

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

January 27, 1981

The fourteenth meeting of the Senate State Administration Committee was called to order by Senator Pete Story, Chairman, on the above date, in Room 442 of the State Capitol Building at 10 a.m.

ROLL CALL: All members of the committee were present.

Sen. Story turned the chair over to the vice chairman, Senator Allen Kolstad.

CONSIDERATION OF SENATE BILL 109:

AN ACT AMENDING THE LOBBYIST DISCLOSURE INITIATIVE, NO. 85, TO CLARIFY THAT ITS PROVISIONS APPLY TO ALL LOBBYING ACTIVITIES OF STATE AND LOCAL GOVERNMENTAL ENTITIES OR SUBDIVISIONS THEREOF, INCLUDING LOBBYING BY PUBLIC OFFICIALS; TO FURTHER ENUMERATE THE ACCOUNTING REQUIREMENTS OF PRINCIPALS; AND TO DECREASE THE CONTRIBUTION AMOUNT FOR ACCOUNTING BY PRINCIPALS

Vice Chairman Kolstad called on Sen. Pete Story, Emigrant, District 37, sponsor of the bill, to introduce his bill. Sen. Story said the purpose of the bill is to make initiative 85 do what the people wanted it and intended it to do. "It may be moot because of court cases; however, it was scheduled before the ruling was handed down." He had been chairman of the committee that wrote the objections to this bill. He cited that initiative 85 did not do what its proponents said it would do. The lobbyist disclosure initiative was to require lobby groups including government agencies to make public where they get their money. In Sen. Story's opinion it does not do this, and the majority of money tending to influence legislation is public money. He showed examples of why he feels this way: (1) the magazine, "Montana Outdoors". He had prefaced his statements by telling the committee he was not indicating they should be for or against the magazines. He pointed out that \$750,000 is spent to produce this magazine in a biennium. This is lobbying in his definition. (2) a pamphlet called "Legacy Legislature" which is funded by public funds. It had brought 100 members to Helena for several days and provided room and board to affect legislation. (3) a pamphlet called "Community Education", which is published to plan workshops, etc.,

and to increase public participation in community education and to ask the legislature for more of that. (4) Montana Health System put out a pamphlet entitled "Rhapsody in Health". (5) The University System puts out another. (6) The Social and Rehabilitation Department is preparing for legislative sessions, encouraging their readers to read carefully so that they can work together as a unit for day care issues, etc. (7) a pamphlet called "Land Use Workshop".

Sen. Story stated his bill is difficult to follow because the law is not on the books at this time. He stated that in the sections where they have suggested amendments to the present law they distinguished his law by putting his amendments in upper case.

Sen. Story referred to page 2, lines 9 and 10 because he declared this was a loophole because it excluded public officials. He secondly directed their attention to the section he added: page 2, line 25. The public official is specifically included.

On page 10, lines 19-23 Sen. Story pointed out that these were deleted. He suggested the committee should also include radio, television, and movies. He indicated that the examples he had given were only a small amount of everything one gets in the mail every day.

On page 9, line 25 Sen. Story said the effect is any organization who spends \$25 or more is considered a principal. He feels this is pertinent, consistent, and less arbitrary.

PROPOSERS: Forrest Boles from the Montana Chamber of Commerce stated he had been a plaintiff in the district court suit and that they are not backing away from their contention that it is unconstitutional. It provides for the reporting of members in organizations where rates are \$250, which they feel is an arbitrary figure. They do not like it to be all inclusive. It is also not done in state government agencies.

Kelly Jenkins, a volunteer lobbyist for Common Cause, agreed with Sen. Story and Mr. Boles. He will take the opportunity to go through it amendment by amendment. Generally, he said they can support it. Common Cause has long been in favor of legislation, and he enclosed testimony. He suggested an amendment on page 9, line 1, which can be found in his testimony.

OPPOSERS: Margaret Davis, representing the League of Women Voters, stated they have supported lobbyist disclosure in the past, but with the overwhelming vote of Initiative 85 they could support limited changes. They are interested in describing the bill's first priority--how much is spent for

lobbying in the legislature. They believe that this is overloaded, possibly going to be out of taste and unworkable. The lobbyist disclosure should not be in state, local, and county levels, and she volunteered to address any questions concerning the committee.

Joe Lampson from the Democratic Party spoke in opposition to Senator Story's bill. He reminded them that the people had voted for a clear concept that protects the legislature. He used the quote "killing it with kindness" which he claims makes the system unusable. He pointed out his view that on page 11, line 3, citizens' groups are highly discriminated against because they are singled out there.

In closing the Bill #109, Senator Story stated that the thrust is to focus on how much money is spent to influence legislation. It is a negligence to the people not to know the whole story. They will have a totally distinct view. He stated that Mr. Jenkins may have some good ideas that will improve it. People should know how much of their own tax dollars are being spent and he has no objections to improvements. All of it has to be reviewed and not some small segment.

Questions from the committee: Senator Hafferman has the impression that the League of Women Voters is against private ownership but for government. He addressed this question to Mrs. Davis, who responded they are for both.

Senator Hafferman asked Mr. Jenkins if Common Cause wants government ownership; he answered no with an explanation that they want citizen government.

Senator Hafferman asked Mr. Jenkins if he believes our form of government is better than a collective form. He agreed.

Senator Story mentioned that it had been reported how he had loved this bill to death and said those had not been his words.

Senator Ryan asked Mr. Joe Lampson, Montana Democratic Party, about the fact that voting records over the year have been in various forms of lobbyist disclosure. Anyone lobbying should disclose their funds.

Mr. Joe Lampson stated on January 10 the executive committee was concerned there were lots of attacks and problems on how it was going to be implemented. They were interested in Representative Bardanoue's redraft.

Senator Towe pointed out to Senator Story an example of a

public official making contact with another public official. The state lands people were invited by the federal Department of Interior to look at the coal leasing. They were promoting official action although state lands people were acting in their official capacity.

Senator Story stated he does not like the initiative because it is too broad a scope of lobbying, and the public was led to believe it would occur. He only is addressing what he thought the public had been given, a great disservice. The definition of lobbying is so broadly defined, and he had given examples.

The hearing was closed on this bill, and Senator Kolstad turned the chair over to Chairman Senator Story.

ACTION ON SENATE BILL #99: Senator Hafferman read a letter from a librariar in Libby, which is enclosed.

Senator Towe introduced a member of the Federation Board, Max Conover, whc stated he would like the language put back in.

Senator Kolstad said this does not preclude small libraries from federation boards.

Senator Towe explained that the existing law provides mandates. If there are 30 local libraries and everyone insisted on sitting on the board, this would be a problem, especially in Fishtail. They have the same vote as Billings. This has caused a problem in Bozeman, Butte, and Helena where they have authorized the state library commission to protect the interest of each committee. It should read broadly to represent the people involved.

Senator Hammond had contacted Malta and Glasgow, and neither were aware of what was being done. They returned his call and were opposed to it.

Senator Hafferman moved that Senate Bill #99 DO NOT PASS. A substitute motion by Senator Kolstad to amend the bill was made to delete the language stricken on page 2, lines 23 through page 3, line 6. Senator Towe mentioned striking section 2, but Senator Hammond said if this is done it would go back to the existing motion. Kolstad agreed that this is correct.

Senator Towe said in regards to section 3 all applications would have to be cleared in Section 1; he does not think the bill could stand on the merit of section 1.

John Hollow, Executive Council staff man, stated that the statement of intent broadens it.

The substitute motions were withdrawn, and the original motion by Senator Hafferman to DO NOT PASS Senate Bill 99 was acted on. This passed by unanimous vote.

ACTION ON SENATE BILL #74: Senator Towe assured the committee that the law would repeal the law that has not been used; they do not want to use it. He moved a DO PASS. It passed by oral vote.

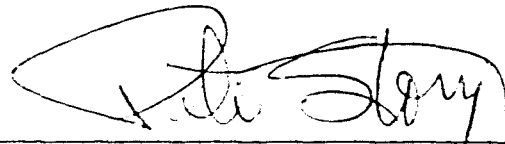
ACTION ON SENATE BILL #100: Senator Towe gave an explanation why this bill should be passed and moved that it DO PASS. It passed by majority oral vote with Senator Hafferman voting "No".

ACTION ON SENATE BILL #135: An amendment was prepared by John Hollow, Legislative Council. Senator Towe moved this bill DO PASS, AS AMENDED. Prior to this, he had moved that the amendments be passed. Both motions passed unanimously.

ACTION ON SENATE BILL #178: Amendments were submitted by John Hollow and discussed by the committee. Senator Hafferman moved these amendments be passed; motion carried. Senator Kolstad moved the bill AS AMENDED, DO PASS. Motion carried by majority with Senator Ryan voting, "No".

ACTION ON SENATE BILL #187: Senator Ryan moved this bill DO PASS with STATEMENT OF INTENT attached. This passed by oral vote unanimously.

ADJOURNMENT: 11:40.

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

SENATOR PETE STORY, CHAIRMAN

14th meeting

ROLL CALL

STATE ADMINISTRATION COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date 1-27-81

NAME	PRESENT	ABSENT	EXCUSED
<u>Senator Pete Story, Chairman</u>	✓		
<u>Senator Allen Kolstad, V. C.</u>	✓		
<u>Senator William Hafferman</u>	✓		
<u>Senator H. W. Hammond</u>	✓		
<u>Senator Jan Johnson</u>		✓	
<u>Senator Patrick Ryan</u>	✓		
<u>Senator Thomas Towe</u>	✓		

Each day attach to minutes.

STANDING COMMITTEE REPORT

.....~~62~~..... JANUARY 27..... 19 ~~80~~.....

MR. **PRESIDENT**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **SENATE** Bill No. **74**.....

Respectfully report as follows: That **SENATE** Bill No. **74**.....

DO PASS

STANDING COMMITTEE REPORT

JANUARY 27

19 81

MR. **PRESIDENT**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **SENATE** Bill No. **99**

Respectfully report as follows: That **SENATE** Bill No. **99**

DO NOT PASS

~~XXXXXX~~
~~DO PASS~~

ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date January 27, 1981 Bill No. 99 Time

NAME	DO NOT PASS	
	YES	NO
Senator Pete Story, Chairman	X	
Senator Allen Kolstad, V. Chairman	X	
Senator William Hafferman	X	
Senator H. W. Hammond	X	
Senator Jan Johnson	X	
Senator Patrick Ryan	X	
Senator Thomas Towe	X	

Barbara Simic
Secretary

Pete Story
Chairman

Motion: Senator Wm. Hafferman moved that Senate Bill No. 99

DO NOT PASS; motion was seconded and carried by unanimous
vote.

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

STANDING COMMITTEE REPORT

JANUARY 27

19 31

MR. **PRESIDENT**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **SENATE** Bill No. **100**

Respectfully report as follows: That **SENATE** Bill No. **100**

DO PASS

ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date JANUARY 27, 1981 Bill No. 100 Time

NAME	DO PASS	
	YES	NO
Senator Pete Story, Chairman	X	
Senator Allen Kolstad, V. Chairman	X	
Senator William Hafferman		X
Senator H. W. Hammond	X	
Senator Jan Johnson	X	
Senator Patrick Ryan	X	
Senator Thomas Towe	X	

Barbara Simic
Secretary

Pete Story
Chairman

Motion: Senator Thomas Towe moved that Senate Bill No. 100

DO NOT PASS; motion was seconded and married by majority
vote.

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

STANDING COMMITTEE REPORT

.....JANUARY 27..... 1931.....

MR.PRESIDENT.....

We, your committee onSTATE ADMINISTRATION.....

having had under considerationSENATE..... Bill No. 135.....

Respectfully report as follows: That.....SENATE..... Bill No. 135.....
be amended as follows:

1. Page 1, line 25 through page 2, line 1.

Following: "~~service~~"

Strike: "that would have been made to the system had the member
not taken leave"

Insert: "for his first full year's teaching salary earned in Montana
after his return from leave for each year of creditable service"

2. Page 2, line 6.

Following: "The"

Insert: "contribution rate shall be that rate in effect at the time
he is eligible for such service. If the person is on leave two
years or less, the"

3. Page 2, line 7.

Following: "contributions"

Strike: "may not be less than"

Insert: "must be"

~~DO PASS~~

AND, AS SO AMENDED,

DO PASS

ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date JANUARY 27, 1981 Bill No. 135 Time

NAME	AMENDMENT	DO PASS	
		YES	NO
Senator Pete Story, Chairman		X	
Senator Allen Kolstad, V. Chairman		X	
Senator William Hafferman		X	
Senator H. W. Hammond		X	
Senator Jan Johnson		X	
Senator Patrick Ryan		X	
Senator Thomas Towe		X	

Barbara Simic
Secretary

Pete Story
Chairman

Motion: Senator Thomas Towe moved that Senate Bill No 39
AS AMENDED, DO PASS; motion was seconded and carried by
unanimous vote

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

STANDING COMMITTEE REPORT

JANUARY 27 19 81

MR. PRESIDENT

We, your committee on STATE ADMINISTRATION

having had under consideration SENATE Bill No. 187

Respectfully report as follows: That SENATE 187 Bill No.

DO PASS

Statement of Intent attached

STANDING COMMITTEE REPORT

JANUARY 27

1981

MR. PRESIDENT

We, your committee on STATE ADMINISTRATION

having had under consideration Statement of Intent, Senate Bill No. 187

Respectfully report as follows: That Statement of Intent, Senate Bill No. 187
be adopted.

STATEMENT OF INTENT RE: SB 187

The intent is to have the State Records Committee create by rule categories of records of minor importance for which agencies would be relieved of the burden of repetitively submitting disposal requests; for example:

- (a) motor vehicle applications that are being microfilmed
- (b) inactive teacher certification records that are being microfilmed
- (c) interstate invoices in the state-wide budget and accounting system.

XXXXXX

STANDING COMMITTEE REPORT

~~JANUARY 27~~..... 19 ⁸¹.....

MR. PRESIDENT.....

We, your committee on STATE ADMINISTRATION.....

having had under consideration SENATE..... Bill No. 178

Respectfully report as follows: That..... Senate..... Bill No. 178
be amended as follows:

1. Title, line 5.
Following: "PROVIDE"
Strike: "AN"
Following: "ADDITIONAL"
Strike: "EXCEPTION"
Insert: "EXCEPTIONS"
2. Page 1, line 12.
Following: "(1)"
Strike: "A"
Insert: "Except as provided in subsections (2) and (3) a"
3. Page 2.
Following: line 6
Insert: "(3) Subsection (1) does not apply to licenses for the
sale of beer, table wine, or both in the original package
for off-premises consumption."

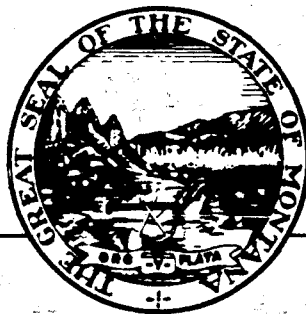
~~DO PASS~~

AND, AS SO AMENDED,

DO PASS

Administrative Code Committee Biennial Report to the 47th Legislature

December 1980



MONTANA LEGISLATIVE COUNCIL

Room 138
State Capitol
Helena, Montana 59620
(406) 449-3064

and, from the date of such notice, be subject to the six-month deadline imposed by 2-4-305(6).

5. Creates 2-4-307(5). Exception for certain federal rules. The committee heard testimony indicating that the requirements of 2-4-307(3) prohibiting adoptions if rules "as amended" could create a burden upon those state agencies that are required or specifically authorized by state statute to adopt frequently amended federal rules as a condition of receipt of federal funds or delegation of program authority. The amendment recommended by the committee would allow adoption of certain federal rules "as amended" upon the condition that a notice of the change in the federal rule be published in the register. The committee intends that the requirement or specific authorization referred to for adoption of federal rules be a statute other than 2-4-307, MCA, such as that statute or statutes requiring or authorizing administration of the program in question.

Economic Impact Statements (Appendix D)

1. Amends 2-4-405(1). Request for economic impact statement. As a result of the Department or the Board of Health's refusal to prepare an economic impact analysis requested by the committee under Sec. 2-4-405 on the proposed amendments to the Montana ambient air quality standards, considerable discussion was had by the committee of the possible amendments to strengthen the requirements of the current law. The major changes contained in subsection 1 allow the committee to designate which agency or agencies among all the agencies of state government shall prepare the requested economic impact statement or allow the committee to prepare the statement itself under contract with a private firm or corporation. The other major amendment to this subsection recommended by the committee greatly expands the contents of the impact statement. A majority of the provisions of subsection (1)(a) through (1)(h) are taken from Sec. 3-105 of the Revised Model State Administrative Procedure Act (1980) prepared by the National Conference of Commissioners on Uniform State Laws and should be interpreted accordingly.

2. Amends 2-4-405(2). Timing and effect of committee requests for economic statement. This subsection specifically provides that the committee may request or contract for the economic statement anytime prior to final agency action on the proposed rule and specifies the effect of the request on ongoing rulemaking proceedings. In making this recommendation it is not the intention of the committee to nullify or suspend forever the agency's rulemaking proceedings or to prevent as a final matter the adoption of the proposed rule, nor is it the intention of the committee in making this recommendation to interpret by implication the provisions of the current statute.

League of Women Voters of Montana

27 January 81

SB 109 - oppose

Margaret S. Davis, representative
917 Harrison, Helena MT 59601

In past sessions the League of Women Voters Of Montana has supported lobby disclosure in general terms. However, since the overwhelming passage of Initiative 85, we are now with SB 109 in the position of choosing between different models of lobby disclosure.

We could support limited changes in the initiative, but not those offered in this bill. Put in automotive terms, the League would like a basic high mileage, good performance vehicle that delivers to the people what they want to know. We believe that the citizen's first priority is learning how much is spent in lobbying the Legislature. We do not want a vehicle over-loaded with gadgets, chrome, spoilers, and tail fins.

Lobby disclosure should not be designed to impede the flow of information between citizens, agencies, and elected officials.

I am available to address any questions ~~you~~ this committee may have on the specific provisions of SB 109.

Margaret S. Davis

Lincoln County Free Library

220 WEST SIXTH STREET

Libby, Montana, 59923

INEZ R. HERRIG
LIBRARIAN

23 January 1981

Senator William Hafferman
Capitol Station
Helena, Montana 59601

Dear Bill:

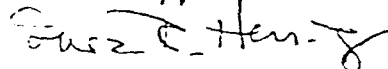
Thank you for phoning me ab out the bills. I am very concerned but I have found out that two of the most objectionable bills were dropped and won't be entered at this time.

However, I am concerned about Senate Bill No. 99. Alene Cooper assures me that after the hearing yesterday they are dropping the deletion of the matter about the membership of the Trustee Board of the Federation. It begins on page 3 line 1.

Federations are founded upon the spirit of cooperation of all the libraries, smal and large, and I would not like to see the small libraries left out, which they could be in some places (not in our federation, but in others).

I commend your Committee on realizing this and making a point of it. I trust you will watch this matter and I surely appreciate your interest.

Sincerely,



Inez R. Herrig,
Librarian

cc: Alene Cooper

109 1-27

Hello, My name is Kelly Jenkins, I'm a volunteer lobbyist for Common Cause, a citizens' lobbying organization that has been an advocate of lobbyist disclosure for some time.

Although Initiative 85 was written originally as compromise legislation, designed to reduce red tape and bureaucracy, if Senator Story believes he has a compelling state interest in passing more stringent requirements, Common Cause has very little objection.

However, it is necessary to review each of the provisions individually, since some require amendment, some Common Cause has no position on, and at least one Common Cause can not support.

The provisions which can be supported as they stand are:

p. 2, line 25 - p. 3, line 3 -- insuring that public officials are included as lobbyists. This is the effect of the initiative anyhow.

p. 8, line 19 - p. 8, line 23 -- expanding the definition of printed lobbying matters.

p. 9, line 25 -- decreasing to \$25 the amount of membership fee which must be disclosed.

The provisions which can be supported if amended:

p. 8, line 24 - p. 9, line 2 -- which includes fees paid for symposiums at which people are urged to contact their legislators, by amending it to mean contacting their legislators on specific lobbying matters, by inserting at p. 9, line 1, after the word "legislators" the words "concerning specific lobbying matters" and striking all words through the end of line 2 "considered";

p. 11, lines 3-5 -- which requires disclosure of all funding sources for citizen groups, should be deleted from the bill, since there is no relationship to lobbying citizen groups and this provision is in conflict with the p. 9 disclosure requirements. Instead, to get to approximately the same place (requiring disclosure of all sources of funds over \$25), at page 9, line 24 after the word "contribution" the punctuation and words ", funding source,".

The provisions which Common Cause has no position on:

p. 10, line 20 - p. 11, line 2 -- the phrase contained on page 10, lines 23-25 makes no sense, so we can not assume to take a position; p. 11, lines 1 - 2, which requires that a state agency list the statutory authority for each expenditure, Common Cause can see no useful purpose for, but if Sen. Story thinks he has a valid reason that makes it worth the cost, we will accept his opinion.

Finally, the one section that Common Cause can not support:

p. 11, line 11 - p. 11, line 14 -- requiring that budget preparation and responses to the requests of a house or committee of the legislature be considered lobbying payments- Common Cause can see no useful purpose whatsoever to requiring this additional expenditure on the part of state agencies carrying out a statutorily necessary duty and informational function which benefits the legislature and good government.

It should also be noted that a more comprehensive package of amendments concerning I-85 is currently be drafted by Bob Person of the Legislative Council at Rep. Bardanouve's request. Several of the amendments offered by Sen. Story's bill do not meet the requirements set out by District Court Judge Nat Allen for a showing of compelling state interest. While many of these requirements will undoubtedly be overturned by the Montana Supreme Court, it is perhaps safest to pay heed to them in the mean time. For that reason, while Common Cause can generally be supportive of SB 109, we urge you to consider the merits of Rep. Bardanouve's bill before coming to a final decision on this bill.

DATE

1-27

COMMITTEE ON

BILL NO.

109

VISITOR'S REGISTER

NAME	REPRESENTING	Check One	
		Support	Oppose
PEG KRAUSE	CAMPAIGN PRACTICES		
JACILFORD			
Will Hinson			
Doug Mickelberry			
Joyce Brooks	REC + RTC'S		
Lizbeth Kirkpatrick	Sen. Towne		
Jessie Remington	Secretary of State		
Linda Backus	Montana Credit Unions League		
Stephen Williams	myself		✓
John Hain	Sen. Halyan		
Sean Todd	Rep. Daniel Hermon		
Gregg Coughlin	LWV - Mont.		
Margaret Harris	League of Women Voters		✓
Dee Hermes	Sen. Towne		
Carole Brass			
Alan Doty	Common Cause		
Pat Stuart	3rd. Coal Council		
JOE LAMSON	MT. DEMOCRATIC PARTY		✓
Roland W Pratt	MT Optometric - FUNERAL Directors	✓	
Art Bush Bale	ASSOCIATIONS Int. Chamber	✓	
Judy F. Olson	MT Nurses' Association	✓	
KELLY JENKINS	COMMON CAUSE	W/INFLUENCE	

(Please leave prepared statement with Secretary)