

MINUTES OF THE MEETING OF THE HOUSE STATE ADMINISTRATION COMMITTEE
February 16, 1983

CHAIRMAN JOE BRAND OPENED THE MEETING AT 8 a.m. WITH HOUSE BILL 748, SPONSORED BY REPRESENTATIVE DRISCOLL.

All members of the Committee were present.

HOUSE BILL 748

REPRESENTATIVE DRISCOLL opened the hearing on House Bill 748:
"House Bill 748 is a bill that allows people who are involuntarily terminated to buy up to two years in the PERS system, paying both the employee and the employer contributions at rate in effect at the time of retirement and at their current level of employment. When there are layoffs, the older workers would then retire and the younger people can hold their jobs."

TOM SCHNEIDER, Executive Director of the Montana Public Employees Association: "This is not our bill but we would like to go on record as supporting it. (Written testimony attached.)"

JIM MCGARVEY, Executive Director of the Montana Federation of Teachers: "A few of the points that I would like to make here this morning in favor of this bill are that we are all aware that talk is going around that any raises are going to be funded with vacancy savings, and so I think it is quite common that we are going to be realizing less state employees in the next few years than we currently have. For people who have made a career of working for the state, I think a bill such as this would soften the blow in being forced to retire, especially if they are putting the money up front to allow them just a slightly better retirement if forced to retire. I don't see how this is a cost to the retirement system if the employee puts the money up front. Many people would like to retire due to their health, some of the jobs in government require them to travel more than they wish to, but they have not been able to afford to retire. These people could retire and let the young employee work at a lesser rate than the senior person that has worked longer."

MICHAEL DOLLE, Montana Association of Disability Examiners: "These are employees in SRS, and they would like to go on record in support of this bill. Personally, I am not approaching retirement age, but I think younger employees like myself share something in common with older employees. We are interested in finding an equitable way to protect those people who involuntarily lose their jobs. I think this bill does address that problem in a sound manner."

BILL VOLLMER, Bureau Chief for the Disability Determination Bureau: "I speak in favor of this bill, primarily from the standpoint that our particular agency is 100 percent federally funded. It depends on the whims of congress whether or not the disability program exists in any of the state agencies across the country."

Bill Vollmer: "My concern for some time has been what if Congress decides all of a sudden that they are going to federalize the disability program; what are we going to do with the state employees that are currently under the provisions of the state to do the disability determination work. There is no assurance at any point that that will happen or not happen. I know that there are other 100 percent federally funded state agencies. Those funds can dry up at any time. This bill might protect some who are approaching retirement age and who would have a hard time finding other comparable state jobs."

LARRY NACHTSHEIM, Administrator of the Public Employees' Retirement Division, spoke in opposition to House Bill 748: "Actually I am very sympathetic to this bill. We spent a great deal of time this fall trying to develop legislation much like this tied around the state sick leave. The problem that we find with the bill is that you get an adverse sample in this situation. (Testimony attached.) Mr. Nachtsheim suggested an amendment to House Bill 748. (Amendment attached.)

REPRESENTATIVE DRISCOLL made his closing statement: "The example handed out by Mr. Nachtsheim - the first one is an individual 52 years of age with \$25,000 salary. If that individual worked those other two years, they would still be eligible for the \$7,000 back-up. That is two years of working and paying in the contributions. Part of that money, they would have for a year and nine months and the last, they would only have a month for investment. The person that is paid \$6,160, it would take them at least three years or more to get their money back. So the employee is betting that he is going to live and retire and that he would draw benefits for two years longer. But, he has already paid for three years or the difference. It would take him three years to get his money back. PERS is going to have that \$6,160 to invest. I want to remind you, on these examples, if the employee had worked the two years the assumptions would be the same."

REPRESENTATIVE SOLBERG: "Jerry, how many people are we talking about - that have got the twenty years of service and have been laid off?"

Representative Driscoll: "I don't know how many people would be affected because I don't know how many layoffs there are going to be. It could possibly be that if there was going to be a layoff in a department, maybe the older person would volunteer for the layoff."

REPRESENTATIVE SALES: "If a guy is 43, say, and he's got 23 years of service and he buys those two extra years, would he be able to draw it?"

Tom Schneider: "Right now, if he had 23 years, he could not draw it until he is 50 years old. Under this bill, if he buys two years, he can draw it immediately."

REPRESENTATIVE BLISS: "Say he has 23 years, he could buy the two years?"

Representative Driscoll: "He cannot buy them until thirty days prior to being involuntarily terminated."

REPRESENTATIVE HAND: "Larry, do you have any response that is different than anybody else?"

Larry Nachtsheim: "No, I think what you have heard on the thing is accurate. They would have to buy the two years. It is the cost of those people. They are getting a better return on their money. They don't just get the return for two years. They get the return for the rest of their life. They get the whole benefit for the two years we are talking about."

Chairman Brand: "Then with that amendment who do you think is going to buy it?"

Larry Nachtsheim: "At least, in that case, the individual who is getting the benefit he is paying for it. In the cases we are talking about, it doesn't give everybody who would buy the service the same benefits. Why should the system take on this kind of liabilities for that person?"

REPRESENTATIVE HOLLIDAY: "Larry, under this involuntary loss of job and the talk about termination by being retired, Mr. McGarvey talked about illness or loss of health, would that also be covered under this?"

Larry Nachtsheim: "In this particular instance, I don't think health would be a consideration."

Representative Driscoll: "Larry, this situation you have, making \$25,000, if that person had 23 years in and was terminated from their job, couldn't they go out and find just any state job, even if it only paid \$8,000 and then retire at the average of \$25?"

Larry Nachtsheim: "Most certainly."

Representative Mueller: "Larry, if I understood you correctly on this example of a person age 23 retiring and we put your amendment in, it would cost him \$25,000 as compared to this bill, it would cost him \$6,160. So there is a shortage of around \$18,800."

Larry Nachtsheim: "For that specific example, it would work that way. This is for a person age 52. As the people get older, the cost would be less."

Chairman Brand closed the hearing on House Bill 748.

CHAIRMAN BRAND OPENED THE HEARING ON HOUSE BILL 781 SPONSORED BY REPRESENTATIVE DRISCOLL.

HOUSE BILL 781

Representative Driscoll: "This is the committee bill that says that after reapportionment, all fifty Montana state senators have to run for office."

REPRESENTATIVE BARDANOUE: "I am a proponent because I have this same bill and there is another bill in the process. There might be some difficulties, and I can see what these difficulties might be but I think we are a separate and equal body and we should be entitled to our opinion. I really think that we are heading for a hodge-podge and chaos in our senatorial election districts. I can't see how we will make it work when we try to overlap districts that had been reapportioned. I think it is going to be "Alice in Wonderland" senatorial races in Montana and it's asinine."

Representative Driscoll made his closing statements: "During the last elections, I think that most of the senators thought they were going to have to run again. I do believe that they were under the assumption that all fifty would have to be up for election after the reapportionment took effect. It would at least clear the situation up."

Representative McBride: "If I am not mistaken, there is a constitutional amendment that has to be approved by the voters during the next election and that would, also, be the election in which senators would have to be elected. I am wondering, in terms of coordination, whether this piece of legislation really resolves the problem right now, considering it has to be voted on by the people."

Representative Driscoll: "This would not have an affect until 1992."

Chairman Brand closed the hearing on House Bill 781.

CHAIRMAN BRAND OPENED THE HEARING ON HOUSE BILL 738 SPONSORED BY REPRESENTATIVE SANDS.

HOUSE BILL 738

REPRESENTATIVE SANDS: "This is a bill to sell a portion of the prison ranch. It follows a recommendation that was made by the Governor's Council on Management, which spent a considerable amount of time reviewing the ranch operation. I would like to briefly go through what the bill does. It requires that the surface rights to 25,000 acres of land be sold. The ranch presently consists of approximately 40,000 acres. It leaves a considerable amount of land for ranch or farm operations, even if this bill were enacted. The proceeds from the sale of the ranch are to be used under the bill to construct or reconstruct a maximum security cell at the prison. If we sell 25,000 acres of land, I understand that the market price of that land may be somewhere around \$400 an acre. That would give you \$10,000,000. This bill recognizes that the market conditions may not be the best right now and it provides that the prison ranch is to be sold unless the department certifies to the 49th Legislature that market or other conditions are such that the property could not be sold at a reasonable price by that date. Now I recognize that as a freshman legislator, I am probably not the best to introduce this kind of bill. I think the ideal type of person you would want is someone who has been around a long time that understands how the operation of the ranch works and what the politics are and how the Department of Institutions works. I was extremely pleased on the House floor when we were considering the Department of Institutions Bill to hear the most senior Representative Bardanouve saying that the prison ranch should be sold. My basic point and the point of the Governor's Council on Management when they presented this recommendation, was that the prison ranch, as it exists now, has not worked, it is not working, and really it cannot work, because it is the wrong type of operation. The ranch was purchased over a period of time in the 1950's. In the 1950's, our state was a lot different than it is now. It was primarily agriculture. There were a lot of people in the prisons who had agricultural experience. I think that you would find today that that is certainly not the case. Most of the people there know nothing about the ranch, have no interest in it and are not really suitable for participating in that kind of a program."

JOHN GREEN, from the Governor's Council on Management: "I wrote the recommendation for the prison ranch from which this bill emanated." (Written testimony attached.)

JIM SPRING, Chairman of the Governor's Council on Management: "We brought in a team of 34 loaned executives that were here for three months. We did spend a lot of time on this particular project. In reviewing the comments that they came back with, it was logical to reduce the operation to a more manageable situation that could create more potential jobs for inmates, would require returning funds to the state for improvements to the ranch, and to help the taxpayers in Montana."

Representative Bardanoue spoke in opposition: "I did say that we should sell the ranch if it isn't properly managed. However, my fault with this bill is that it proposes to sell the most efficient part of the ranch. We have heard the horror stories, and they are true! I have been concerned about the operation of that ranch for years. The remainder that we will keep, are the horror stories Representative Sands mentioned: the lack of care of machinery, the lack of proper irrigation, the lack of manpower. The ranch herd that would be abolished by this sale is the most efficient part of the ranch. It comes nearest to fulfilling the norm for operation of a ranch. It is not perfectly efficient. There is one fallacy among legislators and people at large in Montana, that prison labor is cheap. That is a bunch of baloney. Prison labor is high cost labor and inefficient labor. And, you have to have supervisors. There is no ranch in Montana that can run and keep up with the mortgage or keep the owner operator in business if he has to hire union workers 40 hours a week and have several managers for a small crew of prisoners. You just can't do it!"

REPRESENTATIVE MARKS: "I am not necessarily an opponent but I am not sure the time is right to do this. I understand the concerns that Representative Sands has. I had the same frustrations when they bought the ranch. One of the reasons why I think maybe this bill is premature is that land sales are not going real good right now. The market is down. If agriculture comes around - and that may be a long time off - maybe it could be done at that time. I have had some real concerns with the way the prison ranching operation is working. It isn't working very well. It's probably because we don't have a manager on the site that is able to handle it. I think that you are going to need a manager. You are going to have to pay him very well. You are going to have to have some incentive to make some production."

Chairman Brand: "Let me say from the onset about the prison, it was about in the 50's when Aronson was the Governor of the State of Montana. It was bought for a purpose and the price was right. It was bought to rehabilitate prisoners and to get crops that would be salable to other portions of Montana."

Chairman Brand: "One of the problems that has risen over the years is that we have a different type of inmate at that prison than you had at that time. All the good guys are not there anymore. The good guy prisoners are in the halfway houses. Anybody that is in Deer Lodge now are tough. Our laws have changed so much that they even get good time for sitting in the cells. They get good time for doing nothing. Now tell me something, is that an incentive for a convict to try to do some work on any place? Let's talk about the management. Representative Marks says we have to pay a lot of money to the manager and we have to give him an incentive. Francis Bardanouve says there are too many union people there that are collecting too much money. Let me say that one of the big problems has been mismanagement. I am not talking about the cost of who is there. This administration has had trouble with their managers. The last one they screened themselves and it hadn't been three months before they started having problems with their own hand-picked manager and had to get rid of him. The manager you have right now doesn't know a pig from a chicken. Now they have hired a consultant. This place is being run by Helena; that's what has happened. The people here in Helena that are running that ranch know nothing about ranching facilities. I would oppose the selling of this ranch until it has been handled properly. I think that it is this administration that is boggling it, sometimes I think that is what they want done."

CURT CHISHOLM, Department of Institutions: "We are standing as opponents to this bill. We have had problems with trying to deal with the directions that we have gotten from the legislature in the past as to what the expectations are. Our bottom line is that we feel that it would be premature to just take a 25,000 acre tract out of the 33,000 acres that we own, sell it and pretend to be still in the ranching business or farming business and go from there. A short little history is in order relative to what that ranch has been all about. It is true that the majority of that land was purchased in the 50's. But it is also true that for many years, up until about the '79 session, the direction for operating the ranch was the responsibility of the warden. Now we did change that in 1979 at the specific direction of the Appropriations Committee. We put that ranch operation on a bona-fide free enterprise posture to operate on a revolving account whereby the expectation was that it would exist on its own merits. It would pay its own way and no longer be subsidized by the general fund. We have been able to do that since that 1979 session. In fact, it was in that session that the ranch was put on probation to prove to subsequent sessions of the legislature that, in fact, it could maintain that posture."

Curt Chisholm: "The problem has been that we have not had the benefit of good ranch expertise in the last two ranch managers. Candidly, a lot of the horror stories you hear are, in fact, true. But since the '79 session, I have felt that we have made significant accomplishments. We do now have a cost accounting system, developed and implemented, because of the direction of the legislature that we must maintain ourselves on a solvent basis. We are able to do that. Financial statements and other fiscal matters are now being maintained. In the last three years, all operating and depreciation costs have been covered with our cash flow that we have maintained down there. A pricing policy has been established, based on the cost of production. I feel that we have made significant progress. I feel that we can make even more progress in the future by utilizing this ranch advisory committee to give us the kind of agricultural expertise that we need."

Representative Sands made his closing statements: "There was another recommendation made by the Governor's Council on Management with regard to an institution - that's the Boulder School. I was talking to Bob Marks about it earlier in the session and he said it was not sound and it was too early. I just sort of accepted that in good faith. I am going to have to look at that a little more carefully, if his judgement with Boulder is the same as it is here. If 25,000 acres is too much or too little, I'd be glad to accept Francis's recommendation or somebody else's. It seems to me, from listening to the testimony that we have heard today, if you were asked to invest your money or to work in this kind of operation, would you be willing to do it. I think the answer there is clear. No one who testified in opposition to this bill has indicated why the State of Montana should be in the farming business. No one who has testified here has indicated why the State of Montana thinks it can run an efficient farm. We have heard that now is not the time to do it. But, I assure you that if this bill had been introduced two years ago or four years ago, the same arguments would have been presented as are being presented right now."

Representative McBride to Representative Sands: "It strikes me that we have two issues here. One of them is whether or not we should be in the prison ranch operation; the second is whether we should sell the land. I understood you to say we would get about \$10,000,000 if we sold the land. In Mr. Green's recommendation, they talked about 4.5 million. Could you explain that discrepancy?"

Representative Sands: "I do not have a firm appraisal as to just what the land would go for. The \$10,000,000 that I got was based on a per acre estimate I was given by Representative Bob Marks."

REPRESENTATIVE KOEHNKE to Curt Chisholm: "What does the law read in regard to selling state lands?"

Curt Chisholm: "It was pointed out to us by the Department of State Lands that the section of law that guides these sales says that you can sell no more than a section at a time to any individual or corporation. So in effect it looks like we would be prohibited from selling one tract (25,000 acres) which the bill suggests that we do. If that is the case, I am not sure that we could get the kind of money that was anticipated by either the Governor's Council on Management or Representative Sands for the sale of that land."

Representative Driscoll: "How many non-prisoners work for the ranch?"

Curt Chisholm: "Fifteen."

Representative Driscoll: "How many non-prisoners are on this cow camp or the ranching operation, not counting the slaughterhouse?"

SANDY HARRIS, Department of Institutions: "One and one-half."

Representative Driscoll: "Which union do they belong to?"

Curt Chisholm: "Montana Public Employees Association is the union that represents these employees."

Sandy Harris: "We average around 50 or 60 employees on the whole ranch during the year."

Representative Driscoll: "And how many prisoners are working there?"

Sandy Harris: "About five or six."

Representative Hammond: "What is the incentive for prisoners to work on the ranch?"

Curt Chisholm: "Three: (1) money, we do have a special pay plan for inmates who work on ranch operations; (2) there is an incentive to work on the ranch, simply because it gives them some freedom; and (3) good time is the key incentive that we can bring to bear."

Representative Koehnke: "Mr. Chisholm, the men out on the ranch though cannot get any good time?"

Curt Chisholm: "Not just for working on the ranch."

Representative Koehnke: "Representative Sands, can you expand on this - selling it in parcels?"

Representative Sands: "I think it would be a simple matter to delete that reference from the bill that says it shall be sold in accordance with the provisions for disposition of other state lands and provide that it shall be sold in larger parcels."

Representative Bardanouve: "I think Representative Koehnke raises probably the heart of the whole bill in regard to sale. There will be serious objections from people who fight to preserve state lands if we waive those laws that are on the books to protect Montana lands."

Representative Sales: "Francis, how about selling Fish, Wildlife, and Parks?"

Representative Pistoria: "Mr. Green, are you a farmer?"

John Green: "No but I am an ex-farmer."

Representative Pistoria: "What about you Jim Spring?"

Jim Spring: "I was born and raised on a ranch."

REPRESENTATIVE O'CONNELL: "Why didn't you consult with people in that particular area before you brought in your recommendation? I realize that you brought in a lot of experts."

Jim Spring: "I got some names from Representative Marks and I did talk to those people. We found a divergence of opinion, not only as to what should happen to the ranch. And I may tell you that one of the neighboring ranchers is very upset because the ranch does not do a good job in controlling weeds and the fences are in disrepair. Everybody agrees that something must be done, but there is a difference of opinion as to what that something should be."

VICE CHAIRMAN O'CONNELL OPENED THE HEARING ON HOUSE BILL 757
SPONSORED BY REPRESENTATIVE BRAND.

HOUSE BILL 757

Representative Brand: "This bill is asking that the Public Service Commissioners be elected in a different manner than they are now. There are many problems in regard to the Public Service Commission. Some of the problems are because of the new administration wanting to deregulate. Other problems come about because, through the legislature, there are laws stating how increases can be given to various utility companies. What the Public Service Commission probably does is ask utilities for information regarding the price increase. Through that information, they do things in various ways. They have given a partial increase in some instances, depending on the outcome of findings that are determined at a later date. They also have the authority to regulate railroads. I think the railroad problems have been neglected in the last few years. A few years ago, Public Service Commissioners were elected at large, and they could live anywhere in the state and run. What this bill is saying is, you will run at large but you will live in a certain area. This bill is not restricting the Public Service Commission one iota. It is patterned after county commissioners. The county commissioners in your counties have to live in a certain area and then they run at large in that county. My reasoning behind it is that if they live in a certain area, they will know the people in that area, quite a bit, but they will be responsible to everybody in the State of Montana."

Representative Pistoria: "I have considered this for a long time and I hesitated, but from what has been going on in the Public Service Commission in the last two years and the way they have not taken the responsibility for protecting the consumers in the cities of our community, even testifying in favor of deregulating the water and sewer rates. According to the State Electric Utility Regulation by Council of State Government, out of 53 states, 41 states do appoint their public service commissioners. Montana and Nebraska are the only states with five members. Even out of the 12 states that are elected, 8 of them elect at large."

BOB BIRCH, speaking for the Montana Senior Citizens, spoke in opposition to House Bill 757: "At our senior citizens' convention this year we had a resolution to leave the Public Service Commission as is, and to encourage the legislature to give them more help in regard to auditing so that we can get a better idea of what is going on in some of these corporations."

JIM McNAIRY of Alternative Energy Resources spoke in opposition to House Bill 757: "We think that House Bill 757 is a very bad bill. You need to be aware of the fact that the Public Service Commission cases, when they are heard, are open to the public. Anybody who wants to have input on any of their hearings, has ample time. We think that the Public Service Commission is doing a good job of serving all of the needs of the people of Montana. (Testimony attached.)"

JOHN DRISCOLL, Public Service Commissioner: "Commissioner Ellis asked me to read a letter that we just sent to the Senate State Administration Committee of the Utah Legislature in response to still another request asking feedback from the Montana Commission about this whole idea of the elected commission. We find that we are getting numerous requests from all over the country asking how the elected idea worked out, how the district idea has worked out, how the five member idea has worked out. The earliest one that I can recall is when I was asked by a consumer group in Massachusetts that paid my way to speak to the Joint House and Senate State Administration Committee in their state in 1981. There is an interest in trying to find a different way to regulate utilities. Utility rates are high all over the country and our commission has a reputation of being quite stern with the utilities. Also, we do have, whether you believe it or not, relatively low rates in Montana. What we are saying is: don't shoot the messenger that brings bad news. It may be that an appointed commission works well in some states. And, what is appropriate for Montana, may not be appropriate for Pennsylvania."

GORDON BOLLINGER, retired Chairman of the Public Service Commission: "In the legislature, I was very fortunate in being on two study commissions dealing with regulatory law and the Public Service Commission. From these study committees, we gained a wealth of information. Representative Pistoria has mentioned about how other states operate. We have a lot of information in the Legislative Council about every regulatory body in the United States." (Written testimony attached.)

TERRY MURPHY, President of Montana Farmers Union: "Our organization took an active part in the promotion of the elected by district commission. We have a policy stand adopted by our delegates that says that the process should continue. On that basis, I would appear as an opponent to this bill."

Representative Brand gave his closing statements: "A couple of years ago, we had a bill that would have had the Governor appoint the commission. I supported the commission that time because I believe in elected officials. Maybe at that time I made a wrong turn. I am disturbed at what is happening with the Public Service Commission. One of the things that can happen when they are elected from a district, and not state-wide, is that they can be the good guy in their district, or the good woman, and always do what that district wants and other voters of the state would vote against them. So, when they run in the district, they will always do what the district wants and when they run state-wide, they will take a different attitude."

Representative McBride: "You mentioned the situation where under the current structure, you have each commissioner elected from a district and you put on one face in that district and outside that district, you put on another face. Don't you in reality see that kind of system developing with us here?"

Representative Brand: "No, that has no relationship."

Representative McBride: "You mentioned the problems with priorities that the Public Service Commission sets on certain inspectors that they try to seek funding on. How do you see this change affecting that?"

Representative Brand: "I tried and thought of many ways to try to make changes to the Public Service Commission. In my personal view, I think there has to be changes. This might be a change in the right direction. The reason that I am saying that is because of their priorities. Maybe, by having a state-wide commission, priorities might change."

REPRESENTATIVE McCORMICK to Gordon Bollinger: "Federal deregulations still don't affect you in the state, do they?"

Gordon Bollinger: "At the present time, we are regulating truck transportation in Montana. However, as Representative Brand mentioned, the federal government is bringing some changes about. I do believe that further down the road we will have total deregulation of trucking outside of safety."

Representative Hammond to Representative Brand: "Along the lines that Kathleen McBride mentioned, in comparing the election of Public Service Commissioners to the election of legislators, you said there is no comparison. Why is there no comparison?"

Representative Brand: "Because there is only five of them, and you have 150 of us."

REPRESENTATIVE RYAN: "I represent this number one that you have on your bill - about 3 1/3 counties. There are no major cities, in any of those counties. Do you think we would get a fairer break down there?"

Representative Brand: "I think eastern Montana has had a fair break on a lot of elections. The Governor of the State of Montana is from eastern Montana, and there are others on a state-wide basis who are from eastern Montana."

Representative Pistoria to John Driscoll: "Why did you have a Representative speak in favor of Senate Bill 322, which would totally deregulate water and take it away from the jurisdiction of the Public Service Commission? Why would you testify in favor of taking that responsibility from you?"

John Driscoll: "The Commission is very sensitive and does not want to be called an empire builder and if you look at it logically, there really is no difference between us as elected officials and the elected officials that run cities and towns. We have always felt that we do have a little advantage in that we do have staff and some expertise. We can standardize the way water systems are treated around the state."

VICE CHAIRMAN O'CONNELL CLOSED THE HEARING ON HOUSE BILL 757.

HOUSE STATE ADMINISTRATION COMMITTEE IN EXECUTIVE SESSION TO CONSIDER HOUSE BILL 781 and HOUSE BILL 356 ONLY.

EXECUTIVE SESSION

HOUSE BILL 781

REPRESENTATIVE SALES MOVED and REPRESENTATIVE MUELLER SECONDED to PASS House Bill 781.

Question was called for and House Bill 781 PASSED with REPRESENTATIVES SOLBERG and BLISS voting "NO."

Chairman Brand asked what action the Committee would like to take on House Bill 356.

HOUSE BILL 356

Representative Driscoll explained the amendments: "We recommend that we pass the bill with these amendments which basically say that monetary contributions be deposited and that in-kind contributions are not counted."

REPRESENTATIVE DRISCOLL MOVED and REPRESENTATIVE McCORMICK SECONDED that the AMENDMENTS be APPROVED.

Question was called for. The AMENDMENTS TO HOUSE BILL 356 WERE APPROVED.

REPRESENTATIVE DRISCOLL MOVED to PASS House Bill 356 AS AMENDED.

REPRESENTATIVE SALES made a MOTION to AMEND House Bill 356 to read that no money can be received from political committees in either case.

REPRESENTATIVE BLISS SECONDED the motion.

There were several questions as to what would be covered under the category of political action committee. It was decided that this could even include the Republican and Democratic parties.

Chairman Brand announced that the Committee would postpone action on Representative Sales amendment to House Bill 356 and return to regular session to hold the HEARING ON HOUSE BILL 786.

CHAIRMAN BRAND OPENED THE HEARING ON HOUSE BILL 786 SPONSORED BY REPRESENTATIVE BROWN.

HOUSE BILL 786

REPRESENTATIVE BROWN made his opening statements: "House Bill 786 is a bill that I attempted to introduce in a similar form two years ago. While I worked in Washington, D.C. for eight or nine years, one of the greatest problems I heard from people in Montana, both in state government and outside, was that nobody knew what kind of contracting was going on in state government that is done at the division level, by a division, or at best by a department. There is not easy access to a bidders' list. You have to go to each individual place to put your name on the list in order to find out how the state money was going to be spent and the contracts to be let. When I moved back to Montana in 1977, I heard it more and more often. It seemed to me that the state would be well advised to have some public listing for all state contracts. And, that is what this bill is trying to do."

THERE WERE NO PROPONENTS.

BILL OLSON, Secretary-Manager of the Montana Contractors Association, spoke as an opponent to House Bill 786: "We are in opposition to this bill basically on two counts. Number one is because the establishment of the Montana Commerce Weekly. I am making the assumption that they are going to include contract notification in that Weekly. I would point out that across the state, in our office we have a bulletin that advises people of upcoming jobs. There is a Builders' Exchange in Billings, Montana; there is one in Missoula; and also one in Great Falls. I think that we have a case here of state government trying to compete with private enterprise."

Bill Olson: "Our main concern, however, is on page 3, section 5, line 14 of the current statute. That is where we increase the preference relating to construction, not relating to materials or supplies, but raising the preference from 3 percent to 5 percent. It might sound rather unique to hear a representative of Montana contractors talking against a preference for in-state contractors. However, it is just the nature of the construction industry that we do not believe in preferential treatment."

JIM BECK, Department of Highways: "While we don't, necessarily, oppose this bill; we do feel insofar as construction contracts, this could be a duplication of what we already do. At the present time, whenever we construct a project, we send out an invitation for bids. This is sent out individually on a mailing list that includes 800 contractors, sub-contractors, material suppliers, and others. Anybody who is prequalified to bid for us, as a result of this, gets an individual invitation to bid. In addition, there is legal advertising submitted monthly in the Billings Gazette and the Great Falls Tribune for all projects. In local newspapers, we submit advertising in the county wherein the project is located. The projects are advertised in minority newspapers on or near reservations in the area of the project. All projects are submitted to the various builders exchanges and they in turn submit them to the contractors. Insofar as the 5 percent preference that Mr. Olson alluded to, the federal government will not allow us to use a preference clause in those contracts where they participate."

MORRIS BRUSETT, Director of the Department of Administration: "I wanted to discuss this bill with Representative Brown but have not had a chance to. We just got a copy of the bill last night. I guess my concern in being responsible for implementation, is whether this bill will do any good. I recognize that it is difficult to come up and speak against a bill when there is no cost to the state. My concern is we are putting under this bill all contracts for the state. We, through purchasing, have over 18,000 vendors on our list. Would we have to send them everything relating to highway construction, A&E construction, human services, and printing? They are not interested in these areas."

RON BROWN, Department of Social and Human Services: "I just want to reinforce what Morris Brusett said. Particularly on these specifications and our Human Service contracts, we advertise through the newspapers and so forth when we have D.D. contracts for services out among the group homes throughout the state."

Ron Brown: "One contract, in particular that I am thinking of is approximately four inches thick (the specifications and the contract). According to this bill, we would have to publish that. This weekly journal would become somewhat unwieldy, I would think. I think that this bill would impede our ability to provide the services that we are charged with."

Representative Brown made his closing statements: "On page 2, line 11, I would like to make an amendment on behalf of local governments. Strike "the" and insert "government" after state. That clearly protects the local governments from coming under this act. The intent and the inclusion on page 3, line 5 of that statute was to not include products or services of the type that Morris Brusett described or any of the things that send chilling stories of fifty-page publications. That is the same with Social Services and with Institutions. This is a bill draft that has been in since January 1, and I guess I am a little disappointed that it took so long to get to me. Had I had a little more time, I suppose I would have corrected that. My suggestion would be to at least apply this bill to State Lands and the Department of Natural Resources. What I am trying to get at is the big range of state contracts. I don't fully comprehend the problem with the Highway Department. If it is all open and above board now, I don't see any problem other than consulting or printing work by the department. My concern is in other major areas, particularly Natural Resources and the Department of Health."

Representative Driscoll to Bill Olson: "How many of your members are out-of-state members?"

Bill Olson: "I would say, out of the total membership of 65, we would have approximately four or five."

Representative Driscoll to Jim Beck: "Are you familiar with the Wyoming law that gives a 5 percent preference on federal monies to state contractors?"

Jim Beck: "I think once you talk about federal monies, you have to talk about the particular type of federal monies that are involved. HUD, as I recall, does not have any prohibition against giving bidders' preference. Highways does. We have been all the way through this with highways, and we have an official opinion from the chief counsel of the Federal Highway Administration that any preference would violate federal statutes."

Representative Brown: "The preference provision being on the books, I believe that Gary Wicks of the State Department of Highways has explained that where it is not applicable, they just don't try to apply it."

Representative McBride to Representative Brown: "What kinds of contracts would you expect to be covered by this? Would you see having consulting contracts as being the area you want covered?"

Representative Brown: "If consulting firms mean a company that comes in and does a EIS for a hardrock mine or a coal mine or for setting up air and water quality standards for health or something else, then the answer is yes."

Representative McBride: "The problem that I have is that you listed three agencies. What about the Office of Public Instruction or the Department of Labor or anyone else that puts out these types of contracts?"

Representative Brown: "Maybe it would be better, and my response should have been to exempt Institutions and Highways and let it apply to everybody else."

EXECUTIVE SESSION

HOUSE BILL 356

Chairman Brand redirected the Committee to consideration of House Bill 356.

Question was called for on REPRESENTATIVE SALES' AMENDMENT.

REPRESENTATIVE SALES' AMENDMENT FAILED by a vote of 9 to 9.

REPRESENTATIVES BLISS, COMPTON, MUELLER, PHILLIPS, RYAN, SALES, O'CONNELL, SMITH, AND SOLBERG voted "YES." REPRESENTATIVES BARDANOUE, BRAND, DRISCOLL, HAMMOND, HOLLIDAY, KOEHNKE, McBRIDE, McCORMICK, AND PISTORIA voting "NO." REPRESENTATIVE HAND was ABSENT for the vote.

REPRESENTATIVE DRISCOLL had previously MOVED to PASS House Bill 356 as AMENDED. The motion was SECONDED by REPRESENTATIVE McBRIDE.

House Bill 356 PASSED THE COMMITTEE. REPRESENTATIVES BLISS, COMPTON, MUELLER, PHILLIPS, RYAN, SALES, SMITH, and SOLBERG voted "NO."

Chairman Brand asked the Committee what action it wished to take on House Bill 386.

HOUSE BILL 386

REPRESENTATIVE DRISCOLL made a MOTION to adopt the AMENDMENTS.

Representative Driscoll explained the amendments: "On page 1, line 14, the section would then read: "that best identifies the shared special, economic, or other interests of its contributors." On line 15, "or union" is added. This is the one about naming political action committees so that it reflects the membership. The name has to reflect the membership."

REPRESENTATIVE BLISS SECONDED the motion to adopt the amendments.

AMENDMENTS TO HOUSE BILL 386 PASSED THE COMMITTEE BY A UNANIMOUS VOTE.

REPRESENTATIVE BLISS MOVED and REPRESENTATIVE HAMMOND SECONDED to PASS House Bill 386 AS AMENDED.

HOUSE BILL 386 PASSED AS AMENDED UNANIMOUSLY.

HOUSE BILL 387

Chairman Brand asked the Committee what action it wished to take on House Bill 387.

Representative Driscoll explained the amendments: "After "political committee" on page 2, line 1, insert the words: "other than committee provided for in subsection 1."

REPRESENTATIVE DRISCOLL MOVED that the Committee adopt the AMENDMENTS. REPRESENTATIVE HAMMOND SECONDED the motion.

THE AMENDMENTS TO HOUSE BILL 387 PASSED THE COMMITTEE WITH REPRESENTATIVE PHILLIPS VOTING "NO."

REPRESENTATIVE HAMMOND MOVED and REPRESENTATIVE McCORMICK SECONDED the MOTION to PASS House Bill 387 AS AMENDED.

HOUSE BILL 387 PASSED AS AMENDED with REPRESENTATIVES SALES, SMITH, PHILLIPS, SOLBERG, BLISS, and RYAN voting "NO."

HOUSE BILL 650

Chairman Brand asked the Committee what action it wished to take on House Bill 650.

Representative Driscoll explained the amendments: "In the title after "OF" on line 6, insert "MONETARY." On page 1, lines 20 and 21, the new language would read: "And no monetary contributions from a political committee may be accepted and deposited after the sixth day preceding the election."

REPRESENTATIVE DRISCOLL MOVED and REPRESENTATIVE McBRIDE SECONDED the motion to accept the AMENDMENTS.

Representative Bliss asked if the Committee noticed that this changed the bill. "Before, the way the bill read it said you can't deposit in the last six days."

Representative Driscoll: "I think that this makes it more clear. My understanding of the Political Practices Act is that you cannot receive it, unless you deposit it."

There was much discussion as to what would happen if the money were received after the sixth day.

Question was called for. THE AMENDMENTS TO HOUSE BILL 650 WERE APPROVED with REPRESENTATIVES MUELLER, PISTORIA, BLISS, and PHILLIPS voting "NO."

REPRESENTATIVE McBRIDE MOVED and REPRESENTATIVE HAMMOND SECONDED the motion that the Committee PASS House Bill 650 as AMENDED.

HOUSE BILL 650 FAILED TO PASS BY A VOTE OF 10 to 9.

REPRESENTATIVE DRISCOLL MOVED and REPRESENTATIVE MUELLER SECONDED the motion to TABLE House Bill 650. THE MOTION TO TABLE HOUSE BILL 650 PASSED with REPRESENTATIVE McBRIDE voting "NO."

HOUSE BILL 656

Chairman Brand asked what action the Committee wished to take on House Bill 656.

LOIS MENZIES explained the amendment: "All you have to do is reinsert "located in Helena" on line 13 and reinsert "in Helena" on line 16 of the bill.

REPRESENTATIVE HAMMOND MOVED that the Committee accept the AMENDMENT to House Bill 656.

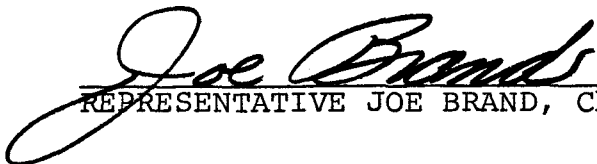
REPRESENTATIVE MUELLER SECONDED the motion.

THE AMENDMENT TO HOUSE BILL 656 PASSED UNANIMOUSLY.

REPRESENTATIVE O'CONNELL MOVED and REPRESENTATIVE MUELLER SECONDED the motion to PASS House Bill 656 as AMENDED.

HOUSE BILL 656 AS AMENDED PASSED THE COMMITTEE UNANIMOUSLY.

The meeting was adjourned at 12:04 p.m.


REPRESENTATIVE JOE BRAND, Chairman

MINUTES OF THE MEETING OF THE HOUSE STATE ADMINISTRATION
COMMITTEE EXECUTIVE SESSION
February 16, 1983

CHAIRMAN BRAND OPENED THE MEETING FOR EXECUTIVE SESSION AT 4:39 p.m. and asked what action the Committee would like to take on HB 689.

Representative Driscoll explained the amendments to HB 689: "Throughout the bill, wherever it said the supervisor should go to the commission but the employee couldn't, instead of putting the employee in, we took the supervisor out because the county attorney can still take action. On page 23, line 18, no. 11, we added selection committee through a recruitment selection and appointment process open to the public."

Representative McBride: "Basically what this does is provide for some sort of mechanism that more people will be recruited to be on the commission or be informed."

Representative Driscoll: "The biggest change is that we struck sections 32 through 40, everything through line 6 on page 35. This took out ballot issues and election issues that this commission will not have jurisdiction over. The theory was that they had enough to do in the first two years. If it works, they can put them in next session."

Representative Sales: "Jerry, what happened to your concerns about that penalty--the \$50 per letter or whatever it was?"

Representative Driscoll: "We struck that."

Representative Driscoll moved that the amendments be passed. Representative McBride seconded the amendment.

THE AMENDMENTS TO HB 689 PASSED THE COMMITTEE UNANIMOUSLY.

Representative Driscoll moved and Representative McBride seconded the motion to pass HB 689 as amended.

Representative O'Connell made a substitute motion to not pass HB 689 as amended because of the complexities of the bill. Representative Pistoria seconded the motion.

The substitute motion failed on a roll call vote.

Representatives Koehnke, McCormick, O'Connell, Pistoria, and Ryan voted yes. Representatives Bliss, Brand, Compton, Driscoll, Hammond, Hand, Holliday, McBride, Mueller, Phillips, Sales, Smith, and Solberg voted no.

State Administration Committee, Executive Session
February 16, 1983
Page Two

Chairman Brand announced that the Committee would revert to the original motion made by Representative Driscoll and seconded by Representative McBride to pass HB 689 as amended.

HB 689 AS AMENDED PASSED THE COMMITTEE with Representatives Koehnke, McCormick, O'Connell, Pistoria, and Ryan voting no.

Chairman Brand asked what action the Committee wished to take on HB 705.

Representative Koehnke explained the amendments: "The amendments have an effect to stop the increase, as of July 1, and to change the portion from 30-70 to 32-68."

Representative Mueller: "Any new judge coming on after July 1, 1983, will not be entitled to escalation."

Representative Koehnke moved and Representative Hammond seconded the motion that the amendment to HB 705 be approved.

THE AMENDMENT TO HB 705 PASSED THE COMMITTEE BY UNANIMOUS VOTE.

Representative Koehnke moved and Representative Hammond seconded the motion to pass HB 705 as amended.

Representative Sales: "I am a little concerned about this because the information they gave us the other day--the 44% would not fully fund the unfunded liability. Is there any sort of tactic that we can use to put these people on PERS?"

Representative Brand expressed doubt that this could be done because just about every occupation has their own retirement system--highway, patrol, policemen, firemen.

HB 705 AS AMENDED PASSED THE COMMITTEE with Representatives Solberg and Sales voting no.

Representative McBride: "We just noticed that HB 689 needs a statement of intent. I would like to move that we adopt the statement of intent for HB 689 as modified by the Committee."

Representative Mueller seconded the motion.

THE STATEMENT OF INTENT AS MODIFIED BY THE COMMITTEE FOR HB 689 WAS APPROVED with Representatives O'Connell and Pistoria voting no.

State Administration Committee, Executive Session
February 16, 1983
Page Three

Chairman Brand asked the Committee what action it wished to take on HB 738.

Representative Compton moved to table HB 738 and the motion was seconded by Representative Solberg.

THE MOTION TO TABLE HB 738 PASSED with Representatives Hand, Bliss, Koehnke, and Sales voting no.

Chairman Brand asked what the action the Committee would like to take on HB 748.

Representative Mueller moved a do not pass on HB 748.

Representative Sales seconded the motion.

Representative Driscoll mentioned that he thought the worse raid on the present system is people who get a better job and stay on during the last years of service.

Representative Smith moved to table HB 748.

Representative Bliss seconded the motion.

MOTION TO TABLE HB 748 PASSED with Representatives O'Connell, Driscoll, McBride, Hammond, and Pistoria voting no.

Chairman Brand asked the Committee what action it wished to take on HB 757.

Representative Driscoll moved to table HB 757.

The motion was seconded by Representative Hammond.

MOTION TO TABLE HB 757 PASSED with Representatives Smith, Brand, and Pistoria voting no.

Representative Mueller moved to adjourn at 5:18 p.m.



REPRESENTATIVE JOE BRAND, CHAIRMAN

STANDING COMMITTEE REPORT

FEBRUARY 16,

19 83

MR. **SPEAKER**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **HOUSE** Bill No. **781**

first reading copy (white)
Color

"AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE V, SECTION 3, OF THE MONTANA CONSTITUTION TO PROVIDE FOR THE ELECTION OF SENATORS FOLLOWING THE FILING OF A PLAN FOR LEGISLATIVE REDISTRICTING AND REAPPORTIONMENT BY REQUIRING ELECTIONS TO BE HELD IN ALL SENATE DISTRICTS."

Respectfully report as follows: That **HOUSE** Bill No. **781**

DO PASS

STANDING COMMITTEE REPORT

FEBRUARY 16,

19 83

MR. **SPEAKER**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **HOUSE** Bill No. **639**

First reading copy (**white**
color)

"AN ACT TO TRANSFER FROM THE DEPARTMENT OF ADMINISTRATION TO THE DEPARTMENT OF COMMERCE THE FUNCTIONS OF GENERALLY ASSISTING POLITICAL SUBDIVISIONS, EXERCISING OVERSIGHT OF FINANCIAL AND REPORTING SYSTEMS, SUPERVISING RECORDS RETENTION, AND PERFORMING AUDITS; AND PROVIDING AN EFFECTIVE DATE."

Respectfully report as follows: That **HOUSE** Bill No. **639**

DO PASS

FEBRUARY 16,

83

19.....

MR. **SPEAKER**We, your committee on **STATE ADMINISTRATION**having had under consideration **HOUSE** Bill No. **356****FIRST** reading copy (**WHITE**)
Color

"AN ACT PROVIDING LIMITATIONS ON THE AMOUNT OF CONTRIBUTIONS A
CANDIDATE FOR THE STATE SENATE OR STATE HOUSE OF REPRESENTATIVES
MAY RECEIVE FROM POLITICAL COMMITTEES."

Respectfully report as follows: That **HOUSE** Bill No. **356**
be amended as follows:

1. Title, line 5.

Following: "OF"

Insert: "MONETARY"

2. Page 1, line 12.

Following: "combined"

Insert: "monetary"

3. Page 1, line 13.

Following: "campaign"

Insert: ", "

~~AND AS AMENDED~~
~~DO PASS~~

FEBRUARY 16,

19 83

4. Page 1, line 15.
Following: "combined"
Insert: "monetary"

5. Page 1, line 16.
Following: "."
Insert: "In-kind contributions may not be included in computing
these limitation totals."

AND AS AMENDED
DO PASSS

STANDING COMMITTEE REPORT

FEBRUARY 16,

83

19.....

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 386

first reading copy (white)
Color

"AN ACT REQUIRING THE NAMING AND LABELING OF POLITICAL COMMITTEES."

Respectfully report as follows: That HOUSE Bill No. 386

be amended as follows:

1. Page 1, line 14.

Following: "the"

Insert: "shared"

Following: "economic"

Insert: "or other"

2. Page 1, line 15.

Following: "of"

Strike: "a majority of"

3. Page 1, line 17.

Following: "employer" following line 16

Insert: "or union"

Following: "the employer"

Insert: "or the union"

AND AS AMENDED

DO PASS—

STANDING COMMITTEE REPORT

FEBRUARY 16,

19 33

MR. **SPEAKER**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **HOUSE** Bill No. **387**

first reading copy (white)
color

"AN ACT LIMITING THE INDIVIDUAL'S CONTRIBUTIONS TO A POLITICAL ACTION COMMITTEE; AMENDING SECTION 13-37-216, MCA."

Respectfully report as follows: That **HOUSE** Bill No. **387**

1. Page 2, line 1.

Following: "committee"

Insert: "other than a committee provided for in subsection (1)"

AND AS AMENDED

DO PASS

STANDING COMMITTEE REPORT

FEBRUARY 16,

83

19.....

MR. **SPEAKER**.....

STATE ADMINISTRATION

We, your committee on.....

HOUSE

656

having had under consideration..... Bill No.

first

reading copy (**white**)
color

"AN ACT TO EXPAND THE AUTHORITY OF THE DEPARTMENT OF ADMINISTRATION
TO ALLOCATE SPACE IN STATE BUILDINGS TO STATE AGENCIES; AMENDING SECTION
2-17-101, MCA."

HOUSE

656

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

1. Title, line 6.
Following: "AGENCIES"
Insert: "LOCATED IN HELENA"

2. Page 1, line 13.
Following: "Helena"
Insert: "located in Helena"

3. Page 1, line 16.
Following: "Helena"
Insert: "in Helena"

AND AS AMENDED
DO PASS

~~XXXXX~~
~~DO PASS~~

FEBRUARY 16,

83

19

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOBSE Bill No. 689

first reading copy (white)

"AN ACT CREATING A COMMISSION ON ETHICS AND POLITICAL PRACTICES TO TAKE THE PLACE OF THE COMMISSIONER OF POLITICAL PRACTICES; SPECIFYING ITS STRUCTURE AND ORGANIZATION; DEFINING ITS POWERS AND DUTIES, INCLUDING ADMINISTRATION OF LOBBYING AND CAMPAIGN PRACTICE LAWS CURRENTLY ADMINISTERED BY THE COMMISSIONER; TRANSFERRING THE ADMINISTRATION OF THE CODE OF ETHICS FROM THE SECRETARY OF STATE TO THE COMMISSION; CREATING NEW DUTIES REGARDING FAIR CAMPAIGN PRACTICES FOR CANDIDATES AND CONCERNING BALLOT ISSUES; GENERALLY REVISING AND CLARIFYING THE CODE OF ETHICS; PROVIDING PENALTIES FOR VIOLATIONS OF THE CODE OF ETHICS; AMENDING SECTIONS 2-2-202, 2-2-103, 2-2-105, 2-2-121, 2-2-125, 2-2-131, 2-2-132, 2-15-411, 2-16-603, 5-7-102, 5-11-203, 13-37-101 THROUGH 13-37-106, 13-37-112, 13-37-116, 13-37-119, 13-37-120, 13-37-124, AND 45-7-401, MCA; AND PROVIDING AN EFFECTIVE DATE."

Respectfully report as follows: That HOUSE Bill No. 689

be amended as follows:

1. Title, lines 12 through 14.

Strike: "CREATING" on line 12 through ";" on line 14

2. Page 6, line 12.

Strike: "(1)"

3. Page 6, line 15.

Strike: "(a)"

Insert: "(1)"

~~XXXXXXXXXX~~
~~XXXXXXXXXX~~

FEBRUARY 16,

19 83

4. Page 6, line 16.

Following: ","

Insert: "and"

5. Page 6, line 17.

Strike: "(b)"

Insert: "(2)"

6. Page 6, lines 18 through 25.

Following: "45-7-401" on line 18

Strike: "," through "part" on line 25

7. Page 11, line 5.

Following: ","

Insert: "or"

8. Page 11, lines 6 through 8.

Strike: subsection (b) in its entirety

Renumber: subsequent subsection

9. Page 12, line 23.

Following: ","

Insert: "or"

10. Page 12, line 25 through line 2 on page 13.

Following: "judiciary" on line 25

Strike: "," through "request" on line 2, page 13

11. Page 23, line 18.

Following: "consideration"

Insert: "through a recruitment, selection, and appointment process open to the public"

12. Page 23, line 19.

Following: "appointed"

Insert: "in a like manner"

13. Page 27, lines 11 and 12.

Following: "7," on line 11

Insert: "and"

Following: "1," on line 11

Strike: "and" through "1" on line 12

FEBRUARY 16, 1983

14. Page 30, line 6 through line 6 on page 35.

Strike: sections 32 through 40 in their entirety

Renumber: subsequent sections

15. Page 37, lines 21 through 24.

Strike: subsection (3) in its entirety

AND AS AMENDED

DO PASS

Statement of intent attached

STATEMENT OF INTENT
House Bill No. 689

It is the intent of the Legislature to create a Commission on Ethics and Political Practices to take the place of the Commissioner of Political Practices.

It is intended that the duties of the Commission include those duties presently assigned to the Commissioner. It is not the intent of this bill to expand the powers of the Commission beyond those powers currently granted to the Commissioner in the areas of lobbyist regulation and campaign finance.

It is intended that the duties of the Commission include those duties presently assigned to the Secretary of State in the administration of Title 2, chapter 2, part 1. It is intended that the powers of the Commission in this area are limited to those specifically granted in this bill. It is intended that the Commission not have the authority to hold hearings or conduct investigations of any kind regarding the behavior of any public official or employee.

It is intended that the penalties contained in this bill are applicable to all public officials and employees, whether their functions be legislative, judicial, or executive.

It is intended that the portions of this bill revising the code of ethics in the areas of ethical standards, disclosure requirements and mechanics, and the advisory opinion function, apply only to executive branch officials and employees at the state and local level. This is intended because ethical provisions regarding the judiciary are already in place and because it is the intent of the Legislature, after review, to implement its own conduct review and disclosure requirements and mechanics.

It is intended that the Commission will study the laws given to it to administer, particularly the code of ethics, and reports to the Legislature at the next legislative session or subsequent sessions any changes it wishes to recommend.

It is intended that any study or review of the code of ethics and any legislation recommended by the Commission be limited to those standards or mechanics that apply to executive branch officials and not include provisions which apply to members of the Legislature.

Statement of Intent
House Bill No. 689
page two of two

It is intended that the authority given to the Commission in section 26 of this bill to hire and fire all personnel under its supervision not be used to fire any of the personnel currently employed in the office of Commissioner of Political Practices, unless there be good and sufficient cause to do so.

A Statement of Intent is required for this bill because section 8 grants the Commission the authority to adopt rules for the conduct of its affairs under the code of ethics. It is intended that the authority to adopt rules is specifically limited to the areas provided for in section 8. Rules are to be adopted under the Montana Administrative Procedure Act. The rules regarding advisory opinions must be consistent with sections 9 through 14 of this bill. It is intended that the Commission may not, by rule, provide for any hearing or investigation of any kind regarding the behavior of any individual.

STANDING COMMITTEE REPORT

Page 1 of 2

February 16, 1983

MR. SPEAKER:

We, your committee on JUDICIARY AND STATE ADMINISTRATION

having had under consideration

HOUSE

Bill No. 705

First reading copy (white)
Color

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING CERTAIN DISTRICT COURT FEES; REDISTRIBUTING THE PERCENTAGE AMOUNT OF COURT FEES DEPOSITED IN THE COUNTY AND STATE GENERAL FUNDS; INCREASING CERTAIN MEMBERS' CONTRIBUTIONS TO THE JUDGES' RETIREMENT SYSTEM; INCREASING THE AMOUNT OF COURT FEES DEPOSITED IN THE RETIREMENT SYSTEM; AMENDING SECTIONS 19-5-402, 19-5-404, AND 25-1-201, MCA; AND PROVIDING AN EFFECTIVE DATE."

Respectfully report as follows: That HOUSE Bill No. 705

BE AMENDED AS FOLLOWS:

✓ 1. Title, line 5.

Following: "AN ACT"

Insert: "REDEFINING FINAL SALARY FOR FUTURE MEMBERS OF THE JUDGES' RETIREMENT SYSTEM;"

✓ 2. Title, line 11.

FOLLOWING: line 10

Insert: "19-5-101,"

3. Page 1.

Following: line 14

Insert: "Section 1. Section 19-5-101, MCA, is amended to read:

"19-5-101. Definitions. Unless a different meaning is plainly implied by the context, the following definitions apply in this chapter;

(1) "Accumulated deductions" means the total of the amounts deducted from the salary of a contributor, paid into the fund, and standing to his credit in the fund, together with the regular interest thereon.

DO PASS

(2) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of the actuarial tables in use by the system.

(3) "Beneficiary" means the person whom the contributor nominates by written designation, duly acknowledged and filed with the board.

(4) "Board" means the public employees' retirement board.

(5) "Contributor" means any person who has accumulated deductions in the fund standing to his credit.

(6) "Final salary" means:

(a) for a member joining the retirement system before July 1, 1983, the annual current salary for the office retired from; or

(b) for a member joining the retirement system on or after July 1, 1983, the annual salary for the office retired from as of the date of retirement.

(7) "Fund" means the Montana judges' retirement system agency account.

(8) "Involuntary retirement" means a retirement not for cause and before retirement age.

(9) "Member's annuity" means payments for life derived from contributions made by the contributor.

(10) "Penalty retirement age" means 70 years of age.

(11) "Retired judge" means any judge or justice in receipt of a retirement allowance under this chapter.

(12) "Retirement allowance" means the state annuity plus the member's annuity.

(13) "State annuity" means payments for life derived from contributions made by the state of Montana."

Renumber: subsequent sections.

4. Page 2, line 22.

Strike: "30%"

Insert: "32%"

5. Page 3, line 21.

Strike: "70%"

Insert: "68%"

AND AS AMENDED

DO PASS

STANDING COMMITTEE REPORT

FEBRUARY

16

19 83

SPEAKER

MR.

STATE ADMINISTRATION

We, your committee on

HOUSE

having had under consideration Bill No. **650**

first

reading copy (**white**)
color

"AN ACT PROVIDING FOR THE LIMITS ON A CANDIDATE'S DEPOSIT OF FUNDS FROM
POLITICAL COMMITTEES; REQUIRING ADDITIONAL REPORTING OF CONTRIBUTIONS
RECEIVED FROM POLITICAL COMMITTEES; AMENDING SECTIONS 13-37-207 AND 13-37-
13-37-226, MCA."

HOUSE

650

Respectfully report as follows: That Bill No.

Tabled

~~DO PASS~~

VISITORS' REGISTER

HOUSE

COMMITTEE

BILL

Date

SPONSOR

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

PUBLIC

EMPLOYEES

ASSOCIATION

COMMITTEE ON STATE ADMINISTRATION

Presented by Thomas E. Schneider, Executive Director

RE: HB 748

House Bill 748 is patterned after legislation in California which was passed to assist the public employees who lost their jobs due to Prop 13 and the following financial problems of both state and local government. The legislation was termed " the Golden Handshake admendment " as its purpose was to assist employees who had given dedicated service to state and local government and were losing their jobs through no fault of their own.

The only real difference between HB 748 and the California provision was that it was granted FREE in California, however, the Montana bill requires the employee to pay both the employee and employer contribution. This is done to protect our system. The provisions of the bill are:

1. Any member whose service is terminated involuntarily, through no fault of the member, and has five or more years of service but less than thirty years of service may purchase up to two years of service provided, however, that the total service after purchase cannot exceed thirty.
2. The member must pay both the employee and employer contribution based on the contribution rates in force at the time of purchase and the members salary. This must be done at least 30 days prior to the last day of work.
3. The salaries for the years being purchased cannot be used in determining member's final compensation. (Average of highest three consecutive years)
4. If the member returns to work he forfeits service granted under this provision and receives a refund.

Actually, this provision will not benefit a large number of employees but those that are affected need it very much. Over the last two years we have had approximately 200 members terminated through a reduction in force. Of this number some 187 did not have five years of service so would not qualify under this provision. Of the remainder four had between 27 and 30 years and four had between 22 and 25 years. In both of these areas this legislation would have assisted long time dedicated state employees over a very difficult time.

We've spent a lot of time and money trying to help mining and timber employees. Can we do any less for our own.....

Thank you for your consideration and support.....

Eastern Region

(Mailing Address) 502 Nelson
Billings, Montana 59102
(Phone) (406) 652-3530

Western Region

(Mailing Address) 1420 Jackson
Missoula, Montana 59801
(Phone) (406) 728-4768



HOUSE BILL 748 - Driscoll

Examples of unamended legislation:

Individual - Age 52 - \$25,000 salary FAS \$ 24,000
Required contributions for 2 years \$ 6,160

| | | | | |
|------|--|----------|-----------------|----------|
| (1)a | Service 23 yrs. Current Benefit | \$ 4,784 | | |
| | House Bill 748 Benefit | 7,001 | Yearly Increase | \$ 2,216 |
| (b) | Service 25 years Current Benefit | 7,000 | | |
| | House Bill 748 Benefit | 8,856 | Yearly Increase | \$ 1,856 |
| (c) | Service 26 yrs. Current Benefit | 7,904 | | |
| | House Bill 748 Benefit | 9,856 | Yearly Increase | 1,952 |
| (d) | Service 27 years Current Benefit | 8,856 | | |
| | House Bill 748 Benefit | 10,904 | Yearly Increase | 2,043 |
| (e) | Service 28 yrs Current Benefit | 9,856 | Yearly Increase | 2,144 |
| (f) | Service 29 years (cost \$3,080) Current Benefit | 10,904 | Yearly Increase | 1,096 |

HOUSE BILL 748 - Driscoll

Examples of unamended legislation:

Years of service - 20 - Salary - \$25,000 - FAS \$24,000
Required contributions for 2 years \$ 6,160

Age 49 - Not eligible

Age 50

| | |
|------------------------|---------------|
| Current Benefit | \$ 4,160 |
| House Bill 748 Benefit | 4,576 |
| Yearly Increase | <u>\$ 416</u> |

Age 51

| | |
|------------------------|---------------|
| Current Benefit | \$ 4,448 |
| House Bill 748 Benefit | 4,893 |
| Yearly Increase | <u>\$ 445</u> |

Age 52

| | |
|------------------------|---------------|
| Current Benefit | \$ 4,736 |
| House Bill 748 Benefit | 5,210 |
| Yearly Increase | <u>\$ 474</u> |

Age 53

| | |
|------------------------|---------------|
| Current Benefit | \$ 5,024 |
| House Bill 748 Benefit | 5,527 |
| Yearly Increase | <u>\$ 503</u> |

Age 54

| | |
|------------------------|---------------|
| Current Benefit | \$ 5,312 |
| House Bill 748 Benefit | 5,843 |
| Yearly Increase | <u>\$ 531</u> |

Age 55

| | |
|------------------------|---------------|
| Current Benefit | \$ 5,600 |
| House Bill 748 Benefit | 6,160 |
| Yearly Increase | <u>\$ 560</u> |

Age 56

| | |
|------------------------|------------|
| Current Benefit | \$ 6,080 |
| House Bill 748 Benefit | 6,688 |
| Yearly Increase | <u>608</u> |

Age 57

| | |
|------------------------|---------------|
| Current Benefit | \$ 6,560 |
| House Bill 748 Benefit | 7,216 |
| Yearly Increase | <u>\$ 656</u> |

Age 58

| | |
|------------------------|---------------|
| Current Benefit | \$ 7,040 |
| House Bill 748 Benefit | 7,744 |
| Yearly Increase | <u>\$ 704</u> |

Age 59

| | |
|------------------------|---------------|
| Current Benefit | \$ 7,520 |
| House Bill 748 Benefit | 8,272 |
| Yearly Increase | <u>\$ 752</u> |

Age 60

| | |
|------------------------|---------------|
| Current Benefit | \$ 8,000 |
| House Bill 748 Benefit | 8,800 |
| Yearly Increase | <u>\$ 800</u> |

HOUSE BILL 748 - Driscoll

Examples of unamended legislation:

Years of service - 25 - Salary - \$25,000 - FAS \$24,000

Required contributions for 2 years \$6,160

Age 55

Current Benefit \$ 7,000

House Bill 748 Benefit 8,856

Yearly Increase \$ 1,856

Age 56

Current Benefit \$ 7,600

House Bill 748 Benefit 8,210

Yearly Increase \$ 1,256

Age 57

Current Benefit \$ 8,200

House Bill 748 Benefit 8,856

Yearly Increase \$ 656

Age 58

Current Benefit \$ 8,800

House Bill 748 Benefit 9,504

Yearly Increase \$ 704

Age 59

Current Benefit \$ 9,400

House Bill 748 Benefit 10,152

Yearly Increase \$ 752

Age 60

Current Benefit \$10,000

House Bill 748 Benefit 10,800

Yearly Increase \$ 800

Age 65

Current Benefit \$10,000

House Bill 748 Benefit 10,800

Yearly Increase \$ 800

HOUSE BILL 748 - SERVICE PURCHASE - Driscoll

Larry Nachtsheim
2/16/83

The Public Employees' Retirement Board opposes this measure because it is not actuarially funded. This bill creates eligibility for retirement for certain members who are not currently eligible to retire and provides greater benefits to some members and less to others. Section 1(2) does not fund the bill.

We recommend the following amendment to fund the bill:

On page 1 delete in their entirety beginning on line 23, all language and punctuation through page 2 line 2.

One page 1 after line 22 add:

"actuarial cost of acquiring such service as determined by the Board."

VISITOR'S REGISTER

HOUSE

COMMITTEE

BILL

DATE _____

SPONSOR

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

The Prison Ranch has 40,000 acres of land on which it produces beef, dairy products and includes a complete meat packing facility in addition to a dairy products plant.

The beef operation has 1100 cows. Total head count is about 3000 cows, calves, yearlings and bulls. The herd is not well bred, and contains numerous mixes and strains of beef cattle breeds.

No modern irrigation system exists. What irrigation is done, is generally accomplished by field flooding. Most of the irrigated land is cropped for hay, with a few acres which in the past have produced some barley and oat field grains.

No systematic fertilization program has been used for hay or small grain fields, and this land now shows significant loss of production capacity.

Because of this loss of production capacity the ranch does not produce enough hay or grain to satisfy the needs of the operation. The additional hay and grain required are purchased on the open market, with significant quantities of high quality hay coming from Idaho. The majority of the high quality hay is used in the dairy operation and the feed lot. The lower quality feed is used to sustain the rest of the ranch's cattle-horse herd during the winter months.

The new Ranch Superintendent recognized the need to improve the productive capacity of the land, but with the present budget little if any improvements are expected. However, the new Superintendent has begun to formulate a long range plan designed to address the problem.

The ranch equipment is in very poor mechanical condition. Because of the poor mechanical condition of the equipment several field projects such as plowing, ditch cleaning, etc. have not been initiated. The ranch has just started a systematic repair program and is making progress towards improving the mechanical condition of its equipment. However, because of the magnitude of the task it is doubtful if enough equipment will be ready to do all the necessary spring work in a timely man-

ner. Past practice on the ranch did not include any recognizable equipment maintenance program, and therefore less than 25% of the equipment is ready to begin work.

The feed lot operation is being reorganized to improve its performance. Presently the operation has a very poor record keeping system that does not allow the feeding program to take full advantage of the gains feeder cattle have previously made on grass.

The slaughter House and packing plant kill about 20 head of fat cattle received from the feed lot each week. In addition to killing cattle, the slaughter house purchases on the open market enough hogs to fill the orders from institutions. The price of both cattle and hogs is controlled by the poundage of cut and packaged meat ordered by the institutions. Hogs are killed only one day each week. Cattle are generally handled in the same manner, and additional cattle can be killed if more cut and packaged meat is needed.

The packing plant cuts and packages all meats. The plant also makes all of the bacon, sausage, and luncheon meats required by the institutions. The plant also cures and smokes hams.

The Dairy Operation has about 300 Holstein milk cows. In addition to providing pasturized milk for the institutions the dairy processing plant also makes ice cream. Surplus production is sold to processing plants in Hamilton and Helena. This operation has a new manager, and like the ranch superintendent he recognizes the need for some long range planning that will improve both the production and breeding of the dairy herd.

The institutions which purchase meat from the prison ranch do so at cost to the ranch. The method by which this price is set is unique. A ceiling price is established by what the University of Montana, Montana State University and Eastern Montana College pay for their meats which are purchased on the open market. This price is reviewed each quarter. The price the three university units pay establishes a ceiling price which the ranch may not exceed. The ranch figures its production cost, if it is lower than the price paid by the universities then this is the price charged to the institutions.

Team #2
Report #6b
6-10-82
I-S

If it should be greater than the price the universities have paid then that price, which is the most that can be charged, must be used. This system of pricing does not take into account the differences in grades, cuts, quantities, etc. between the universities and the institutions and therefore does not truly reflect the price of the ranch's meat.

The Ranch Operation which includes dairy, feed lot, slaughter house-packing plant, is funded through the corrections budget, with a revolving account. While this financial arrangement works reasonably well with smaller operations, such as prison industries, it is not particularly effective on large operations such as the ranch.

INDIVIDUAL RECOMMENDATION REPORT

| | | | |
|---|-----------------------|---|------|
| Report No. and Name 6b PRISON RANCH | | Recommendation No. 2 | |
| Team Leader [REDACTED] | Team No. 2 | Page 1 | of 2 |
| Team Member [REDACTED] | Date Prepared 5/18/82 | Date Revised 5/21/82 | |
| <input type="checkbox"/> EXECUTIVE ACTION <input checked="" type="checkbox"/> LEGISLATIVE ACTION <input type="checkbox"/> CONSTITUTIONAL ACTION | | | |
| <input type="checkbox"/> Annual <input checked="" type="checkbox"/> One Time | | ECONOMIC SUMMARY <input type="checkbox"/> Saving <input type="checkbox"/> Improved Effectiveness <input type="checkbox"/> Added Income <input type="checkbox"/> Added Cost | |
| <input type="checkbox"/> Annual <input checked="" type="checkbox"/> One Time | | <input type="checkbox"/> Saving <input type="checkbox"/> Improved Effectiveness <input checked="" type="checkbox"/> Added Income <input type="checkbox"/> Added Cost | |
| | | \$ 4,500,000 | |

Statement of Recommendation

Reduce the size of the Prison Ranch and sell the excess land.

Problem, Solution, Benefit

Problem

The Prison Ranch consists of 40,000 acres of land. The ranch is unable to utilize a major portion of this acreage. Further, investigation of the ranch indicates that the majority of the land will not be utilized in the future. The physical condition of the ranch is generally poor, fences, buildings, and equipment are, generally speaking, in poor condition.

Poor land management practices of the past has reduced substantially the productivity of the land.

Solution

Sell 25,000 acres of the Prison Ranch land holdings to the private sector. Earmark part of the funds generated by this sale to up-grade the remaining land, buildings and equipment.

The smaller ranch will be better able to effectively manage the property. In addition to having a smaller more manageable unit, the manpower needs will also be reduced.

The ranch should diversify its production to include poultry and potatoes in addition to the beef and dairy operation. Any short in beef should be purchased on the open market, the same as is presently being done with hogs. Feeder beef purchased at local markets should go directly to the feed lot operation for finishing.

INDIVIDUAL RECOMMENDATION REPORT

| | | | | |
|--|-------------------------|-----------|-----------------------------|--|
| Report No. and Name 6b PRISON RANCH | | | Recommendation No. <u>2</u> | |
| Date Prepared 5/18/82 | Date Revised 5/21/82 | Page 2 | of 2 | |

Problem, Solution, Benefit (Continued)

The Ranch should anticipate the need to purchase feeder cattle for the feeding operation and use the best, most modern land management practices to insure enough grain and hay to make the feeding operation efficient and economical.

Benefits

The Prison Ranch will become a state show place utilizing the most modern and efficient farming ranching methods. An added benefit will be a working ranch that private sector farmers and ranchers can tour and get ideas and information on improving their own operations. The major Benefit will be the cash from the sale of the present excess lands to provide the wherewithal to build this modern ranch.

Cash Benefits:

* 25,000 acres @ \$300.00/acre = \$7,500,000

Less Building Costs for

New Ranch Estimated 3,000,000

Net Cash Benefit \$4,500,000

* The \$300/acre sale price is very conservative and was based on a recent sale of some Mt. Haggin Ranch property in the same area, and discussion with realtors.

\$3,000,000 cost to rebuild the ranch as estimated.

All mineral rights now held by the State of Montana should continue to be held by the State and only surface rights with some water rights should be sold.

VISITOR'S REGISTER

HOUSE

COMMITTEE

BILL

帳 757

DATE _____

2/16/83

SPONSOR

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.



Alternative Energy Resources Organization

424 Stapleton Building, Billings, Montana 59101

(406) 259-1958

324 Fuller, Suite C-4, Helena, Mt. 59601

443-7272

February 16, 1983

TESTIMONY IN OPPOSITION TO HB 757

My name is Jim McNairy and I'm here representing the Alternative Energy Resources Organization, commonly known as AERO. AERO is a citizens' group in Montana with over 600 members. We all share the belief that energy conservation and renewable energy are important to our state's future.

We think that HB 757 is a bad bill for several reasons. Opening up the Commission seats to state-wide election will require much greater financial expenditures by prospective candidates. Only those citizens with enough money to mount a state-wide campaign will be able to run an effective campaign. Therefore we run the risk of having special interests dominate the campaigns and the Commission. It's conceivable that special interests could bankroll the campaigns of a slate of candidates, run an effective media campaign, and elect a Commission that would be responsive to their own needs.

AERO thinks that the system we now have to elect commissioners is fine. Commissioners are now elected by people from their own district. This promotes more personalized campaigns, with more contact between candidates and constituents. We all know that in campaigns like this big money will have much less influence. Continuing district-wide elections will ensure that commissioners will be responsive to their district's concerns as well as the concerns of the entire state.

For these reasons we urge the Committee give a "do not pass" to HB 757.



PUBLIC SERVICE COMMISSION

1227 11th Avenue • Helena, Montana 59620
Telephone: 406-449-3017

Gordon E. Bollinger, Chairman
District 1

February 16, 1983

Testimony of G. E. Bollinger Before the House of Representatives
Committee on Administration.

Mr. Chairman and Members of the Committee:

My name is Gordon E. Bollinger. I have served a total of ten years in the Legislature in both the House and Senate. I retired January 1 from eight years as Chairman of the PSC.

My background is business (a shopping center in Glasgow) and public service including Mayor of Glasgow for over 27 years. The reason I became Mayor was to slash water and sewer rates by over 20 percent and still generate sufficient revenue to pay for services. There were other interesting developments I would like to mention but time will not permit.

In the legislature I was a member of a subcommittee that made an extensive examination of the PSC and ratemaking and regulation in Montana. I also chaired another subcommittee charged with making recommendations to the Legislative Council. While these two studies were very educational to the individual members on the subcommittee, the Legislative Council did not see fit to adopt any of the proposals, such as consumers council, hearing officers, election by districts, enlarged staff, etc. While this was very disappointing to the study group, anyone who

has made a study of legislation introduced to make any changes in the PSC over its history will recognize that very little of the proposed became law. Knowing this, I introduced only one piece of legislation that I believed would change the Commission more than anything I could think of and that was to change the State-Wide election of Commissioners--make them run from equal apportioned Districts and change the term from six years to four. The reason is self-evident, as far as the term of four years, the commissioner should face his constituents more often. The reason is almost as simple for Districts versus State-Wide. Reading PSC history, a survey was made in 1970 and over 87 percent of electors could not name a Public Service Commissioner. I would like to make the same survey now but we have never had those few extra dollars. However, I am satisfied that percentage has changed a great deal for the better. The reason--even in the largest District which I represented, #1, comprised of 22 counties--the voters knew who they were voting for and I believe in a Democracy this is all important. In other words, a candidate cannot buy an election in a District, if time permitted, I would tell you of one that tried. I spent from Two to Five Thousand Dollars on a campaign, a State-Wide would attract those able to spend a hundred thousand. While even a young person of modest means can finance a District campaign, who would finance the expensive State-Wide race? The regulated companies?

While I believed election by Districts would solve some of the problems in the PSC, it has exceeded by far anything I would have predicted. Any Commissioner that has been on the job for over a year can relate the many times his constituents have asked

for help and there are ennumeral letters testifying to the facts. In some instances, if a Commissioner is known to the constituent but is outside the District or if a particular Commissioner is known to the constituent, or if a particular Commissioner is gone, the matter is handled the same way. As Chairman I received more because of the position.

Another great strength of the District plan is the Commissioner is more apt to be consumer oriented, at least that is what the rating agencies say. In my estimation, this is not all bad, if the companies feel they did not get a fair shake, they certainly have the staff to take the Commission to court and do so many times, whereas, the consumers do not have the organization to do the same. Under Montana law, as you know, the Commission must provide the regulated companies with an opportunity to earn a fair rate of return and still are charged with protecting the consumer.

Who said "If it isn't broke, don't fix it"? The District plan is not broke, it is working exceptionally well.

Most of you students of political history remember the late Senator Lee Metcalf. Did you know Senator Metcalf, having spent years of study on regulatory matters, had printed in the Congressional record what an ideal State Commission should consist of? One of the recommendations was that a Commission be composed of Five Elected Members by Districts.

Proposed Amendments to HB 356

1. Title, line 5.

Following: "OF"

Insert: "MONETARY"

2. Page 1, line 12.

Following: "combined"

Insert: "monetary"

3. Page 1, line 13.

Following: "campaign"

Insert: ", "

4. Page 1, line 15.

Following: "combined"

Insert: "monetary"

5. Page 1, line 16.

Following: "."

Insert: "In-kind contributions may not be included in computing these limitation totals."

Proposed Amendments to HB 386

1. Page 1, line 14.

Following: "the"

Insert: "shared"

Following: "economic"

Insert: "or other"

2. Page 1, line 15.

Following: "of"

Strike: "a majority of"

3. Page 1, line 17.

Following: "employer" following line 16

Insert: "or union"

Following: "the employer"

Insert: "or the union"

Proposed Amendments to HB 387

1. Page 2, line 1.

Following: "committee"

Insert: "other than a committee provided for in subsection (1)"

Proposed Amendments to HB 650

1. Title, line 6.

Following: "OF"

Insert: MONETARY"

2. Page ~~2~~¹, line 20.

Following: "no"

Insert: "monetary"

3. Page ~~2~~¹, line 21.

Following: "be"

Insert: "accepted and"

February 10, 1983

The Honorable Joe Brand, Chairman
House Committee on State Administration
Capitol Building
Helena, MT 59620

Dear Sir:

At the hearing this morning, the question was raised as to the amount of State utilized space currently rented from the private sector. That information is as follows: (THIS IS FOR THE HELENA AREA ONLY)

| <u>AGENCY</u> | <u>HELENA LOCATIONS</u> | <u>SQUARE FEET</u> | <u>EXPIRES</u> |
|--------------------------------|------------------------------|--------------------|----------------|
| Montana Highway Patrol | Lewis & Clark Co. Courthouse | 750 | ANNUAL |
| Montana Highway Patrol | 1317 11th Avenue | 600 | |
| Montana Highway Patrol | | | |
| District Office | 1830 Boulder Avenue | 1,800 | |
| Public Service Commission | 1227 11th Avenue | 9,000 | |
| Helena Dist. Office - S.R.S. | 25 South Ewing | 3,666 | |
| Vocational Rehabilitation | | | |
| Disability Determination | 1330 Helena Avenue | 8,062 | |
| Architecture & Eng. Division | 1500 East 6th Avenue | 2,285 | |
| Workers Compensation Court | 1300 Cedar-Airport Way | 1,645 | |
| Office of Public Instruction | 1430 Dodge | 5,000 | |
| State Lands, Comm. Office | 1625 11th Avenue | 13,400 | |
| Employment Security Division | | | |
| Helena Training Center | 529 North Ewing | 13,537 | |
| Workers Compensation Division | 815 Front Street | 14,500 | |
| Workers Compensation Division | | | |
| Insurance Compliance Bureau | 110 West 13th Street | 4,200 | |
| Workers Compensation Division | | | |
| Safety & Health Bureau | 510 Logan Street | 6,083 | |
| Workers Compensation Division | | | |
| Various Support Functions | 842 Front Street | 3,104 | |
| Parole & Aftercare, Local Off. | 201-215 East 6th Avenue | 3,400 | |
| Southwest Montana Drug Prog. | 19 East Placer | 1,875 | |
| Montana Consumer Counsel | 34 West 6th Avenue | 1,010 | |

HB656

February 10, 1983

The Honorable Joe Brand, Chairman
House Committee on State Administration
Capitol Building
Helena, MT 59620

Dear Sir:

At the hearing this morning, the question was raised as to the amount of State utilized space currently rented from the private sector. That information is as follows: (THIS IS FOR THE HELENA AREA ONLY)

| <u>AGENCY</u> | <u>HELENA LOCATIONS</u> | <u>SQUARE FEET</u> | <u>Expires</u> |
|--|------------------------------|--------------------|----------------|
| Montana Highway Patrol | Lewis & Clark Co. Courthouse | 750 | ANNUAL |
| Montana Highway Patrol | 1317 11th Avenue | 600 | |
| Montana Highway Patrol District Office | 1830 Boulder Avenue | 1,800 | |
| Public Service Commission | 1227 11th Avenue | 9,000 | |
| Helena Dist. Office - S.R.S. | 25 South Ewing | 3,666 | |
| Vocational Rehabilitation Disability Determination | 1330 Helena Avenue | 8,062 | |
| Architecture & Eng. Division | 1500 East 6th Avenue | 2,295 | |
| Workers Compensation Court | 1300 Cedar-Airport Way | 1,645 | |
| Office of Public Instruction | 1430 Dodge | 5,000 | |
| State Lands, Comm. Office | 1625 11th Avenue | 13,400 | |
| Employment Security Division Helena Training Center | 529 North Ewing | 13,537 | |
| Workers Compensation Division | 815 Front Street | 14,500 | |
| Workers Compensation Division Insurance Compliance Bureau | 110 West 13th Street | 4,200 | |
| Workers Compensation Division Safety & Health Bureau | 510 Logan Street | 6,083 | |
| Workers Compensation Division Various Support Functions | 842 Front Street | 3,104 | |
| Parole & Aftercare, Local Off. | 201-215 East 6th Avenue | 3,400 | |
| Southwest Montana Drug Prog. | 19 East Placer | 1,875 | |
| Montana Consumer Counsel | 34 West 6th Avenue | 1,010 | |

HB656

The Honorable Joe Brand
Page 2
February 10, 1983

| <u>AGENCY</u> | <u>HELENA LOCATIONS</u> | <u>SQUARE FEET</u> |
|---|------------------------------|--------------------|
| Comm. of Higher Education | 33 S. Last Chance Gulch | 9,900 |
| Comm of Higher Education | Power Block - Suites 204-207 | 896 |
| Income Tax Division | 100 Oregon | 6,200 |
| Liquor Division - Store #1 | 1201 Stewart | 6,500 |
| Liquor Division - Store 197 | North Montana Avenue | 2,902 |
| Board of Dentistry-Storage | Capital Transfer & Storage | 200 |
| Board of Plumbers-Storage | Waddell's U-Rent-A-Space | 50 |
| Aeronautics Division | Hanger #7 - Helena Airport | 825 |
| Weights & Measures Lab | 1430 Dodge Avenue | 1,920 |
| Board of Housing | 2001 11th Avenue | 1,765 |
| Centralized Services & Water Resources Division/DNRC | 32 South Ewing | 35,560 |
| Facility Siting, Energy, Conservation Dist. & Oil and Gas Div./DNRC | 25 South Ewing | 18,407 |
| Water Resource Div./DNRC | 28 South Rodney | <u>3,600</u> |
| | | 182,642 S.F. Total |

Our policy is to move these agencies into State owned space as available and as the existing leases allow.

Sincerely,

Dave Ashley,
Deputy Director

cc: Representative Fagg

PROPOSED AMENDMENTS TO HB 689

1. Title, lines 12 through 14.

Strike: "CREATING" on line 12 through ";" on line 14

2. Page 6, line 12.

Strike: "(1)"

3. Page 6, line 15.

Strike: "(a)"

Insert: "(1)"

4. Page 6, line 16.

Following: ";"

Insert: "and"

5. Page 6, line 17.

Strike: "(b)"

Insert: "(2)"

6. Page 6, lines 18 through 25.

Following: "45-7-401" on line 18

Strike: ";" through "part" on line 25

7. Page 11, line 5.

Following: ";"

Insert: "or"

8. Page 11, lines 6 through 8.

Strike: subsection (b) in its entirety

Renumber: subsequent subsection

9. Page 12, line 23.

Following: ";"

Insert: "or"

10. Page 12, line 25 through line 2 on page 13.

Following: "judiciary" on line 25

Strike: ";" through "request" on line 2, page 13

11. Page 23, line 18.

Following: "~~consideration~~"

Insert: "through a recruitment, selection, and appointment process open to the public"

12. Page 23, line 19.

Following: "appointed"

Insert: "in a like manner"

13. Page 30, line 6 through line 6 on page 35.

Strike: sections 32 through 40 in their entirety

Renumber: subsequent sections

14. Page 37, lines 21 through 24.

Strike: subsection (3) in its entirety

15. Page 27, line 11 and 12

Following: ";"

Strike "and sections 32 through 40 of this act/;"

16. Page 27, line 11

Following: "7;"

Insert "and"

VISITOR'S REGISTER

HOUSE _____

COMMITTEE

BILL H13786

DATE _____

SPONSOR _____

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.