

MINUTES OF THE MEETING  
STATE ADMINISTRATION COMMITTEE  
MONTANA STATE SENATE

March 6, 1979

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

ROLL CALL: All members of the Committee were present, with the exception of Sen. Pay Ryan who was absent. Sen. Bob Brown arrived late to the meeting.

CONSIDERATION OF HOUSE BILL No. 531: The Chairman called on Rep. Walter Sales, House District 79, Manhattan, to present his testimony as sponsor of the Bill.

Rep. Sales stated the purpose of this legislation was to let the Investment Board accept real estate mortgages as collateral. Several sessions ago, the law was changed to include savings & loans where before only banks could do this. Present law lists nine types of securities which may be pledged for deposits of public funds, but the majority of these are only held by banks. This Bill would add first mortgages and trust indentures or deed to the eligible securities and allow savings and loans to compete for these public funds.

The Chairman asked if there were proponents to the Bill.

Ed Sheehy, Jr., representing the Montana Savings & Loan League, advised this Bill was designed to help the savings and loan business. It allows savings and loans, which utilize trust indentures, to compete for public funds; they can have up to \$100,000 without pledging and over that must be fully pledged. The biggest business is in mortgages and trust indentures, so we need these in order to get deposits of public funds. The state will get a benefit by getting higher interest rates and public housing will also benefit. He mentioned the House amendment would require them to make quarterly reports on these mortgages to the Board of Investments; this was to appease their concern that these mortgages might decrease in value to the extent that there would not be sufficient funds to fully cover the pledge.

Dave Lewis, Director, Department of Administration, stated his Department supported the Bill with the amendment attached.

There being no opponents and no questions by the Committee, time for a closing statement was offered; this was waived by Rep. Sales.

There being no questions, the hearing on House Bill No. 531 was closed.

CONSIDERATION OF HOUSE BILL No. 738: Chairman Story called on Rep. Joe Brand, House District 28, Deer Lodge, sponsor of the Bill, to present his testimony.

Rep. Brand advised this Bill was introduced on behalf of the Treasurer's office. After 1973 when the state government was re-organized, these gifts were assigned to the Land Commissioner's office for administration. The accounts are all shown on the state computer system, and the Legislative Audit Committee said that was a duplication of process which the Treasurer's office didn't need to do. He added that the Treasurer was present for answering questions.

Sen. Jergeson questioned if this Bill repealing the record keeping requirement was a recommendation of the Legislative Audit Committee.

Vera Freseman, State Treasurer, responded that it was.

Sen. Jergeson moved that House Bill No. 738 BE CONCURRED IN; motion passed by unanimous vote of the Committee members present, with Sen. Ryan being absent.

CONSIDERATION OF HOUSE BILL No. 456: The Chairman called on Rep. Ralph Eudaily, House District 100, Missoula, to present his testimony as sponsor of the Bill.

Rep. Eudaily stated this Bill resulted from the work of a subcommittee on Legal Services & Election Laws. It was discovered there was a problem with the way the Commissioner of Campaign Finances and Practices was chosen. This Bill recommends a 6-year term, rather than the present 5, and provides for a different method of appointment; it also clarifies the statutes so that a person could not be reappointed for 5 years nor run for office for 5 years from the date of his expiration of office. An effective date of 1981 was also provided. The committee recommended that this should be a separate law than the other bills pertaining to campaign financing. He then gave some background on the original establishment of the office of commissioner of campaign finances and practices and that the present commissioner was appointed to serve until 1980. The 44th Legislature passed a law for the purpose of enforcement and then filled the office with an individual of its own choosing; it was therefore set up to enforce its own laws. However, this did not uphold the Constitution in its efforts to do this. Separation of powers of state should be considered. Under the present law, most appointed offices are appointed by the governor with Senate confirmation. The District Court's decision pertaining to the present way the campaign commissioner is appointed may not be adhered to by the Montana Supreme Court, but if we can't enforce the law, then it is useless. If it is decided it is to be an executive appointment, then the commissioner should be appointed by the governor. Page 1 of the Bill sets out the procedure on how the commissioner should be appointed. Page 2 follows the law on other governor appointments with changes pertaining to term of office and restriction from running for elected office within 5 years of his acting as commissioner. There are also provisions dealing with reappointment and sets out a procedure in order to have this Bill take effect in January, 1981, which would mean that the present commissioner would have his term extended from 1980 until the new commissioner takes over in 1981. He then submitted some amendments which he felt would be helpful to the Bill, copy of which is attached to these Minutes.

The Chairman called for further proponents.

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John Hanson, Commissioner of Campaign Practices, testified in support of the legislation, saying the advisory committee worked with his office in preparing this Bill. The committee consisted of four legislators, representative of the AFL-CIO and several other agencies and groups. This is a means of preserving the original campaign practices act by trying to maintain the independence of the commissioner and cushion against the influence of politics. This was because of a situation in Missoula County involving a court case contesting the powers to enforce on the part of the commissioner because of the manner of appointment. A transition schedule has been provided in this Bill in order to cover the vacancy which would occur because of the proposed effective date. He felt sure the court was going to declare the procedure of appointment as unconstitutional which would make it necessary for him to resign and asked the legislature for guidance on how to continue with the office.

Al Williams, Montana AFL-CIO, submitted written testimony in support of the Bill which is attached to these original Minutes and deals primarily with the separation of powers between the executive and legislative branches of government.

Margaret Davis, League of Women Voters, wanted to be on record as supportive of the measure and also conveyed a message from the representative of the Montana Chamber of Commerce that they are also in favor of the Bill. Mrs. Davis states she was also on the committee which considered this problem and felt that protection of the enforcement date are important so that there will be no interim period when there is no one to look after the functions of the office of Commissioner of Campaign Practices.

Sen. George Roskie also testified as a proponent to HB 456 as he served on this committee and found that it was well worthwhile. He considered this legislation a good solution to handle the problem and that the amendments are needed in order to cover the interim between the enactment of this and the old term.

There being no opponents to the Bill, questions were called for.

Sen. Story questioned what the case was about in Missoula, to which Mr. Hanson replied it involved a person who had done something in violation of the Campaign Practices Act, but had lost the election anyway. Continuing his questioning, Sen. Story was concerned that if they passed this Bill it would be taken as an admission of error on our part. Mr. Hanson thought it might be brought up, but it was their intention to appeal to the Supreme Court and follow it through.

Sen. Roskie moved that the proposed amendments to House Bill No. 456 be adopted; motion carried by unanimous vote of the Committee members present, with Sen. Ryan being absent.

Sen. Roskie then moved that House Bill No. 456 AS AMENDED, BE CONCURRING; motion carried by majority vote, with Sen. Hafferman voting "no" and Sen. Ryan being absent. Amendments are as appears on the Standing Committee Report, copy of which is attached hereto.

CONSIDERATION OF HOUSE BILL No. 76: The Chairman called on Rep. Jack Ramirez, House District 64, Billings, to present his testimony as sponsor of the Bill.

Rep. Ramirez advised this was introduced at the request of the Department of Administration and would authorize the state to do its own printing, that is to use its own printing presses to print its own materials and raises the nonresident bidders from 2% to 3% on certificates.

Further proponents were called for.

Larry Darcy, Department of Administration, supporting the measure, stated this was basically a housekeeping bill allowing the Department of Administration to do something it is presently doing. They just became aware that some of these contracts they have out with some contractors could be challenged; so they felt that they should have something to continue their present practices, he said, not to expand the present facilities.

Opponents were then called for.

Stan Thurston, representing Thurber Printing Company, felt he was speaking for the commercial printers in the State, and he did not share the Department of Administration's opinion as to the present law. Their industry did not think this Bill was needed and there was great concern on what the state was presently doing in the printing business. He requested the Bill be killed, particularly with the amendment which had been included which would actually allow the state to set up a state printing bureau, which he felt did not fall under the definition of "housekeeping" bill. The state set up a central printing division in the mid 1960's, and this would allow a setup to expand into every facet of printing. They had received information that the Department of Administration was thinking about setting up a large photo typesetting device; in protest, they had gone to the governor; however, the SRS is also considering obtaining a similar type of equipment. Leasing is a very cheap way of getting into the printing business, which the state could easily do in this manner. Mr. Thurston stated they were very concerned about the amendment language "without competitive bidding" and that the clear meaning of the Bill had not been brought out. Consultants had been brought in from out of state to advise the Department of Administration on its duplicating center, and we have learned that printing equipment can be obtained at GSA prices. He also expressed concern with the state preparing its own printed materials from the quality and time limit standpoint, and cited an incident where a court administrator required a rush order in a very short time. He felt that private shops could do a higher quality work.

Al Williams, Montana AFL-CIO, in opposition to the Bill, submitted written testimony, copy of which is attached to these original Minutes, which addressed the competitive bidding process as reducing the cost to the taxpayer of printed material.

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Rep. Ramirez, in closing, stated he didn't think the printers throughout the state were opposed - only those printers who did state business. He also felt the House had cooperated on the Bill and considered the amendment in good faith. The state spends \$5 million on printing, of which about \$3 million is contracted out, and he felt that the state could cut some of this expense and should be allowed to do so just the way any private business would be looking at cutting expenses. This does not create a monopoly and the legislature has control in allowing funding for a lot of high priced equipment.

During questions by the Committee, Sen. Hafferman cited a case when he was in the legislature before when they had trouble with a particular printer which was the start of the state doing its own printing of legislative materials, and that he felt if the state can do something on its own to save expenses, it should, even though he favored private business.

Sen. Rasmussen questioned what would happen if the Bill didn't pass, to which Mr. Darcy responded that things would go on as they were now being done.

Sen. Jergeson asked Mr. Darcy if they had a problem getting things printed by deadlines, to which he replied there was a quick turnaround time at the lowest possible cost and that some of it was garbage.

Sen. Roskie commented as to when does this cease to be garbage and become quality printing; that money for equipment - capital investment is no deterrent to a state agency getting this type of equipment by lease.

Rep. Ramirez felt there were two types of control on this, the main one being that the state agency could not go into this without the executive knowing about it. He also stated that he would not be supporting this Bill if he thought the state was going to be involved in expansion.

Stan Thurston added that they had no problem with the state doing its own duplicating, but that they had to make a living and do it on a competitive bidding basis and the private sector also calls for deadlines.

Sen. Roskie questioned the printing of extremely expensive booklets and brochures by the state, to which Rep. Ramirez replied that the state isn't equipped to do that and didn't think the state wanted to get into that kind of printing.

There was a short discussion of the type of material the state would print, and what some state agencies were putting out.

At the request of Chairman Story, Mr. Dave Lewis will furnish documents showing the expense figures of the departments for printing.

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There being no further questions, the hearing was closed on House Bill No. 76.

CONSIDERATION OF HOUSE BILL No. 436: Rep. Ramirez also being the sponsor of this Bill, the Chairman asked him to proceed with his presentation.

Rep. Ramirez advised this addressed the type of printing being done by the state and those state agencies which went far beyond what was actually required or adequate to furnish information. This would require a disclosure by that agency as to the entire cost figures and purpose for the document or paper. He showed numerous examples of booklets, brochures and papers from the Department of Health in putting out a booklet entitled "Annual Report." Another publication cited was put out by the division of Workmen's Compensation which looked very expensive and estimated to cost about \$4 a copy. Other examples were an SRS agency employee's handbook, Swan River Youth Summer Camp brochure, Mountain View School, Fish & Game material which was extremely expensive, with no indication to whom it was intended or would be used, Department of Community Affairs and Department of Natural Resources had an excessively expensive fold-out type of publication. Rep. Ramirez explained that the Bill provides the Department of Administration may prepare written standards and recommendations and that the agency requesting the printing must prepare a statement of need and strive for the lowest possible cost to accomplish the particular purpose of the paper. Additional information relative to cost per copy, who the material was printed by, agency printed for, purpose and under what authority is also required on each paper or document published. The reason for this is to make these agencies think about the cost involved, if it will serve a worthwhile purpose and the statutory authority.

Further proponents were called.

John Fitzpatrick, Deputy Director of the Department of Administration, supporting the legislation, stated the Bill simply asks agencies to take a look at what they are doing and how much it costs to print this material. Last session this problem was raised, and the Legislature put on some restraints, but if you put on a reporting system on an agency, we think it is less effective than if you have an agency police itself. This makes the agency responsible for printing. He suggested to the Committee that if this Bill did not have the desired effect, they could be effective through the appropriation for the various budgets. He also proposed that there was a misprint in the Bill on page 2, line 6, if the word "executive" was supposed to be "legislative".

Opponents to the Bill included:

James R. Beck, Department of State Highways, proposed an amendment to exclude some of the publishing done by their Department, for instance the tourist brochures promoting state travel as the quality should not be decreased. Another amendment would eliminate their Department from complying with this on the bid documents which they

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send out every month to a large number of bidders. Each packet sent out contains the specs and plans of the various projects and is quite technical and requires much work - increasing the paper work to comply with this Bill would be a hardship. He proposed an amendment on page 2, starting at the end of line 1 to exclude travel promotion materials intended for use by the public and material intended for use in public bidding. He further explained the booklet prepared for tourism and their contract used in the bidding procedure.

J. D. Holmes, representing the Montana Institute of the Arts Foundation, also offered an amendment, copy of which is attached hereto, at line 1 on page 2 of the Bill. This pertained to magazines sold on a subscription basis, such as "Montana Western History", which is a high quality magazine, and the Fish & Game magazine "Montana Outdoors". They are also sold at the news stands and it was the Foundation's opinion that they should not be included in this Bill. He further explained the "Montana Magazine" had been forced to lower its quality several years ago due to high cost, and they did not want to drop the quality any further.

Erving Dayton, representing the University System, submitted written testimony, copy of which is attached, in opposition to the Bill which also included some amendments to exclude material used by the universities. Objections were that this might pertain to tests given in classes and that a copy of every type of material being printed or published in the state being stored in some warehouse served no useful purpose.

Stan Thurston, representing Thurber Printing Company, explained that his company had a contract to print one of the publications referred to, "Treasure State Health"; this was done on a competitive bid basis and calls for three issues per year.

Sister Joanne Daley, representing the Montana Arts Advocacy, stated they oppose the Bill's passage. They appreciate the concern for cost, but this does not take into account the value of the communication when dealing with the public. If you use a publication as a means of communication with the public, it is very important it is a nice appearing document. The visual form is very important means of communication with the public. They also supported the adoption of the proposed amendments if the Committee considered passing the Bill.

Rep. Ramirez stated he did not have any objections to the proposed amendments as they pertained to exempting magazines or contracts on bids. He also felt strongly that the requirement of the Bill relating to the cost of preparing the publication being printed on each publication would have a bearing. As to the comment that it would be too difficult to have a unit price cost figure, the particular agency should be able to come up with a calculation with a certain degree of accuracy, particularly if the document is really needed; it is not intended to eliminate communication with the general public.

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No matter how fancy a publication is made, there is only a certain number of people who would be interested in its contents, and this should be considered.

Sen. Jergeson questioned if the criteria could come under the review of the Legislative Audit Committee, to which Rep. Ramirez answered that they tried to keep it a self-policing mechanism; however, the figures could be used by anyone interested in keeping the costs down on printing.

There being no further questions, the hearing on House Bill No. 436 was closed.

ADJOURNMENT:

There being no further business, the Chairman adjourned the meeting at the hour of 11:40 A.M.

A handwritten signature in cursive script, appearing to read "Pete Story", is written over a horizontal line.

PETE STORY, Chairman



Date March 4, 1979

ROLL CALL

STATE ADMINISTRATION COMMITTEE

46th LEGISLATIVE SESSION - 1979

NAME	PRESENT	ABSENT	EXCUSED
Senator Pete Story, Chairman	✓		
Senator George F. Roskie, V. Chmn.	✓		
Senator Bob Brown	11:51 ✓		
Senator A. T. (Tom) Rasmussen	✓		
Senator Patrick L. Ryan		✓	
Senator Greg Jergeson	✓		
Senator William F. Hafferman	✓		

Each Day Attach to Minutes.

COMMITTEE ON

DATE

March 6, 1979

State Administration

House Bills 76, 436, 456, 531, 738

## VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppos
Stan Thompson	Thompson Printing Co.	76		X
Robert Thompson	Thompson Printing Co.	76		X
J. D. Holmes	Mont. Inst. of the Arts <sup>Foundation</sup>	436	Amendment	/
James R. Beck	Dept. of Highways	436		
Jane Lewis	Dept. of Justice	531	X	
J.R. BREIBY	DNRC			X
LARRY DARCY	D/Admin.	436	X	
Ed Phelyph	Mont. Savings & Loan	531	X	
Walter Schuler	H.D. #29	531		
Jack Ramsey	H.D. #64	76		
Dennis R. Burns	Dept. Admin. Purchasing	436	X	
Ernest E. Rayton	Mont. Univ. System	436		X
Wm. E. Davis	Chamber of Commerce	456	X	
H. W. Harris	Mont. Univ. System	76		X
Wm. E. Davis	Chamber of Commerce	456	X	
Wm. E. Davis	Chamber of Commerce	456	X	
John Hansen	Commissioner Campaign Practice	456	X	
John Fitzpatrick	O.B.P.P.	456		File
CURT CHISHOLM	DEPT. OF JUSTICE	436		

NAME: Stan Thurston DATE: 3/6/79

ADDRESS: 631 N. Milner - Helena

PHONE: 442-5528

REPRESENTING WHOM? Thurston Printing Co.

APPEARING ON WHICH PROPOSAL: H B 76

DO YOU: SUPPORT? \_\_\_\_\_ AMEND? \_\_\_\_\_ OPPOSE? ☒

COMMENTS: \_\_\_\_\_

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PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Ed Sheehy Jr. DATE: 3/6/79

ADDRESS: 2031 11th Ave Helena

PHONE: 442-9930

REPRESENTING WHOM? Mont. Savings & Loan League

APPEARING ON WHICH PROPOSAL: HB 531

DO YOU: SUPPORT? X AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: \_\_\_\_\_

NAME: Margaret S. Davis DATE: 6 Mar 79

ADDRESS: 917 Harrison, Helena, MT 59601

PHONE: 443-3487

REPRESENTING WHOM? League of Women Voters of MT

APPEARING ON WHICH PROPOSAL: HB 456

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: HB 456 changing the appointment

of Comm of Campaign Finances & Practices

is needed to insure that <sup>the</sup> enforcement

powers of that office are maintained.

Constitutional separation of powers is

jeopardized under the present system.

Constitutional candidates know enforcement

is important & we urge support for HB 456

NAME: Alfred D. Jones DATE: 6 Nov 1962

ADDRESS: \_\_\_\_\_

PHONE: 480-1711

REPRESENTING WHOM? *Wm. J. ...*

APPEARING ON WHICH PROPOSAL: *HA JC*

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: \_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: James E. Williams DATE: 6/11/77

ADDRESS: \_\_\_\_\_

PHONE: 442 - 1785

REPRESENTING WHOM? Memphis NFL CIO

APPEARING ON WHICH PROPOSAL: HR 446

DO YOU: SUPPORT? ✓ AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: \_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.



JAMES W. MURRY  
EXECUTIVE SECRETARY

Box 1176, Helena, Montana

ZIP CODE 59601

PHONE 406 442-1708

TESTIMONY OF JAMES W. MURRY, EXECUTIVE SECRETARY OF THE MONTANA STATE AFL-CIO,  
BEFORE THE SENATE STATE ADMINISTRATION COMMITTEE, ON HOUSE BILL 456, MARCH 6,  
1979

I WILL MAKE MY STATEMENT BRIEF AND TO THE POINT.

WE URGE YOUR SUPPORT OF HOUSE BILL 456, WHICH GUARANTEES THE CONSTITUTIONAL  
OPERATION OF THE MONTANA FAIR CAMPAIGN PRACTISES ACT.

THE OFFICE OF THE MONTANA COMMISSIONER OF CAMPAIGN PRACTISES HAS BECOME AN  
IMPORTANT POSITION IN OUR STATE GOVERNMENT. HOUSE BILL 456 IS NECESSARY TO  
ASSURE THE SEPARATION OF POWERS BETWEEN THE EXECUTIVE AND LEGISLATIVE BRANCHES  
OF STATE GOVERNMENT CALLED FOR BY THE MONTANA CONSTITUTION.

ADOPTION OF HOUSE BILL 456 WILL MAKE CERTAIN THAT MONTANA LAWS GOVERNING  
POLITICAL CAMPAIGNS WILL BE UPHELD THROUGH THE JUDICIAL REVIEW PROCESS.

THE NATIONAL AFL-CIO HAS TAKEN THE POSITION OF SUPPORT OF FAIR CAMPAIGN  
PRACTISES. PASSAGE OF HOUSE BILL 456 WILL HELP TO ENSURE FAIR AND HONEST  
OPERATION OF THE ELECTION PROCESS OF OUR GOVERNMENT BY UPHOLDING THE  
CONSTITUTIONAL OPERATION OF THAT PROCESS.





JAMES W. MURRY  
EXECUTIVE SECRETARY

Box 1176, Helena, Montana

ZIP CODE 59601

PHONE 456-442-1708

TESTIMONY OF JAMES W. MURRY, EXECUTIVE SECRETARY OF THE MONTANA STATE AFL-CIO, ON HOUSE BILL 76, BEFORE THE SENATE STATE ADMINISTRATION COMMITTEE, MARCH 6, 1979, 10:00 a.m.

HOUSE BILL 76 IS LEGISLATION WHICH WOULD EMPOWER THE STATE OF MONTANA, IF IT SO WISHES, TO MONOPOLIZE THE PRINTING DONE BY THE STATE WITHOUT COMPETITIVE BIDDING.

WITHOUT THE BENEFIT OF COMPETITION, THE STATE, IF IT SO WISHES, AND AS HOUSE BILL 76 PRESENTLY READS (AND I REFER ESPECIALLY TO THE FINAL AMENDED LINE), THE STATE MAY VIRTUALLY ELIMINATE THE COMPETITIVE BIDDING THAT COULD REDUCE PRINTING COSTS AND PUBLICATION COSTS TO THE TAXPAYER.

IF IT SO WISHES, AND THE WAY IN WHICH THE AMENDED LINE READS, THE STATE MAY ALSO PRINT MATERIALS OR ISSUE PUBLICATIONS AT A HIGHER COST THAN COMPETITIVE BIDDERS IN ORDER TO MAKE A PROFIT, IF THE STATE ALSO SERVES AS ITS OWN COMPETITOR.

AS I INTERPRET HOUSE BILL 76, THE STATE IS EMPOWERED TO BE ITS OWN PUBLISHING AGENT, PRINTER, AND TYPESETTER, OPERATING AT ITS OWN DISCRETION, AND WITHOUT COMPETITION.

THE MONTANA STATE AFL-CIO HAS A LONGSTANDING POLICY THROUGH CONVENTION ACTION OF TOTAL SUPPORT FOR THE PRESERVATION OF THE EMPLOYMENT OF THE STATE'S HIGHLY-SKILLED PRINTERS BY GIVING PREFERENCE WHENEVER POSSIBLE IN THE PLACEMENT OF STATE PRINTING TO BONAFIDE COMMERCIAL PRINTERS BY VIRTUE OF COMPETITIVE BIDDING.

THE STATE, UNDER THE WORDING OF THIS ACT, MAY TURN THE PRESENT PRINTING TRADE

AND BALANCE OF TRADE IN A VERY SHORT TIME, FROM A HEALTHY COMPETITIVE SITUATION, INTO ONE WHERE THE STATE COULD MONOPOLIZE STATE PRINTING.

THEREFORE, WE ARE OPPOSED TO HOUSE BILL 76.

1972

**RESOLUTION NO. 1**

WHEREAS, recent studies indicate that the State of Montana Purchasing Department is allowing brokers to bid on State Printing, to be "farmed-out" to printing firms in other states,

WHEREAS, most of this printing could be done by commercial printing establishments and their highly-skilled craftsmen here in Montana,

WHEREAS, the increasing trend of brokering of printing is undermining the financial stability of various legitimate Commercial Printers and having an adverse effect on the employment of skilled craftsmen and in turn is reducing income subject to State taxation,

WHEREAS, there may be a possible violation of pertinent State laws in that various brokers have not filed sworn statements attesting that these out-of-state printing concerns are in compliance with the State Printing Label law,

WHEREAS, the possibility exists that non-union employers in the State are bidding on State of Montana printing needs, thereby circumventing the Label Law,

RESOLVED, that we request pertinent State officials, including the Governor through his Purchasing Department, and the Attorney General to investigate and determine whether these brokers are complying with various pertinent statutes in bidding for State Printing,

RESOLVED FURTHER that we request the Governor to emphasize to all State departments that it is in the interests of a more prosperous economy to give preference whenever possible in placing State Printing to bonafide Commercial Printers, who, along with their skilled craftsmen, pay considerable taxes to maintain government at all levels, whether State, county, city or the schools, and also are interested, active participants in Montana affairs at all levels,

BE IT STILL FURTHER RESOLVED that we ask the co-operation of the Montana State AFL-CIO in seeking to preserve the jobs of our skilled craftsmen by joining with us in calling this increasingly-damaging brokerage trend to the attention of the various State officials involved, and in seeking remedial action by those officials.

Bernard J. Kempa, President  
Peter J. McKeon, Secretary

Adopted by Montana Typographical Conference  
meeting in Bozeman, May 21, 1972

Adopted by Convention Action

1973

RESOLUTION NO. 51

Comprehensive Study of State Printing Operations

WHEREAS, officials of the State of Montana profess they want to promote a healthy industrial climate to attract new industry, thereby broadening the State's tax base,

WHEREAS, these same officials contradict themselves by actions which are forcing established, tax-paying commercial printers out of business by using tax dollars to purchase elaborate equipment to do printing which should be done under the statute-ordered process of competitive bidding,

WHEREAS, the State of Montana has well over two million dollars invested in printing equipment in various State departments and the university units, and these acquisitions have reached alarming proportions to the state's printing industry,

WHEREAS, University of Montana excepted, this printing equipment is manned by semi-skilled, low paid employees, many on a part time basis. Specifically, the latter includes the Department of Public Instruction, the Fish & Game Department, various State Capitol-house departments, and the Montana State University among others,

WHEREAS, the employment of under-scale employees violates the spirit if not the letter of the State's Prevailing Wage Act,

WHEREAS, the State of Montana having singled out the Printing industry to the extent of seriously undermining the ability of the industry to survive, undermines private business operations which are essential to the State's overall economy,

BE IT RESOLVED, that we request the 1974 Legislative Assembly to make a comprehensive study (capital investment, employees salaries, and fringe benefits, operation, maintenance of equipment, allocation of space and allowances for space rental for such plants) as to the feasibility of these continued printing operations.

BE IT FURTHER RESOLVED, that should this study prove the operations uneconomical the Legislature would advise that all such printing equipment shall be liquidated.

Submitted by Montana State AFL-CIO Executive Board.

Adopted by Convention Action

*6. H.B. 456* *George John Hara*  
*March 16-71*

1. Amend H.B. No. 456, third reading bill, title, line 9.

Following: "MCA"

Reinsert: stricken material in its entirety.

2. Amend H.B. No. 456, third reading bill, page 3,

Following: line 21

Insert: (2) If for any reason a vacancy occurs in the position of commissioner during the current term ending December 31, 1980, the individual serving as the commissioner on the effective date of this act may be reappointed to serve out the unexpired term, but he is thereafter ineligible to serve as the commissioner.

Renumber: all subsequent subsections

3. Amend H.B. No. 456, third reading bill, page 4,

Following: line 2

Insert: Section 5. Effective date. This act shall become effective upon passage and approval.



# THE MONTANA UNIVERSITY SYSTEM

33 SOUTH LAST CHANCE GULCH

HELENA, MONTANA

59601

COMMISSIONER OF HIGHER EDUCATION

FE 436: An Act to Control the Production and Use of Printed Matter of all Kinds by State Government; Requiring Full Disclosure of the Cost of Printing and Circulation of the Printed Matter.

Alternative #1: Give the bill a "Do Not Pass" vote.

Contrary to its title, this bill does not control the production or use of printed matter by state government.

The bill does do the following:

- 1) Allows the department of administration to prepare recommended standards for state printing of public documents.
- 2) Requires each document to be prepared, printed, and circulated at the lowest unit cost compatible with need and purpose.
- 3) Requires all documents to be filed with the department of administration along with a statement of need.
- 4) Requires that the estimated cost of every document shall be printed on its cover.

The stated aims of the bill could be better met, at less cost, by legislative oversight and questioning in budget hearings. Only a few documents have been called into question, and it seems wasteful to set up an elaborate and ineffective procedure to deal with a small number of cases.

Alternative #2: Amend the bill by deleting the last sentence of section 4 and sections 5, 6, and 7.

Reasons:

- 1) Depositing a copy of each document in a warehouse serves no useful purpose.
- 2) The costs printed on each document are meaningless without a frame of reference. The figures will mean something only to an expert in printing, and this type of person will be able to tell whether the document is extravagant without the benefit of the cost figure.

Alternative #3: Amend the definition of "public documents" to add at the end the phrase "and printed in more than one color of ink".

Reason: Almost all the criticism has centered on multi-colored documents, which are apparently considered to be extravagant. Why generate a lot of work in areas where there is apparently no problem?

Alternative #4: Amend the definition of "public documents" to add the following sentence: "Instructional materials prepared for use in the Montana University System are not considered to be public documents in the context of this act."

Reason: Although an exact count would be difficult, estimates have been made that something like 100,000 different pieces of printed matter are prepared for the use of the students in the Montana University System each year. This includes course outlines, class notes, supplementary material and tests. These are reproduced by standard methods such as mimeograph, ditto, multilith, Xerox and other copying machines. There seems to be no useful purpose served by spending time and money to periodically bale them up for shipment to Helena so that they can be stored in a warehouse.

A Note on the Fiscal Note:

The fiscal note contains information only on the added costs which would be incurred in the department of administration and adds that "state agencies incur underterminable (sic) costs in accumulating certain information required". Even the amended bill lays a considerable burden on the University System, since one of its major functions is disseminating information, and this is done very frequently by printed documents. So far as we can determine, these documents are printed at the lowest unit cost compatible with the need and purpose. These documents include catalogs, bulletins, programs, brochures, posters, newsletters, student newspapers, pamphlets and reports. A cursory survey shows that something like several thousand public documents a year are produced in the University System, so what looks like a simple operation when one document is involved begins to take appreciable time and money for the System as a whole.

Irving E. Dayton  
Deputy Commissioner for Academic Affairs

March 6, 1979

Section 2; page <sup>2</sup>1, line 21

Except those regular periodical publications sold to the general public solely through subscription and newsstand sales.

*James J. D.*  
*H. D.*  
*March 6-*  
*79*





OFFICE OF PUBLIC INSTRUCTION

STATE CAPITOL  
HELENA, MONTANA 59601  
(406) 449-3095

Georgia Rice  
Superintendent

March 7, 1979

Honorable Pete Story  
Senate  
State Capitol  
Helena, MT 59601

Dear Senator Story:

In the rush of legislative business, I overlooked HB 436 and did not present testimony at the scheduled hearing. Please accept my apology.

I am writing to you now to respectfully request your consideration of the effect of this legislation on the Office of Public Instruction. I am opposed to this legislation because:

1. It would require tremendous additional cost in personnel and time to oversee, compile and make available materials to meet the documentation requirements of this bill.
2. In my opinion the scope of these requirements would add a new layer of bureaucracy at a time when the mood of our citizens seems to support less government.
3. It is the practice of the Data Management Committee of my office to collect and review all flat printing and submit it for competitive bidding once per year. The cost is thus figured not on a per unit basis - but on the printing needs of the office for the entire year. This results in a much lower overall cost.
4. We can see no purpose to all government documents being placed in obscure storage.

Thank you again for allowing me to present my opposition to this piece of legislation in this manner.

Sincerely,

*Georgia Rice*  
GEORGIA RICE  
Superintendent

GR:ce

ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date March 1, 1961 Bill No. 738 Time 1:00

*Bill concurred in  
(P. Story)*

NAME	YES	NO
Senator Pete Story, Chairman	<input checked="" type="checkbox"/>	
Senator George F. Roskie, V. Chairman	<input checked="" type="checkbox"/>	
Senator Bob Brown	<input checked="" type="checkbox"/>	
Senator A. T. (Tom) Rasmussen	<input checked="" type="checkbox"/>	
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. 738

BE CONCURRED IN; motion passed without opposition, with  
Sen. Ryan being absent.

Sen. Jergeson will carry the Bill in the floor.

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

# STANDING COMMITTEE REPORT

March 6 1972

MR. President

We, your committee on State Administration

having had under consideration House Bill No. 733

Brand (Jergeson)

Respectfully report as follows: That House Bill No. 736,

Third Reading Bill,

DO PASS: BE CONCURRED IN

ROLL CALL VOTE RECORD

(2)

SENATE COMMITTEE STATE ADMINISTRATION

Date March 1 - 71 Bill No. 456 Time 1:00 - 1:25

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

Jennie L. Palmer  
Secretary

Pete Story  
Chairman

Motion: Sen George Roskie moved that House Bill No. 456

BE CONCURRED IN AS AMENDED; motion carried by majority vote, with  
Sen. Hafferman voting "no" and Sen. Ryan being absent.

Sen. Roskie will carry the Bill on the floor. Amendments are as  
appears on the Standing Committee Report attached.  
(include enough information on motion--put with yellow copy of  
committee report.)

ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date March 6, 1979 HOUSE Bill No. 456 Time           

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

Jennie L. Palmer  
Secretary

Pete Story  
Chairman

Motion: Senator George Roskie moved that House Bill No. 456  
be amended per the amendments proposed by John Hanson, Campaign  
Practices Commissioner; copy of which is attached. Motion  
carried without opposition, with Sen. Ryan being absent.

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

# STANDING COMMITTEE REPORT

March 6 1979

MR. President

We, your committee on State Administration

having had under consideration House Bill No. 456

Eudaily (Roskie)

Respectfully report as follows: That House Bill No. 456,

Third Reading Bill, be amended as follows:

1. Title, line 9.

Following: "BAFE"

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 3

Following: line 21

Insert: "(2) If, for any reason, a vacancy occurs in the position of commissioner during the current term ending December 31, 1980, the individual serving as the commissioner on the effective date of this act may be reappointed to serve out the unexpired term, but he is thereafter ineligible to serve as the commissioner."

Renumber: all subsequent subsections

3. Page 4

DO PASS

(continued)

Following: line 2

Insert: "Section 5. Effective date. This act shall become effective upon passage and approval."

GH  
And, as so amended, BE CONCURRED IN

1. Amend H.B. NO. 456, third reading bill, Title, line 9.  
Following: ~~"END"~~ "DATE"

Reinsert: "stricken material in its entirety."  
Insert: "; AND PROVIDING AN EFFECTIVE DATE "

2. Amend H.B. No. 456, third reading bill, page 3, ~~line 22~~.  
Following: line 21

Insert: "(2) If for any reason a vacancy occurs in the position of commissioner during the current term ending December 31, 1980, the individual serving as the commissioner on the effective date of this act may be reappointed to serve out the unexpired term, but he is thereafter ineligible to serve as the commissioner."

Renumber: all subsequent subsections

3. Amend H.B. NO. 456, third reading bill, page 4, ~~line 3~~.  
Following: line 2

Insert: "Section 5. Effective date. This act shall become effective upon passage and approval."