

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

March 16, 1983

The forty-eighth meeting of the Senate State Administration Committee was called to order by Senator Pete Story on March 16, 1983 at 10:00 a.m. in room 331 of the State Capitol Building in Helena, Montana.

ROLL CALL: Roll was taken and all members were present except Senator Lee and Senator Tweit.

The meeting was called to hear House Bills 639, 401, 288 and HJR 19.

CONSIDERATION OF HOUSE BILL 401:

"AN ACT AMENDING SECTION 53, TO DELETE THE PROVISION THAT EXCLUDES CASUAL, PERIODIC, OR OCCASIONAL INCOME IN DETERMINING GRANT AMOUNTS FOR PUBLIC ASSISTANCE."

REPRESENTATIVE JENSON, district 45, presented this bill stating that this has been an old law on the books for a long time and it should be changed so they will not run into problems. SRS has to follow federal regulations or they won't receive matching funds or aid to families of dependent children or medicare. To receive matching funds for many of these aids they must follow federal law or the government will refuse to match these funds. There is at least one category that amounts to strictly all income. There are some people that put in aid from the state and if they are refused they go to the county and get it.

PROPOSERS:

JUDITH CARLSON, representing Social and Rehabilitation Services, presented her testimony as EXHIBIT 1.

OPPOSERS: None.

QUESTIONS OF THE COMMITTEE: None.

ACTION ON H.B. 401:

SENATOR HAMMOND MOVED THAT H.B. 401 BE CONCURRED IN.
MOTION PASSED. Senator Hammond will carry the bill.

CONSIDERATION OF HOUSE BILL 288:

"AN ACT REQUIRING THE SECRETARY OF STATE TO PAY OR REIMBURSE COUNTIES FOR THE COST OF MAILING VOTER INFORMATION PAMPHLETS; AMENDING SECTION 13-27-401, MC."

REPRESENTATIVE KADAS, district 95, introduced H.B.288 by saying that the voter information is mailed out at a cost to the county. The purpose of this bill is to move the cost from the county to the state, since the issues are state. Representative Kadas submitted AMENDMENTS, EXHIBIT 2, and stated that it has a fiscal note attached so they may want to send this to Finance and Claims.

PROPOSERS:

BILL ROMINE, representing the Clerk and Recorders, said they are in favor of this bill. He said the clerks could send this out first class. The other alternative to the amendment is to have the secretary of state send them out and not go through the county. Maybe an arrangement would be that the secretary of state would have to get this money. It must come from somewhere. Testimony on EXHIBIT 3.

OPPOSERS:

CLIFF CHRISTIAN, representing the secretary of state's office said that the amendment does help the bill some. They still are having problems with sending 3 or 4 mailings of voter information to the same household. Another serious problem, as far as equity, is why should the smaller counties subsidize the larger ones. The cost will be spread and this proportion of the cost will then be allocated through the taxpayers to the smaller counties. The suggestion that we mail out the voter information was a suggestion of Mr. Romine and I would have to check this out, but we could do it without any additional funding. They would have to have a list of every registered voter. The probability is that it would cost them a minimum of \$75,000. He checked with the county of Missoula and it cost them \$4,000.

QUESTION OF THE COMMITTEE:

SENATOR MARBUT asked where the relief was?

REPRESENTATIVE KADAS said that they are leaving it up to the county commissioners.

The hearing closed on H.B.288.

CONSIDERATION OF HOUSE BILL 639:

"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."

REPRESENTATIVE STEVE WALDRON, district 97, introduced H.B.639 and said that the purpose of this bill is to transfer the functions that are stated in the title of the bill from the Department of Administration to the Department of Commerce. They thought that would be the most logical place to have it since there are a number of functions in there now that would be a companion to this. They find that when you discuss economic development it is difficult to deal with without some discussion of the local communities involved. It also seems logical to have local government functions located in one place. If the block grant programs, for both governments is approved, it will be in the Department of Commerce also.

PROPOSERS:

NANCY LEIFER, representing the Montana Department of Commerce, said that the remarks she was going to make have been fairly well covered and to add that they have been finding the ability for local government to provide a good base for local services is the key concern of businesses in locating or expanding in the community and for those reasons they feel that it would be beneficial to the state to have local government in the Department of Commerce.

DAVID ASHLEY, Department of Administration, stated that the Department of Administration supports this bill.

GEORGE PENDERGAST, Administrator of the Local Government Service Division, state that they support House Bill 639.

OPPOSERS: None.

QUESTIONS OF THE COMMITTEE:

SENATOR TOWE asked why it was put into the Department of Administration in the first place?

SENATOR STORY stated that a few years ago they had a unit mandate to do the same that now is "Build Montana", and this has been going on for 20 years. When reorganization occurred that was the nucleus of the Department of Community Affairs previously called intra-governmental relations. Community Affairs became a junk department with the Indian Coordinator and State Airforce and a number of things in it. He said that they put this into Administration because that is where the auditors were and because their chief function was auditing local government and the smaller one was in State Administration. We thought we would save a few bucks by reducing the number of audits.

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GEORGE PENDERGAST stated that there are three areas that they function in, auditing, accounting and management systems and assistance to local governments. Last session they went from the general fund to the revolving fund and are now on the revolving fund for all the auditing staff.

SENATOR STORY said that their big computer is in Administration and they sent to Administration the one that does the census work. He said that they have passed a bill to take the data processing and put it into the Department of Commerce. He remarked that we will soon have a Department of Community Affairs again.

SENATOR TOWE said that one of the reasons they sent this to Administration was because the overwhelming amount of it was auditing and if the Department of Commerce is really going to help local communities you don't have the auditor doing all the work, because they are mad at him.

GEORGE PENDERGAST stated, that at the risk of taking issues with you in the terms of people getting mad at auditors the point was made and we went to a revolving fund. He said that they work in the market place no like every other private accountant. The government can contract with a public accountant. He said that they have one person that does nothing but answer questions on the telephone.

SENATOR TOWE asked Mr. Pendergast what he did.

GEORGE PENDERGAST stated that the change in automation makes everyone a vendor. They get calls every day for information, put proposals together, handle budgetary and purchasing. There has been someone doing this since the state began in the old state examiners office.

SENATOR TOWE asked Mr. Waldron why it went to administration in the first place.

MR. WALDRON said that there wasn't as much thought put into it as there was in other programs. Mr. Waldron also remarked that a wise administrator uses audits as a tool.

It was remarked that they transferred data processing to the Department of Administration and Information went to the Department of Commerce.

DAVE ASHLEY said it was considered a core activity the Department of Commerce would be doing but since that time Commerce has been involved as a contact place for local government and they have found that you need community development at the

same time with economic development. They have compiled a function already that deals with local communities.

NANCY LIEFER spoke to the changes and stated that they have taken block grant programs and that they are involved a good deal with local communities. The same office has created a hardrock program. She said that they started out with the coal board and since then they have found out there is a great deal of attention on infrastructure. In reference to regulations and facilities, they have been involved in the regulation of Burlington Northern; other areas are in banking and under I-95 trying to take some leadership in helping the economy in the way we use our banking system in the state of Montana.

SENATOR STIMATZ commented on SIBAS and BARS. SIBAS means a computer accounting agency, BARS is Budget, Accounting and Reporting.

The hearing closed on H.B.639.

CONSIDERATION OF HOUSE RESOLUTION NO. 19:

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING ASSIGNMENT OF A SELECT COMMITTEE ON INDIAN AFFAIRS.

REPRESENTATIVE ASAY, District 50, introduced this bill saying that the primary purpose of the committee is to work with the indian tribes of the state, developing attitudes and giving them the feeling of being a part of the government. There has been accomplishments in the past and it has been a responsible committee to run.

PROPOSERS:

SENATOR STEPHENS, District 4, offered an amendment to the bill, EXHIBIT 4, which says if Senate Bill 451 is approved and signed by the governor that the select legislative committee on Indian Affairs be transferred on October 1, 1983 to the Legislative management committee created in SB 451. It won't avoid any conflict and we would not end up with two jurisdictions.

OPPOSERS: None

QUESTIONS OF THE COMMITTEE:

SENATOR TOWE asked how much has this committee really accomplished.

REPRESENTATIVE ASAY said that he would not argue with Senator

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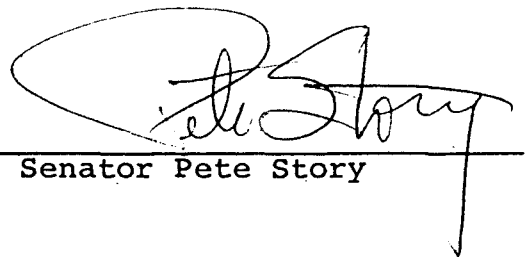
Towe's assessment but they have been making some progress with certain tribes, one being getting the Northern Cheyenne tribe to discuss indian water rights. He said there will be an amendment to the Senate bill by a couple of tribes. He questioned BIA's success.

The hearing closed on HJR 19.

ACTION ON HOUSE JOINT RESOLUTION 19:
SENATOR TOWE MOVED SENATOR STEPHEN'S AMENDMENT.
MOTION PASSED
SENATOR MARBUT MOVED HJR 19 BE CONCURRED IN AS AMENDED.
MOTION PASSED. Senator Marbut will carry the bill.

ACTION ON HOUSE BILL 639:
There was some discussion on the bill.
SENATOR STIMATZ MOVED H.B. 639 BE CONCURRED IN.
MOTION PASSED. Senator Stimatz will carry this bill.

The meeting adjourned at 12:00 noon.

A handwritten signature in cursive script, appearing to read "Pete Story", is written over a horizontal line. The signature is fluid and stylized, with a large loop at the beginning and a long, vertical stroke extending downwards from the end.

CHAIRMAN, Senator Pete Story

ROLL CALL

STATE ADMINISTRATION

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date March 16

----- SENATE SEAT #			
NAME	PRESENT	ABSENT	EXCUSED
SENATOR PETE STORY, Chairman	X		
SENATOR H. W. HAMMOND, Vice Ch	X		
SENATOR REED MARBUT	X		
SENATOR LARRY TVEIT		X	
SENATOR R. MANNING	X		
SENATOR LAWRENCE STILMATZ	X		
SENATOR THOMAS TOWE	X		
SENATOR GARY LEE		X	

Each day attach to minutes.

Testimony on HB 401 - An Act to revise Sec. 53-2-602, MCA, deleting that portion of the law which excludes casual, periodic, or occasional income in determining grant amounts for public assistance.

The portion of the law referred to in this bill was written in 1937 when the federal social security law was just two years old. I do not know why this section was put into state law but now, 46 years later, it is clearly contradictory to federal law. State law says we cannot count casual, periodic, or occasional income as income for purposes of figuring a welfare grant. There are four different federal programs which require us to count such income - but each requires it be counted differently. County general assistance, our 100% county program, is governed by state law but counties make their own regulations regarding eligibility using state guidelines.

We're in a "catch-22." If we follow federal law in counting income, we are sometimes in conflict with the state law. If someone appeals our decision, they have the state law to back them up. Likewise, if we follow state law, we are in conflict with federal law and theoretically ineligible to collect federal reimbursement. In either case, we are subject to having certain cases declared in error by our quality control unit. Each error, or mistake, can cost us dollars in federal reimbursement.

We have had some minor problems with this section already. That is why it was called to our attention. We request your support for this change so that we can carry out the laws consistently.

Judith H. Carlson
Deputy Director, SRS
~~February 11~~, 1983
MARCH 16

KADAS

Amendment to House Bill 288

EXHIBIT 2
State Admin.
3/16/83

Line 15, Page 2

Following: "printer"

Insert: "and shall be mailed in a manner and at a
rate determined by the Secretary of State."

WITNESS STATEMENT

EXHIBIT 3
State Admin.

NAME Bill Ramin BILL No. H.B. 288 3/16/83

ADDRESS Helena DATE 3-16-83

WHOM DO YOU REPRESENT Clerks & Records

SUPPORT X OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: Since the state requires the sending of the voter information pamphlet, and since the issues contained on that pamphlet are of state wide interest, it seems only fair that the state bear the costs involved.

Since the Secretary of state prepares the information on the pamphlet and since it is sent out under his signature, it will appear that his office should be the entity to pay.

Amend HJR 19 (Third Reading Copy) as follows:

EXHIBIT 4
State Admin.
3/16/83

1. Page 3.

Following: line 20

Insert: "BE IT FURTHER RESOLVED, that if Senate Bill 451 is approved and signed by the governor, that the duties of the select legislative committee on Indian affairs be transferred on October 1, 1983, to the legislative management committee created in Senate Bill 451, and the select legislative committee on Indian affairs be dissolved.

STANDING COMMITTEE REPORT

.....MARCH 16..... 19 83.....

MR.PRESIDENT.....

We, your committee onSTATE ADMINISTRATION.....

having had under considerationHOUSE..... Bill No. 401.....

Jensen (Hammond)

Respectfully report as follows: ThatHOUSE..... Bill No. 401.....

BE CONCURRED IN

~~XXXXXX~~

STANDING COMMITTEE REPORT

MARCH 16 1983

PRESIDENT

MR.

STATE ADMINISTRATION

We, your committee on

HOUSE JOINT RESOLUTION

having had under consideration ~~XXXX~~ No. 19

Asay (Marbut)

Respectfully report as follows: That HOUSE JOINT RESOLUTION ~~XXXX~~ No. 19

third reading, be amended as follows:

1. Page 3.

Following: line 20

Insert: "BE IT FURTHER RESOLVED, that if Senate Bill 451 is approved and signed by the governor, that the duties of the select legislative committee on Indian affairs be transferred on October 1, 1983, to the legislative management committee created in Senate Bill 451, and the select legislative committee on Indian affairs be dissolved.

And, as so amended
BE CONCURRED IN

XXXXXX

STANDING COMMITTEE REPORT

MARCH 16 1983

MR. **PRESIDENT**

We, your committee on **STATE ADMINISTRATION**

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

Waldron (Stimatz)

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

BE CONCURRED IN

~~XXXXXXXX~~
~~XXXXXXXX~~