

STATE ADMINISTRATION
FEBRUARY 4, 1981
RM 436

The meeting of the State Administration Committee was called to order at 8:00 a.m. with Chairman Jerry Feda presiding. All members were present except Representative Azzara who was absent and Representative Kennerly who was excused.

Chairman Feda opened the hearing on House Bill 565.

HOUSE BILL 565-SPONSOR, Representative Roth, introduced HB 565 to the committee. This bill requires all budget amendments to be submitted to the budget director for his approval and to the Legislative Finance Committee for review. In seeking approval of an amendment, each state agency must provide the director with certain information relating to the request. If the Committee finds that an agency has overspent its budget or has not complied with the amendment process, it shall notify the attorney general who has the authority to investigate and prosecute for noncompliance. If an agency is guilty of noncompliance or a violation, its authority shall be rescinded for the entire fiscal year during which the noncomplying amendment request was made.

PROPOSERS

There were no other proposers testifying on House Bill 565.

OPPOSERS

JACK NOBEL, Department of Management and Community Affairs, stated that he understands Representative Roth's concerns but this bill creates additional problems and cost. He said that the current law provides for separate budget authority depending upon which branch of government you are in. Having all budget amendments approved would be unconstitutional. Mr. Nobel said that they have hundreds of appropriation accounts each year which include a multitude of facilities at the universities. He talked about the paperwork that could possibly be involved. He showed the committee a copy of the approved budget for the Montana University System. He said it involved several hundred pages, over 800 accounting entities. He gave examples of some of the things that are controlled through the statewide budget and accounting system. He also pointed out that this bill does not distinguish the type of budget amendments that would be subject to this approval. He said that the new language is subjective and he pointed out that even under the current language anyone who has approved a budget amendment has probably purjured themselves because the language (sec. 2 (2))

HB 565 (cont.)

states that you must "certify that no other alternative is available to provide the additional services". I think, he said, that there is always another alternative. He also said that one question that arises is who is the attorney general going to prosecute. He said that on any budget amendment from the time it starts up it usually has to go through about five levels. The process of who is guilty may not be as simple as what is laid out in this bill.

Chairman Feda opened the hearing to questions from the committee.

Representative Sales asked Mr. Nobel if he thought there was any way to amend this bill or is it beyond the realm of workability.

Nobel: It is difficult to answer that question. I understand the concerns about the budget amendments but would not know how to amend this bill without great thought.

Sales: Would it make sense to put a dollar limit on the budget amendments that would have to be approved?

Nobel: I would have to look at where the volume picks up on these budget amendments to see where the problems start.

Pistoria: I see Mr. Dave Lewis is here now, would you give your comments on this bill?

Lewis: I intended to testify against this bill but could not be here in time. We agree that the bill is subjective and also have a problem with this question of who will be prosecuted for the violation. The problem I see is that this bill really does not accomplish anything.

Sales: Representative Roth would you comment on this question about who would be prosecuted.

Roth: I will let Kathrine Ore, who drafted this bill, answer your questions.

Orr: There may have to be an amendment to clarify this. The person who petitioned for the budget amendment would be the person prosecuted as I see it. In regard to Mr. Nobels comment about this bill being unconstitutional, it is not in any way.

Hanson: Who would make the decision to enforce the penalty?

Questions HB 565 (cont.)

Roth: The Budget Director and the Finance Committee would make their recommendations and the final decision would be up to the Attorney General.

Representative Roth closed the hearing on House Bill 565. She stated that there have been abuses to the system. "Blanket appropriations" are easy to slip in and this bill will address this problem.

HOUSE BILL 486-SPONSOR, Representative Harrington, introduced HB 486 to the committee. HB 486 provides that all registry cards contain a section indicating a voter's party preference. This information is entirely voluntary, and county registrars, persons entitled to register electors, and any electors being registered must be notified of this fact.

PROPONENTS

PHIL TAWNEY, Representing the Democratic party, stated that this would improve the party structure and capabilities. He said there is a lack of participation between the candidates and the voters. If the candidates knew which party preference people in their districts were, they could possibly get them more involved. Another great concern, he stated, is the policy that the National Democratic party has stating that if you have an open primary you can not use that as a basis for selecting delegates. The Montana Democratic Party has filed a suit that has gone all the way to the Supreme Court concerning this issue. This bill will help us in that effort.

QUESTIONS BY THE COMMITTEE:

Phillips: I fail to see how this system will help the situation that exists with the open primary.

Tawney: This does not make a closed primary but it will have some effect on identifying the parties.

Spilker: Is this "foot in the door" legislation?

Tawney: It is the first step in strengthening the process and not necessarily a step for closed primaries.

Representative Harrington closed the hearing on HB 486.

HOUSE BILL 470-SPONSOR, Representative McBride, introduced HB 470 to the committee. This bill requires that before a historic preservation officer may nominate a historic district to the National Register of Historic Places, the majority of the property owners must concur with the nomination. Representative McBride gave the committee background information on the National Register of Historic Places.

PROPONENTS

MARCELLE SHERFY, Montana Historic Society, explained the purpose of this bill in further detail. She said that in some communities there has been a desire expressed, to have a group of buildings placed on the register. This legislation would specify that we could consider a district, she stated, and that it would take a majority to approve the nomination.

BOB ARCHIBOLD, Montana Historic Society, stated that they are being approached by communities more and more who want to identify historic property within their community as groups. He stated his support of this bill.

J. D. HOLMES, Montana Institute of The Arts Foundation, stated that this bill continues the democratic process for nominating property for the society and he supports this bill.

QUESTIONS BY THE COMMITTEE:

There was brief discussion among the committee.

Representative McBride closed the hearing on House Bill 470.

HOUSE BILL 482-SPONSOR, Representative Bardanouve, stated that this bill is companion legislation to House Bill 341, a bill amending the Treasury Fund Structure Act by renaming and defining the funds within the state treasury. This bill, also requested by the Department of Administration, changes the names of funds appropriated and disbursed from the state treasury.

PROPONENTS

DAVE LEWIS, Department of Budget Program and Planning, stated that the way the bill reads it has to be passed as part of the new fund structure.

House Bill 482 (cont.)

OPPONENTS

There were no opponents to House Bill 482.

QUESTIONS BY THE COMMITTEE:

Kropp: When you refer to enterprise fund, what is this?

Bardanouve: This is the term used under GAAP, revolving fund.

Brief discussion followed.

Representative Bardanouve closed the hearing on HB 482.

EXECUTIVE SESSION

Representative Azzara, Kennerly and Smith were absent for executive session. Representative Smith left a vote on HB 565 and HB 481.

HOUSE BILL 330-hearing 1/29/81

DO PASS AS AMENDED

Representative Kanduch moved the amendments. (SEE EXHIBIT 1)
A vote was taken and carried unanimously.

Representative Phillips made a motion that HB 330 DO PASS AS AMENDED. Question was called and a vote taken. Motion carried unanimously with 16 YES.

HOUSE BILL 412-hearing 2/2/81

DO NOT PASS

Researcher, Lois Menzies, explained to the committee the information she had received from the budget office concerning the number of people this bill would involve. She said there are approximately 70 people on the Governor's staff, half are currently members of the P.E.R.S.

Dave Lewis and Larry Nachtsheim also gave comments on HB 412.

Following discussion, Representative O'Connell made a motion that House Bill 412 DO PASS.

Representative Mueller made a substitute motion DO NOT PASS. He stated that this bill is open ended and he can not support a bill not knowing what the economic impact will be.

EXECUTIVE SESSION (cont.)

HB 412 (cont.)

Discussion on the DO NOT PASS motion followed. Question was called and a roll call vote taken. The motion carried with 9 YES, 7 NO and 3 absent. (SEE ROLL CALL VOTE SHEET)

HOUSE BILL 456

HOLD

Representative Mueller moved a DO PASS on HB 456.

Representative Holliday said that she could not support this bill if it included Fish and Game lands. Discussion on this matter followed. It was decided by the committee to hold off on action until the researcher could look into this question. Representative Mueller withdrew his motion.

HOUSE BILL 436-hearing 2/3/81

DO PASS

Representative O'Connell moved that HB 436 DO PASS. Question was called on the motion and a vote taken. Vote carried unanimously with 15 YES. Representative Spilker abstained because she was not present for the hearing.

HOUSE BILL 442-hearing 2/3/81

DO PASS AS AMENDED

Representative O'Connell moved the amendments. (SEE EXHIBIT 1) Following discussion a vote was taken and carried with 13 YES, 2 NO and 3 absent. Representatives Briggs and Sales voted no. Representative Spilker Abstained.

Representative O'Connell moved a DO PASS AS AMENDED. A vote was taken and carried with 11 YES, 4 NO and 3 absent. Representative Spilker abstained. Representatives Briggs, Sales, Kropp and Mueller voted no.

HOUSE BILL 481-hearing 2/3/81

DO PASS

Representative Mueller moved a DO PASS. He commented on his motion. He said that the present system needed some flexibility. He said the first responsibility should be to the retiree and if this means going out of state with the money then we should do so.

Representative Dussault said that she really did not think this bill would make much difference as to the money flow in the system.

EXECUTIVE SESSION (cont.)

HB 481 (cont.)

Representative Hanson said that there would be a greater risk involved.

Representative Sales said that there is a limit in the bill of 2% that the board can invest in any one company.

Question was called on the motion. A roll call vote was taken. The motion carried with 11 YES, 4 NO and 2 absent. Representative Spilker and Winslow abstained. Representatives Hanson, Smith, Kropp and Pistoria voted no.

HOUSE BILL 484

NO ACTION TAKEN

There was some question as to whether there should be a starting date for getting the signatures. Discussion followed on this. There was a proposed amendment by the sponsor and the committee decided to wait until a copy could be presented to the whole committee before voting.

HOUSE BILL 482

DO PASS

Representative Sales moved a DO PASS. Representative Kropp seconded the motion. Question was called and a vote taken. Motion carried unanimously with 16 YES.

HOUSE BILL 486

DO NOT PASS

Representative Briggs moved a DO NOT PASS. The motion was seconded by Representative Mueller. Representative Mueller said that it is a step toward compulsory registration. Question was called on the motion and a roll call vote taken. Motion carried with 10 YES, 6 NO and 3 absent. (SEE ROLL CALL VOTE SHEET)

HOUSE BILL 470

DO PASS

Representative McBride moved a DO PASS on HB 470. Question was called on the motion and a vote taken. The motion carried with 15 YES, 1 NO and 3 absent. Representative Sales voted no.

EXECUTIVE SESSION (cont.)

HOUSE BILL 565

DO NOT PASS

Representative Mueller made a DO NOT PASS motion. He said that there may be a problem but this is not the solution.

Representative Briggs made a substitute motion DO PASS. He said that he feels there have been abuses to the system and we need some control.

Following discussion, question being called, a roll call vote was taken and the motion FAILED with 7 YES, 10 NO and 2 absent. A motion was made to reverse the vote. Motion was unanimous. HB 565 DO NOT PASS.

HOUSE BILL 372-hearing 1/30/81

DO PASS AS AMENDED

Representative Phillips gave a report of the sub-committee recommendations. (SEE EXHIBIT 2 FOR AMENDMENTS)

Representative Phillips moved the amendments. A vote carried unanimously with those present.

Representative Kropp made a motion that HB 372 DO PASS AS AMENDED. A vote was taken and carried unanimously with 15 YES and 3 absent. Representative Hanson abstained.

A motion was made and seconded to adjourn at 11:00 a.m.

Respectfully submitted,



G. C. "JERRY" FEDA, Chairman

Cathy Martin-Secretary

AMENDMENT TO HB 330

- 2-4 ①
1. Page 1, line 21.
Following: "and"
Insert: "and"
 2. Page 1, lines 24 and 25.
Following: "~~health~~;" on line 24
Strike: "one" through "agriculture;" on line 25
Insert: "four members not holding such qualifications shall have demonstrated active interest in the field of public health and the economic welfare of the state;"
its cit
 3. Page 2, lines 1 through 6.
Following: line 25 on page 1
Strike: lines 1 through 6 in their entirety

AMENDMENTS TO HOUSE BILL 442

1. Page 1, line 20.
Following: "off"
Insert: "with pay"
2. Page 1, line 21.
Following: "period"
Insert: "or as scheduled by the employee and his supervisor"

PROPOSED AMENDMENTS TO HOUSE BILL 372

1. Page 1, lines 24 and 25.
Following: "compensation"
Strike: "that" through "reasonable"
2. Page 2, line 7.
Following: "on"
Insert: "at the board's expense"
3. Page 2, line 18.
Strike: section 3 in its entirety
Re-number: subsequent sections
4. Page 3, lines 17 and 18.
Following: "compensation"
Strike: "that" through "reasonable"
5. Page 3, line 25.
Following: "on"
Insert: "at the board's expense"
6. Page 4, line 16.
Strike: section 6 in its entirety
Re-number: subsequent sections
7. Page 5, lines 15 and 16.
Following: "compensation"
Strike: "that" through "reasonable"
8. Page 5, line 25.
Following: "on"
Insert: "at the board's expense"
9. Page 6, line 12.
Strike: section 9 in its entirety
Re-number: subsequent sections
10. Page 7, lines 11 and 12.
Following: "compensation"
Strike: "that" through "reasonable"
11. Page 7, line 19.
Following: "on"
Insert: "at the board's expense"
12. Page 8, line 8.
Strike: section 12 in its entirety
Re-number: subsequent sections
13. Page 9, line 10.
Following: "compensation"
Strike: "that" through "reasonable"
14. Page 9, line 18.
Following: "on"
Insert: "at the board's expense"

15. Page 10, line 4.
Strike: section 15 in its entirety
Renumber: subsequent sections

16. Page 11, line 20.
Following: line 19
Strike: "through 3"
Insert: "and 2"

17. Page 11, line 22.
Following: "1"
Strike: "through 3"
Insert: "and 2"

18. Page 11, line 23.
Following: "Sections"
Strike: "4 through 6"
Insert: "3 and 4"

19. Page 11, line 25 and line 1, page 12.
Following: "sections"
Strike: "4 through 6"
Insert: "3 and 4"

20. Page 12, line 2.
Following: "Sections"
Strike: "7 through 9"
Insert: "5 and 6"

21. Page 12, lines 4 and 5.
Following: "sections"
Strike: "7 through 9"
Insert: "5 and 6"

22. Page 12, line 6.
Following: "Sections"
Strike: "10 through 12"
Insert: "7 and 8"

23. Page 12, lines 8 and 9.
Following: "sections"
Strike: "10 through 12"
Insert: "7 and 8"

24. Page 12, line 10.
Strike: subsection 5 in its entirety

VISITORS' REGISTER

HOUSE

COMMITTEE

LL

HB -170

Date

SPONSOR

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

HOUSE COMMITTEE

LL HI-482

Date _____

SPONSOR _____

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.