

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

March 8, 1983

The forty-second meeting of the Senate State Administration Committee was called to order by Senator Pete Story, Chairman, on the 8th day of March 1983 in room 331 at 10:00 a.m. in the State Capitol Building in Helena, Montana.

ROLL CALL: Roll was taken and all were present except Senator Towe who was excused and Senator Gary Lee who was absent.

The meeting was called to hear House Bills 763, 832, 691, 776, 329, and 832.

CONSIDERATION OF HOUSE BILL 763:

"AN ACT TO EXCEPT LIVE-IN HOUSEPARENTS UNDER CONTRACT WITH THE STATE SCHOOL FOR THE DEAF AND BLIND FROM THE STATE EMPLOYEE CLASSIFICATION SYSTEM;..."

REPRESENTATIVE JAY FABREGA, District 63, Great Falls, Montana, presented this bill. He stated this bill is to exclude live-in house parents at the Deaf and Blind School of Great Falls from the specifications of the pay plan. They are in a unique position, involving six people. Note page 2, academic and professional personnel and we add live-in house-parents.

JIM MC GARBEY, representing the Montana Federation of Teachers expressed their support for this bill.

BILL DAVIS, Dean of Students for the deaf and blind. He stated the cottages were designed around the house parents, thus the passage of the bill will let them fall in line with the design contract... Presented EXHIBIT 1.

RICHARD GEBBO, Assistant Dean of Students for the deaf and blind stated this bill would allow the live-in house-parent with more identity with the professional staff. A better sense of belonging will result in a better productivity.

OPPONENTS: None.

QUESTIONS OF THE COMMITTEE:

It was confirmed that there is no money involved.

SENATOR STORY said some people do not like anyone on the pay plan but if it is to work they need to keep as many on as possible and resist taking people off of it. What would make it impossible to set one grade that would be suitable.

Representative Fabrega stated it is a unique situation and they are

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in operation only 9 months out of a year and house parents work 24 hours a day.

BILL DAVIS said nine months out of a year limits how much you can spread out a persons salary. This will explain how long you can spread out a persons salary. Right now they are a grade 9. They are satisfied with the pay but H.B.763 will give the option of spreading the pay through the summer months like they do for the teachers.

Great Falls teachers have their own pay scale.

ACTION ON HOUSE BILL 763

SENATOR MANNING MOVED HOUSE BILL 763 BE CONCURRED IN.
MOTION PASSED.

Senator Manning will carry the bill.

CONSIDERATION OF HOUSE BILL 832:

"AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE VIII, SECTION 13, OF THE MONTANA CONSTITUTION TO REMOVE THE RESTRICTION ON INVESTMENT OF PUBLIC FUNDS IN CORPORATE CAPITAL STOCK AND THE REQUIREMENT THAT INVESTMENTS OF CERTAIN EDUCATION FUNDS BEAR A FIXED RATE OF INTEREST."

REPRESENTATIVE JAY FABREGA, District 44, Great Falls, Montana, stated that H.B. 832 is a spinoff after the meeting of Initiative 95. The Board of Investments became involved in this. He said that he believes if you take the lines of the Board of Investment that 10% of the amount invested...the corporate stock would be a desirable thing to do. We allow investments of pension funds. Right now the Board of Investment manages 1.4 billion, 800 million funds like the coal tax, and other funds that are not private ownership, that he would call pension funds. One of things that happened...right now the Board of Investments can buy corporate funds, fixed rate. There is no road potential in them but if there is any doubt to the worthiness of corporations you are looking at the super class investment. It would make sense to have a portion in stocks as well. The language may have been the reason for the way people looked at it. He called attention to line 22. He stated that this bill received 81 votes in the House.

PROPOSERS:

Jim Howeth of the Board of Investments stated he supports H.B.832 and would answer any questions.

No other proponents or opponents or questions of the committee.

Closed on H.B.832.

CONSIDERATION OF HOUSE BILL 691:

"AN ACT TO CREATE A BOARD OF ATHLETICS RESPONSIBLE FOR PROTECTING THE PUBLIC FROM FRAUD IN BOXING AND WRESTLING EVENTS AND FOR ISSUING LICENSES TO PROMOTERS, REFEREES, AND OTHERS INVOLVED WITH THOSE EVENTS."

REPRESENTATIVE JOE BRAND, District 28, Deer Lodge, Montana introduced H.B.691. He state that the city of Missoula gave them the testimony shown as EXHIBIT 2, and said he would use it as his testimony. He also said that this bill asks that the boxing board be reinstituted and a statement of intent be given to the committee. The statement of intent is as follows: "The statement of intent is required for this bill because it grants rulemaking authority to the Board of Athletics. Qualifications for licensure to conduct boxing or wrestling events or to act as a referee, manager, or judge should be based primarily on particular knowledge required for the particular license and the integrity of the applicant, as indicated by past activities. To this end, the rules should address means of determining knowledge and integrity, such as affidavits or references evidencing experience and good reputation in the particular field.

PROPOSERS:

MARY LOU GARRETT, Department of Commerce, Professional and Occupational Licensing Bureau stated she was involved in the sunset review with the Board of Athletics. The board is only as good as the members on it. They were not working effectively then. So for the past few years she has spent much of her time providing information to primarily Billings, Great Falls, Butte and Missoula who have enacted and taken the rules of the former Board of Athletics and incorporated them into their local ordinances. She talked to Marvin Hammell, former boxer, and he said he would not box in Montana until there was a state wide commission because they do not get ratings when the local governments do not belong to the WBAWBC. Also the board prevented mud wrestling in the local bars.

OPPOSERS: None.

QUESTIONS OF THE COMMITTEE:

SENATOR MARBUT called attention to the repealer, page 5 and brought up double licensing and excluding amateur fights. He said they then would be excluding amateur fights from having the medical people in the safety requirement because the only regulations you ask are for governing semi-pro and pro.

REPRESENTATIVE BRAND said that the amateur people were the ones that asked the regulations be taken off so they could put on amateur bouts.

MARY LOU GARRETT stated she attended a mud wrestling contest to observe and that they were wrestling for prizes. It was not mud but a synthetic poly substance, therefore they have indicated that in the bill.

SENATOR STORY asked how they have changed the law?

MS. GARRET stated they provide for female boxers and cruiser weight.

Hearing closed on H.B.691.

CONSIDERATION OF HOUSE BILL 776:

"AN ACT TO REESTABLISHING THE BOARD OF AERONAUTICS UNDER EXISTING STATUTORY AUTHORITY AND RULES AND CHANGING THE QUALIFICATIONS FOR MEMBERSHIP ON THE BOARD; REQUIRING THE BOARD TO APPROVE AIRCRAFT GRANTS AND LOANS; REVISING THE AIR CARRIER LAWS TO LIMIT APPLICATION TO INTRASTATE CARRIERS ONLY; AMENDING...."

REPRESENTATIVE JOHN SHONTZ, district 53, Sidney, Montana, stated this board has done a tremendous amount of work in policy, keeping Montana commercial air system in tact and we now have better and more air service. There are different opinions on the make-up of the board and there will be some amendments.

PROPOSERS:

RICHARD O'BRIEN, Conrad, Montana, a former member of the Board of Aeronautics presented written testimony, EXHIBIT 3. He asked for a few changes...the bill asks for the same make-up as usual on the board with two exceptions...there is usually a representative of the Montana Chamber of Commerce and the words were added, representing aviation. The next change on page 6, says that a representative from the Montana League of Cities and Towns have to represent airport operators. He asked the committee to amend back into the bill the part stricken by the House regarding the boards authority to regulate intra-state carriers. This would mean retaining the board in its quasi-judicial function.

FORREST BOLES, Montana Chamber of Commerce, stated they support the legislation as well and that he has some amendments. Mr Boles submitted testimony and his written testimony as EXHIBIT 4.

HUGH KELLEHER, executive secretary of the Montana Airport Association and Manager of the Helena Regional Airport presented written testimony, EXHIBIT 5 and 5(a).

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LEE BAKER, past president of Montana Pilots Association, stated he is representing Robert Hollister, President of the Montana Pilots Association, who could not get off the ground in Forsyth because of the weather. See EXHIBIT 6.

He stated they feel the way the board is made up now provides a very good cross section of all facets of Montana and the Governor has a broad group to select from.

JIM STEFFECK, stated he has been a member of the commission and chairman but today is representing himself. He said that the proposed amendments, as amended by the House, restricts the membership too much so you do not have a wide enough area to get an attorney from. He said that when he first went on the board they had a staff attorney, Henry Loble. Mr. Steffeck said that he was good but expensive. Any time you can get an attorney for \$25 a day you should take it. He stated the other observation he made was regarding the regulations of third level airlines in Montana. He said a number of years ago when the board was regulating, Sun Valley Airlines applied for a certification and was given it and were flying...as time went by the board found out they were having problems in maintenance, etc...so the board sent a member to check into this and the report was very negative. So the board withdrew the certificate and they quit flying in Montana but continued in Idaho because they do not have a board and it went down with the president of the airlines aboard. It did not happen in Montana because we stopped them. He stated. "now I am going to tell you what is going to happen"...sometime in the next few years we are going to have a third level airplane go down and there is going to be a whole plane load of dead people and someone sitting here will know one of them so he asked the committee to not deny the people of Montana the slightest shread of safety.

MIKE FERGUSON of the Aeronautics Division stated Chapter 99 sends a statement to be entered into the record, EXHIBIT 7, as well as a statement from the Montana League of City and Towns EXHIBIT 8. He stated he would like to go on record as supporting the bill with the amendments and the one they would like to address is where it says "aircraft" in the bill where it should say "airport". They have never made aircraft loans. His amendments are shown as EXHIBIT 9. He stated that this is a quasi-judicial board and one of the members should be an attorney.

OPPONENTS: None.

SENATOR MARBUT asked what language do they want back in the bill concerning third level carriers.

MR. O'BRIEN read a letter sent to the chairman of the Montana Board of Aeronautics, EXHIBIT 10. He said that the Board can oversee the FFA. He stated the case where Combs Airline came down in Glendive and the FFA should have gotten that one, but the FFA does not do a good enough job. He said there is an avenue that makes an unsafe flyer stop flying.

QUESTIONS OF THE COMMITTEE:

SENATOR MARBUT remarked that he is not sure putting money into this will do it.

Mr. O'BRIEN said if you look into their shops it is usually a signal.

SENATOR STORY stated that they do not certify the machine. If there is not enough money, they will take shortcuts.

REPRESENTATIVE SHONTZ said that the language was stricken because several fixed operators wanted it out. He said that he believed that it would concur in without amendments. He said that the League of Cities and Towns had a member on this board for several years. He also said that Sidney is the second busiest airport and the only other one that carries more traffic is Billings. He said that the member that represents them is from the Montana League of Cities and Towns and is the chairman of the airport authority center, they work hand in glove and no one gets excluded.

SENATOR MARBUT questioned how many major airports there are and how many are operated by local companies and how many by independent.

MR. KELLEHER said there are three types of airports. There are 25 major airports, 116 public use airports and 150 privately owned airports as well as 15 air carrier airports in the state of Montana.

SENATOR STIMATZ asked what size of airplanes come into Sidney?

REPRESENTATIVE SHONTZ said anything from a 580 and the airport can take a 787. They have 6 flights a day, by Big Sky. They have two runways.

SENATOR STIMATZ asked for Mr. Kelleher's comments.

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MR. KELLEHER stated that it is getting very complex and he feels that it is time airports be represented as far as management is concerned and feels that they have something to add. He also stated that they have 65,000 planes to handle a year.

SENATOR STIMATZ asked to have the fact that Sidney was the 2nd busiest airport and asked how many planes do they handle a year?

REPRESENTATIVE SHONTZ said that Sidney handles 36,000 a year.

The meeting closed on H.B.776.

SENATOR STORY SUBCOMMITTED Senator Hammond and the Staff Attorney, Dave Cogley to this bill.

CONSIDERATION OF HOUSE BILL 329:

"AN ACT ESTABLISHING A PENALTY FOR KNOWINGLY MISREPRESENTING THE VOTING RECORD OR PUBLIC POSITION OF A CANDIDATE; PROVIDING FOR DISPOSITION OF FINES;

REPRESENTATIVE JOHN SHONTZ, Sidney, Montana, district 53, said this bill states that in a political campaign if a candidate "knowingly misrepresents the voting records or positions on a public issue of a candidate and advertizes in literature with the intention of influencing the result of the election, it is a misdemeanor and the penalty is the guilty person would have to pay into the other persons campaign fund the maximum amount liable by law. The reason for this is that something that will damage a politicians ego will also keep him from doing something like this." He stated a court case in Butte. This makes the law state-wide

PROPOSERS None.
OPPOSERS:

JIM REYNOLDS, Attorney in Helena and a member of the board of directors of the Montana Chapter of American Civil Liberties, said that they are opposed to the principal and the the bill as drafted and believes that this bill is not allowing freedom of speech. According to the statutes it does not say they have committed a crime, it just says a person is punishable. He said it would have a chilling effect on the first amendment. This bill would possibly keep someone from bringing something out that the public should know in fear of being punished. He said they should follow the language printed in the first section, "to make or publish any false statement or charge concerning the voting records", a definable term.

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QUESTIONS OF THE COMMITTEE:

SENATOR MARBUT asked if he did not have confidence in a jury.

MR. REYNOLDS said that he is not sure it would make it to a jury.

SENATOR MARBUT asked why are we not following the Butte case?

REPRESENTATIVE SHONTZ asked why there is not a body of law?

SENATOR MARBUT asked why they are not making a body of law?

SENATOR STIMATZ said that Senator Towe was the attorney for that case and he has a file that is full of the county attorney's work.

SENATOR MARBUT asked what you do in case of a third party.

PREPRESENTATIVE SHONTZ CLOSED by saying that he has no ax to grind but he does think this bill is important and would appreciate the committees support.

The hearing closed on H.B.329.

EXECUTIVE SESSION:


ACTION ON HOUSE BILL 832:

SENATOR MARBUT MOVED H.B.832 BE CONCURRED IN.

MOTION PASSED. Senator Marbut will carry this bill.

HOUSE BILL 199 was discussed and Senator Story asked Senator Marbut to check with Tom Harrison, attorney and a former National Guardsman and that they would come back to this bill.

The meeting closed at 12:10 P.M.



CHAIRMAN, Senator Story

ROLL CALL

STATE ADMINISTRATION

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date 3/8/83

				SENATE SEAT #
NAME	PRESENT	ABSENT	EXCUSED	
SENATOR PETE STORY, Chairman	X			45
SENATOR H. W. HAMMOND, Vice Ch	X			34
SENATOR REED MARBUT	X			44
SENATOR LARRY TVEIT	X			33
SENATOR R. MANNING	X			48
SENATOR LAWRENCE STIMATZ	X			7
SENATOR THOMAS TOWE			X	26
SENATOR GARY LEE		X		11

Each day attach to minutes.



STATE OF MONTANA

HB 763

February 17, 1983

Four years ago the Montana Legislature appropriated funds for the construction of one forty-bed cottage to be located on the campus of the Montana School for the Deaf and the Blind. The Board of Examiners then selected the architectural firm of Davidson-Kuhr to design and manage the construction of this cottage.

Under the guidance of Davidson-Kuhr an in-depth and thorough design process was conducted which involved representation of our school administration, academic staff, residence staff and parents of our students. During the course of this design process it was determined that in meeting our objective to maintain a home-like environment for our students, they would benefit from the care of "live-in" houseparents. As a result this capability has been designed into the cottages.

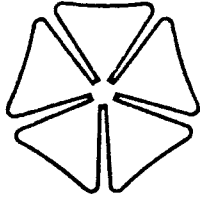
The last legislature appropriated additional monies to construct a second cottage, a food service building and a Physical Recreation Complex. The second cottage has the same basic design as the first cottage with some minor modifications to accomodate the unique needs of the students who will be in residence there. However, the concept of "live-in" houseparents has been carried through here as well.

By exempting those staff who are classified as Cottage Life Attendant III, we feel that it will be possible to solidify the programatic concept of "live-in houseparents", thus meeting our goal of a home-like environment for the deaf and blind children in residence at our school.

These "live-in" houseparents would be contracted by the Board of Public Education at their current classification level with future pay raises as provided by the Legislature. Their apartment would be part of the contractual arrangement.

I sincerely ask that you give House Bill 763 every favorable consideration for passage. To do so will benefit the children who reside at the Montana School for the Deaf and the Blind.

Submitted by Bill Davis



THE GARDEN CITY
HUB OF FIVE VALLEYS

Missoula, Montana

59802

EXHIBIT 2
State Admin
3/8/83

March 7, 1983

OFFICE OF CITY ATTORNEY
201 West Spruce Street
Phone 721-4700

83-170

Senate State Administration
Committee Members
Montana State Capitol
Capitol Station
Helena, Montana 59620

Re: HB 691 to Create a State Board
Board of Athletics

Dear Senate State Administration Committee Members:

I would like to urge your support for the enactment of House Bill 691 entitled "An Act to Create a Board of Athletics Responsible for Protecting the Public from Fraud in Boxing and Wrestling Events and Issuing Licenses to Promoters, Referees and Others Involved with Those Events."

The City of Missoula supports and encourages a return to State regulation of professional boxing and wrestling rather than local government regulation of professional boxing and wrestling. The 1981 Montana State legislature sunsetted the State regulatory body that regulated professional boxing and wrestling and made local governing bodies responsible for regulating these professional sports activities pursuant to Section 7-21-4212, M.C.A.

Frankly, local governmental entities do not in all instances have the necessary expertise or background to conveniently or easily regulate professional boxing and wrestling. Further, experience indicates that local government boxing regulations differ slightly from local government jurisdiction to local government jurisdiction, which has been the source of some complaints from promoters. Also, pursuant to the existing state of the law, promoters must pay individual license fees for themselves, referees, participants, etc. in each local government jurisdiction rather than simply paying one annual state license fee. This situation has been the source of additional complaints from the promoters.

Most importantly, from a fiscal perspective for the City of Missoula, the City of Missoula's experience has been that City staff members have spent far more staff time drafting and administering its professional boxing and wrestling regulations than the City has generated or recovered pursuant to fees,

March 7, 1983

EXHIBIT 2

licenses and taxes authorized to be collected by local governments pursuant to Section 7-21-4212, M.C.A. The City of Missoula's experience also has been that those attempting to conduct professional wrestling events in the City of Missoula have clearly lost money in Missoula. Attendance at the professional wrestling events has been quite low; in part this is probably attributable to a lack of sufficient advertisement of the events by the promoters. pg 2

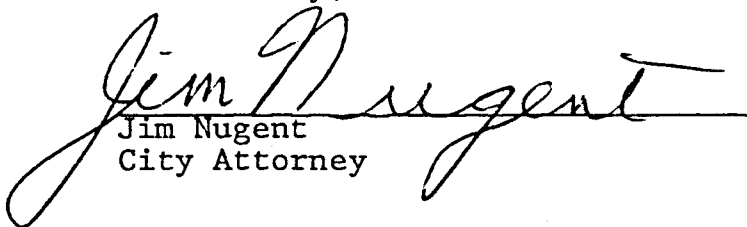
I would like to make the following suggestions with respect to House Bill 691:

1. ~~Section 7-21-4212, M.C.A., pertaining~~
to local government regulation of professional boxing and wrestling should be repealed;
2. House Bill 691 should have an immediate effective date, or at least a July 1, 1983, effective date.

Some local governments have not enacted local regulations as is required by Section 7-21-4212, M.C.A., yet it is my understanding that at least one professional wrestling event has been held in a jurisdiction that did not enact any regulations.

I believe that the wise thing to do with respect to the regulation of professional boxing and wrestling is to return the control and supervision of professional wrestling and boxing to the State of Montana. I urge your support for the enactment of House Bill 691.

Yours truly,


Jim Nugent
City Attorney

JN/jd

Senator Story and Members of the Committee:

EXHIBIT 3
State Admin
3/8/83

My name is Richard O'Brien. I am from Conrad, and I am appearing as an individual and as a former member of the Board of Aeronautics, having served on that Board for 12 years, 8 of which were as its Chairman.

I am appearing as a proponent of this bill (HB 776) but will ask you to make a few changes in it.

First, the bill retains the Aeronautics Board with the same general makeup as previously with two exceptions. These are in the representative from the Montana Chamber of Commerce (Page 6, Lines 14 and 15) where the words representing aviation have been added. The next line states that the representative of the Montana League of Cities and Towns has to represent airport operators. This amendment made by the House Committee is overly restrictive inasmuch as the only facets which can qualify are the airlines and the fixed base operators, both of which are already represented by statute. I would like to ask you to amend these additions out of the bill.

The reason for asking this is that the Board, and previously the Commission, has functioned effectively in Montana for over 38 years with the same general makeup. I feel that the representation on the Board gives each facet of the aviation community a fair and equal say in the affairs of the Board.

Second, I would like to see this committee amend back into the bill the sections stricken out by the House Committee which reference the Board's authority to regulate INTRASTATE carriers. This would mean retaining the Board with its quasi-judicial functions and would provide for regulation of air carriers operating wholly within the state of Montana by the Board. The CAB does not regulate these types of operators and I feel this authority should be retained somewhere within State government.

In the language of the House Bill, the factors to be considered by the Board are: the business experience of the particular air carrier in the field of air operations, the financial stability of the carrier, the insurance coverage of the carrier, the type of aircraft which the carrier would employ, proposed routes and minimum schedules to be established, whether the carrier could economically give adequate service to the communities involved, the need for the service, and any other factors which may affect the public interest.

These sections were stricken from the bill by the House Committee, and I feel they should be replaced. It would insure the residents of this State that any carrier who purports to run a scheduled service in Montana would have to undergo some sort of minimal scrutiny before starting to operate.

The cost of this is small for the proposed operator, since it is set by statute at \$150. In the past, the Board has been very cooperative with the proposed applicants in scheduling, holding hearings in an expeditious manner, and granting the certificates the same way.

Gentlemen, with that I would ask for your "do pass" approval of this bill with these changes.

Thank you for your consideration, and I would be available for any questions anyone might have.

submitted by: FOREST BOLDS
MT CHAMBER
HB 776

EXHIBIT 4
State Admin
3/8/83

The Montana Chamber of Commerce recommends one of the following options (in order of preference) as an amendment to HB 776:

Page 6, Lines 14 and 15:

Option 1. "(b) one member of the Montana Chamber of Commerce."

Option 2. "(b) one member of the Montana Chamber of Commerce representing aviation."

Option 3. "(b) one member of the Montana Chamber of Commerce representing business aviation."

The House amendment is extremely restrictive in as much as the only facets which will now be able to qualify are the airlines and the fixed base operators. Both of these facets are already specifically represented on Page 6, Lines 22 through 25, and Page 7, Lines 1 through 4.

The Montana Aeronautics Board is quasi-judicial, therefore requiring that one of the seven members, in addition to meeting the defined qualifications, must be an attorney (MCA 2-15-124. (1)). The last two gubernatorial appointments meeting this qualification have been filled by the Montana Chamber of Commerce representative. The manner in which the House amended the bill will preclude this representation coming from the Montana Chamber of Commerce. The Governor needs to have some flexibility in choosing his appointments.

2-15-124. Quasi-judicial boards. If an agency is designated by law as a quasi-judicial board for the purposes of this section, the following requirements apply:

(1) The number of and qualifications of its members are as prescribed by law. In addition to those qualifications, unless otherwise provided by law, at least one member shall be an attorney licensed to practice law in this state.

(2) The governor shall appoint the members. A majority of the members shall be appointed to serve for terms concurrent with the gubernatorial term and until their successors are appointed and qualified. The remaining members shall be appointed to serve for terms ending on the first day of the third January of the succeeding gubernatorial term and until their successors are appointed and qualified. It is the intent of this subsection that the governor appoint a majority of the members of each quasi-judicial board at the beginning of his term and the remaining members in the middle of his term. As used in this subsection, "majority" means the next whole number greater than half.

(3) The appointment of each member is subject to the confirmation of the senate. However, the governor may appoint a member to assume office before the senate meets at its next regular session to consider the appointment. A member so appointed has all the powers of the office upon assuming that office and is a de jure officer, notwithstanding the fact that the senate has not yet confirmed the appointment. If the senate does not confirm the appointment of a member, the governor shall appoint a new member to serve for the remainder of the term.

(4) A vacancy shall be filled in the same manner as regular appointments, and the member appointed to fill a vacancy shall serve for the unexpired term to which he is appointed.

(5) The governor shall designate the chairman. The chairman may make and second motions and vote.

(6) Members may be removed by the governor only for cause.

(7) Unless he is a full-time salaried officer or employee of this state or of a political subdivision of this state, each member is entitled to be paid \$25 for each day in which he is actually and necessarily engaged in the performance of board duties, and he is also entitled to be reimbursed for travel expenses, as provided for in 2-18-501 through 2-18-503, incurred while in the performance of board duties. Members who are full-time salaried officers or employees of this state or of a political subdivision of this state are not entitled to be compensated for their service as members but are entitled to be reimbursed for travel expenses as provided for in 2-18-501 through 2-18-503.

(8) A majority of the membership constitutes a quorum to do business. A favorable vote of at least a majority of all members of a board is required to adopt any resolution, motion, or other decision, unless otherwise provided by law.

History: En. 82A-112 by Sec. 1, Ch. 272, L. 1971; amd. Sec. 12, Ch. 358, L. 1973; amd. Sec. 57, Ch. 439, L. 1975; amd. Sec. 1, Ch. 186, L. 1977; R.C.M. 1947, 82A-112(1), (2)(a), (3) thru (8).

**MONTANA
AIRPORT
MANAGEMENT
ASSOCIATION**

EXHIBIT 5
State Admin
3/8/83

*Hugh R. Kelleher, A.A.E. Executive Secretary
Helena Airport, Helena, Montana 59601*

MARCH 8, 1983

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE: I AM HUGH KELLEHER, EXECUTIVE SECRETARY FOR THE MONTANA AIRPORT MANAGEMENT ASSOCIATION (MAMA), AND AIRPORT MANAGER OF THE HELENA REGIONAL AIRPORT, HELENA.

THE MONTANA AIRPORT MANAGEMENT ASSOCIATION REPRESENTS A MAJORITY OF THE FULL-TIME AND PART-TIME MANAGERS WHO ARE MANAGING ONE OF THE MOST IMPORTANT INDUSTRIES TO MONTANA. MAMA IS COMMITTED TO THEIR COMMUNITIES IN PROVIDING MONTANA WITH THE BEST AIRPORT MANAGEMENT TO OBTAIN THE FINEST AIRPORT FACILITIES. LIKE ANY OTHER PROFESSION, MAMA MEMBERS ARE AFFILIATED WITH THE AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES SO WE CAN BE KEPT FULLY AWARE OF THE LATEST METHODS AND EVENTS IN THE AIRPORT AND AVIATION INDUSTRIES. WE FEEL THAT WE HAVE THE KNOWLEDGE AND ABILITY TO PROVIDE A SERVICE TO THE STATE AS A REPRESENTATIVE OF THE DIVISION OF AERONAUTICS BOARD.

IN HB 776, PAGE 6, LINE 17, WE ARE ASKING THAT IT BE AMENDED TO READ "MONTANA AIRPORT MANAGEMENT ASSOCIATION." IT PRESENTLY STATES "MONTANA AIRPORT OPERATORS." WE FEEL THAT THE WORD "OPERATORS" IS TOO BROAD. THERE ARE MANY DIFFERENT TYPES OF OPERATORS ON AND AROUND AIRPORTS. WE FEEL THAT OTHER ORGANIZATIONS SUCH AS THE MONTANA PILOT'S ASSOCIATION, COMMERCIAL AIRLINE OPERATORS AND THE FIXED BASE

OPERATOR'S ASSOCIATION ARE NOW DESIGNATED TO SIT ON THE DIVISION OF AERONAUTICS BOARD AND WE FEEL THAT AIRPORTS ARE BECOMING SO COMPLEX AND SO IMPORTANT TO MONTANA THAT THE AIRPORTS, MORE SPECIFICALLY MAMA, SHOULD BE A PART OF THE DIVISION OF AERONAUTICS BOARD.

NAME Lt. R. Kelleher BILL No. 776
ADDRESS 1620 Jerome Pl DATE 3/9/83
WHOM DO YOU REPRESENT Mont. Airport Manager A.S.I.
SUPPORT ✓ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

EXHIBIT 6
STATE ADMIN
3/8/83

P. O. Box 1211
Forsyth, Montana 59327
March 7, 1983

Chairman and Committee Members
State Administration Committee
Helena, Montana 59601

RE: HOUSE BILL 776

Mr. Chairman and Committee Members;

Montana Pilots Association is in favor of House Bill 776 in its original
form without amendments.

The state Aeronautics Board in the past has had a makeup that represented a broad cross section of aviation in Montana. This Board has done a commendable job and has been open and fair to all concerned. House Bill 776 with its current amendments could feasibly fill three of the seven Board positions with persons involved in the same segment of aviation, thus reducing the scope of representation of aviation in Montana.

Senators, change in government when needed is desirable, however, change for the sake of change usually falls into the category of bureaucratic bungling. This view is stated from no particular business interest. I represent over 500 Montana tax paying pilots, many of whom fly for business also.

We therefore recommend passage of House Bill 776 without any amendments.

Sincerely,

*Re But Hollister
3/2/83*

Robert Hollister, President
Montana Pilots Association



MONTANA CHAPTER NINETY-NINES, Inc.

EXHIBIT 7
State Admin.
3/8/83

STATEMENT OF DOROTHY K. CURTIS
CHAIRMAN - MONTANA CHAPTER NINETY-NINES, INC.
BEFORE THE SENATE STATE ADMINISTRATION COMMITTEE
REGARDING HB 776
MARCH 8, 1983

The Montana Chapter of Ninety-Nines, the international organization of women pilots, urges your support of the reestablishment of the Board of Aeronautics through HB 776. However, we recommend the following amendments to this bill as it exists in the third reading form from the House.

- 1) Page 1, line 8 - eliminate "...and aircraft..." so that the Board will approve airport and only airport grants and loans.
 - (A) The word "aircraft" was meant to be "airport" on the first reading of the bill. Attempts to correct this error have changed the intent of the loans and grants program.
- 2) Page 6, line 15 - "...whose principal business is aviation;" should be changed to either (1) "...who uses general aviation in their business;" or (2) "...who represents business aviation;"
 - (A) The change in qualifications of the Chamber of Commerce representative was to ensure that one Board member would represent business or corporate aviation, ie. businesses which use aviation. As it now reads, the Chamber representative would be another fixed base operator.
- 3) Page 6, lines 16 and 17 - return the wording to read "...of the municipal league Montana League of Cities and Towns..."
 - (A) It is our understanding that the League of Cities and Towns did not wish to lose their participation on the Board. If they do not object to the exclusion of their name, this need not be changed.
- 4) Page 6, line 17 - change "...airport operators;" to "...airport operators or managers;"
 - (A) This representative, while representing the League of Cities and Towns, should be actively involved in the actual operation/management of a Montana airport.
- 5) Page 14, lines 15 and 16 - eliminate the words "...and aircraft..." from both lines as aircraft loans and grants are a function of neither the Board of Aeronautics nor the Aeronautics Division.

Thank you for your consideration of these amendments.



montana league of cities and towns

HELENA, MONTANA 59601

EXHIBIT 8
State Admin.
3/8/83

May 3; 1982

RECEIVED

MAY -7 1982

MONTANA AERONAUTICS DIVISION
HELENA, MONTANA

Senator Matt Hims1, Chairman
Legislative Audit Committee
State Capitol
Helena, MT 59620

Dear Senator Hims1:

A representative of the Montana League of Cities and Towns has served on the State Aeronautics Board since it was organized in 1945. The League is committed to maintaining this seat on the board as a method of assuring that municipal airports are represented in the development and implementation of policies that affect their interests.

Our representatives on the board have always been airport operators. The current League member is Maurice Sandmeyer, Chairman of the Sidney Airport Authority. The representative for the previous eight years was Bill Merrick, Chairman of the Bozeman Airport Authority.

We are willing, however, to accept a qualification that the League's representative be an airport operator. This has been the case in the past, but we are willing to accept this requirement to assure that our representative is actively involved in the operation of a municipal airport.

The services provided by our city airports to consumers, airlines and general aviation are vitally important in Montana, and the League believes that the representation provided for these interests under the present law should be maintained.

Sincerely,

Alec Hansen
Executive Director, Designate

AH/dw

cc: Ferguson

HOUSE BILL 776

Comments on amendments made in the HOUSE:

1. Page 1, Line 8 and Page 14, Lines 15 & 16: Should only read "AIRPORT". Words "AND AIRCRAFT" should be stricken. The Montana Aeronautics Division does not now nor have they ever made loans for aircraft.

2. Page 6, Line 15: Should read REPRESENTING BUSINESS AVIATION or just REPRESENTING AVIATION.

The House amendment is extremely restrictive in as much as the only facet which can now qualify is the Airlines and the Fixed Base Operators. Both of these facets are already spicifically represented on Page 6, Lines 22 through 25, and Page 7, Lines 1 through 4.

3. Page 6, Lines 16 & 17: The MONTANA LEAGUE OF CITIES AND TOWNS should not have been stricken. The word "MONTANA" on Line 17 is not therefore necessary as it would be on Line 16 and therefore moot.

It should be pointed out that the Montana Aeronautics Board is "QUASI-JUDICIAL and therefore requires that one of the seven members, in addition to meeting the defined qualifications, must be an attorney. Historically the only members who could meet this qualification have been: (1) Montana Pilots Association (P-6, Line 13). (2) Montana Chamber of Commerce ((P-6, Line 14). (3) Montana League of Cities and Towns which was called the Municipal League. (P-6, Lines 16 & 17). The manner in which the House amended the bill will now restrict the attorned requirement to the Montana Pilots Association.



CIVIL AERONAUTICS BOARD

WASHINGTON, D.C. 20428

APR 29 1982

IN REPLY REFER TO: B-93

EXHIBIT 10
State Admin

3/8/83

RECEIVED

MAY -3 1982

MONTANA AERONAUTICS DIVISION
HELENA, MONTANA

Mr. Herb Sammons
Chairman
State of Montana
Aeronautics Board
P. O. Box 5178
Helena, Montana 59604-5178

Dear Mr. Sammons:

John Smith of our California office has advised me of the Montana Aeronautics Board's concern that Capitol Aero, Inc. may be operating scheduled commuter airline service without C.A.B. authority and that their service may be harmful to Big Sky Airlines' operation in Montana.

As you are aware, Capitol Aero is registered as an "air taxi operator" pursuant to Part 298 of the Board's regulations. However, if Capitol Aero intended to operate as a commuter air carrier in interstate air transportation, it would first require a finding of fitness by the Board. Based on the information you submitted and our contact with the carrier, it does not appear that Capitol Aero is engaging in interstate air transportation. Therefore, any requirement to regulate their current commuter status would fall under your state's jurisdiction.

Furthermore, the Board is interested in promoting competition. If a carrier elects to operate at the same points as a subsidized carrier, this agency would not take steps to inhibit this competition.

Thank you for your interest in this matter.

Sincerely,

Hoyte B. Decker, Jr.
Assistant Director For
Operations
Office of Congressional,
Community and Consumer
Affairs

STANDING COMMITTEE REPORT

MARCH 8

19 83

MR. **PRESIDENT**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **HOUSE** Bill No. **763**

Febrega (Manning)

Respectfully report as follows: That **HOUSE** Bill No. **763**

BE CONCURRED IN

~~XXXXXX~~

STANDING COMMITTEE REPORT

MARCH 8

19 83

MR. **PRESIDENT**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **HOUSE** Bill No. **832**

Fabrega (Marbut)

Respectfully report as follows: That **HOUSE** Bill No. **832**

BE CONCURRED IN

XXXXXX
XXXXXX
XXXXXX