for as there were no opponents.

In response to a question by Senator Rasmussen, Representative Bardanouve advised that the laws now call for an annual report and this Bill would eliminate one whole document having to be prepared.

He further responded to Senator Story that it would not cut one FTE from this office, but would save time and money in the redistribution of work.

There being no further questions, the hearing on House Bill No. 187 was closed.

CONSIDERATION OF HOUSE BILL No. 405: Also sponsored by Representative Bardanouve.

It was testified by Representative Bardanouve that he had sponsored a bill which set up the State to be the recipient of abandoned property which passed almost unanimously at that time. The abandoned property was set up for use in education in Montana and has accumulated over a million dollars since it was established. However, there is a small administration cost which is deducted by the Department of Revenue before the funds are turned over to the receiving agency. He also advised the procedure to reclaim property from the state was to file a claim and the money would be refunded. He had requested the fiscal analyst to prepare a report on how this program was working last year; they pointed out some areas where the state could pick up more money and that is the reason for this Bill. In explaining these areas, Representative Bardanouve stated corporation reports which show unclaimed property would be reported to the abandoned property division. The Commissioner of Insurance has abandoned policies of insurance from people dying without leaving any heirs which Mr. Omholt's office would be required to report to the Department of Revenue. The third area is when state audits are done on banks, they discover that some people have left bank accounts for long periods of time which are either abandoned or unclaimed. This would require that the Department of Business Regulation report these to the Abandoned Property Division that they may be available. He then restated that should someone show up to claim this property, it was available for refund.

Tom Stoll, Director of the Inheritance Tax Division, which handles the Abandoned Property Division, in support of the Bill, testified that they do not have the expert personell in their office to examine the insurance records, or to do a bank audit in order to discover these incidents of possible property abandonment. This Bill would allow them to receive this information without having to hire these type of experts.

No opposition appearing, the hearing was opened for questions from the Committee.

In response to Senator Story's question of what happens to the insurance in cases of simultaneous death and no surviving heirs, Mr. Stoll replied that his division also handles the escheated property, and under those circumstances, Montana would have the right to collect on the insurance. It also goes to the school fund. He added that some banks are very reluctant to give them any information on abandoned or unclaimed property. This would allow a way to get this information without directly questioning the bank.

Senator Rasmussen questioned to what school fund this money went; Representative Bardanouve replied that the interest goes into the school foundation program, but the principle is a permanent investment and is kept and invested for the benefit of Montana schools.

Replying to Senator Story's question on the definition of "escheat", Mr. Stoll advised it meant "unclaimed" and further explained the process which must be followed in remitting such funds to the State. There is no limit on when unclaimed property or money could be refunded to those claiming it.

Going back to House Bill 187, Senator Rasmussen questioned if there was absolutely no use for an annual report, to which Representative Bardanouve replied that it was mostly a duplication of effort and that people didn't have time to read all these reports.

Senator Jergeson suggested going back to the original language, striking all of the House amendments, as he favored receiving the report during the interim when he had more time to read.

Representative Bardanouve clarified that this was a report of each agency, in addition to a financial report, and that amendments had been put in to take care of the problem of knowing which candidates for office to send the reports to.

There being no further questions on House Bill No. 405, the hearing was closed.

FURTHER CONSIDERATION OF HOUSE BILL No. 187: Discussion was held on the proper amendments to revise the Bill to its original form.

Senator Rasmussen moved that HB 187 be amended to strike the House amendments to put the Bill back to its original language; motion carried by unanimous vote. The researcher was directed to prepare these amendments and report back.

FURTHER CONSIDERATION OF HOUSE BILL No. 405: Senator Bill Hafferman moved that House Bill No. 405 BE CONCURRED IN. Discussion followed.

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For the benefit of the Senators arriving late, the Chairman briefly recapped the testimony on this Bill.

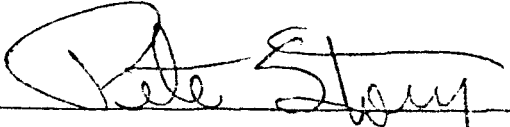
Upon roll call vote, the motion carried without opposition.

Senator Jergeson was appointed to sponsor House Bills 113 and 186 on the floor, and Senator Rasmussen will carry HB 405.

Chairman Story then explained the procedure which will be used to handle the governor's appointments on the floor; Committee members who were assigned to investigate certain persons will be responsible for questions pertaining to those particular individuals.

ADJOURNMENT:

There being no further business, the meeting was adjourned at the hour of 11:00 A.M.

  
\_\_\_\_\_  
PETE STORY, Chairman

Date March 1, 1979

ROLL CALL

STATE ADMINISTRATION COMMITTEE

46th LEGISLATIVE SESSION - 1979

NAME	PRESENT	ABSENT	EXCUSED
Senator Pete Story, Chairman	✓		
Senator George F. Roskie, V. Chmn.	<i>(late)</i>		
Senator Bob Brown	<i>(late)</i>		
Senator A. T. (Tom) Rasmussen	✓		
Senator Patrick L. Ryan	<i>(late)</i>		
Senator Greg Jergeson	✓		
Senator William F. Hafferman	✓		

Each Day Attach to Minutes.



ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date March 1-79 House Bill No. 187 Time \_\_\_\_\_

*Amendment sent to original*

NAME	YES	NO
Senator Pete Story, Chairman	✓	
Senator George F. Roskie, V. Chairman	✓	
Senator Bob Brown	✓	
Senator A. T. (Tom) Rasmussen	✓	
Senator Patrick L. Ryan	✓	
Senator Greg Jergeson	✓	
Senator William F. Hafferman	✓	

Jennie L. Palmer  
Secretary

Pete Story  
Chairman

Motion: Senator Tom Rasmussen moved that House Bill No. 187

BE AMENDED to read as it was originally prepared, the Researcher  
to prepare the proper amendment language; motion carried by  
unanimous vote.

(include enough information on motion--put with yellow copy of committee report.)



ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date March 1-79 House Bill No. 113 Time \_\_\_\_\_

*Bill Concurred In  
@ Levy*

NAME	YES	NO
Senator Pete Story, Chairman		
Senator George F. Roskie, V. Chairman		
Senator Bob Brown		
Senator A. T. (Tom) Rasmussen		
Senator Patrick L. Ryan		
Senator Greg Jergeson		
Senator William F. Hafferman		

Jennie L. Palmer  
Secretary

Pete Story  
Chairman

Motion: Senator Greg Jergeson moved that House Bill No. 113  
BE CONCURRED IN: motion carried by unanimous vote of the  
committee members present, with Senators Roskie, Brown and  
Ryan being absent. Sen. Jergeson will carry the Bill on the  
floor.

(include enough information on motion--put with yellow copy of committee report.)

# STANDING COMMITTEE REPORT

.....March 1..... 19 79.....

MR. ....President.....

We, your committee on .....State Administration.....

having had under consideration .....House..... Bill No. 113.....

Respectfully report as follows: That .....House..... Bill No. 113,.....

Third Reading Bill,

DO PASS

BE CONCURRED IN

ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date March 1-79 House Bill No. 186 Time \_\_\_\_\_

*at 10:30 am and 11:00 am*  
*E. Jergeson*

NAME	YES	NO
Senator Pete Story, Chairman	<input checked="" type="checkbox"/>	
Senator George F. Roskie, V. Chairman	<i>absent</i>	
Senator Bob Brown	<i>absent</i>	
Senator A. T. (Tom) Rasmussen		
Senator Patrick L. Ryan	<i>absent</i>	
Senator Greg Jergeson	<input checked="" type="checkbox"/>	
Senator William F. Hafferman	<input checked="" type="checkbox"/>	

Jennie L. Palmer  
Secretary

Pete Story  
Chairman

Motion: Senator Greg Jergeson moved that House Bill No. 186

BE CONCURRED IN: motion carried by unanimous vote of the

Committee members present, with Senators Roskie, Brown and

Ryan being absent. Sen. Jergeson will carry the Bill on the

floor.

(include enough information on motion--put with yellow copy of committee report.)

# STANDING COMMITTEE REPORT

..... March 1 19 79 .....

MR. .... President .....

We, your committee on ..... State Administration .....

having had under consideration ..... House Bill No. 186 .....

Respectfully report as follows: That ..... House Bill No. 186 .....

Third Reading Bill,

~~DO PASS~~

BE CONCURRED IN

*PE*

ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date March 1, 79 House Bill No. 405 Time \_\_\_\_\_

*Bill concurred in*  
*10/1/79*

NAME	YES	NO
Senator Pete Story, Chairman	✓	
Senator George F. Roskie, V. Chairman	✓	
Senator Bob Brown	✓	
Senator A. T. (Tom) Rasmussen	✓	
Senator Patrick L. Ryan	✓	
Senator Greg Jergeson	✓	
Senator William F. Hafferman	✓	

Jennie L. Palmer  
Secretary

Pete Story  
Chairman

Motion: Senator Bill Hafferman moved that House Bill No. 405

BE CONCURRED IN; motion passed by unanimous vote.

Senator Tom Rasmussen will carry the Bill on the floor.

(include enough information on motion--put with yellow copy of committee report.)

# STANDING COMMITTEE REPORT

.....March 1..... 19 79.....

MR. ....President.....

We, your committee on .....State Administration.....

having had under consideration .....House Bill No. 405.....

Respectfully report as follows: That.....House Bill No. 405.....

Third Reading Bill,

XDPASS      BE CONCURRED IN

*P.C.*