

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

January 17, 1985

The meeting of the State Administration Committee was called to order by Chairman Sales, January 17, 1985 at 9:00 a.m. in Room 317 of the State Capitol.

ROLL CALL: All members present.

CONSIDERATION OF HOUSE BILL NO. 150: Rep. Toni Bergene, District #41, Great Falls, sponsored the bill at the request of the Secretary of State which would allow that office to set their fees by rule. This has always been done by statute. It has been a tedious job to set the fees by statute because there has been little relationship to the cost of filing. There are six filing requirements for documents - the first three filings have been set by rule. Under this bill the last three filings would also be set by rule which would give some consistency and would be more efficient and cost effective. Rep. Bergene told the Committee that Larry Akey and Florence Armogost of the Secretary of State's office were present to answer any questions the Committee might have and she also passed out a Statement of Intent to accompany the bill.

PROPOSERS: Larry Akey, Chief Deputy, Secretary of State, said that they are asking that they be allowed to set the fees by administrative rule for filing of certain documents relating to assumed business names, trademarks nonprofit corporations and Chapter 9 of the UCC. The bulk of the fees are set by rule and there is an inconsistency. People are paying two different fees for the same type of filing. This would allow them flexibility in setting the fees commensurate with the costs of filing. There was a feeling that the Secretary of State would raise its filing fees too high. He pointed out several reasons why he didn't think this would happen. In the case of the business corporations, when the fees were set by administrative rule, the filing fees went down. The Secretary of State is adamant about setting fees commensurate with the costs. They must consult with the county clerks and recorders before the fees are set. There is an inconsistency among filing jurisdictions. A document filed in the courthouse in Missoula County, for example, might pay \$4.00 but in Ravalli County it could be \$6.00 because of the interpretation, while filing it with the Secretary of State would cost \$2.00 so this would also make the filing fees consistent across the state.

There were no further proponents and no opponents present.

DISCUSSION OF HOUSE BILL NO. 150: Rep. Pistoria asked if the purpose of the bill was for the nonprofit organizations such as the Moose, Elks, etc. Mr. Akey said this was true so they are not paying higher filing fees than businesses. This would make it uniform in all counties as there is a great deal of confusion. The new section provides that the fees would be set by administrative

rule and records would be maintained in the Secretary of State's office to support these fees.

In closing, Rep. Bergene said that the county clerk and recorders have had a lot of input in this and said that it would insure consistency as to how these filings are done. These records are open to the public for inspection.

The hearing on House Bill No. 150 was closed.

CONSIDERATION OF HOUSE BILL NO. 143: Rep. Francis Bardanouve, District #16, reviewed the purpose of this bill stating that in the Capitol renovation project there was a miscalculation of over \$3 million and this bill would provide that the Department of Administration would review cost estimates prepared by architects. (See page 1, line 17) In reviewing the capitol renovation figures the figures of early June were used when they could have used the more recent figures of October. These were either ignored or overlooked. They want the architectural and engineering division to review those final cost estimates and see if there are any errors or omissions which would allow possibly a more reasonable figure when they go to bid. It was very embarrassing to have miscalculated over \$3 million.

There were no proponents or opponents present.

DISCUSSION OF HOUSE BILL NO. 143: Rep. Phillips asked Rep. Bardanouve if he was suggesting more of an audit than a review and who would do this. Rep. Bardanouve replied that the Department would do it as they have the professional qualified people to do it. This would be an informal review and there would be no additional personnel required.

There being no further questions from the Committee, the hearing on HB 143 was closed.

While waiting for Rep. Lory to appear as sponsor of HB 146 and 147, the Committee took executive action on HB 98.

DISPOSITION OF HOUSE BILL NO. 98: Lois Menzies explained that the attached proposed amendments had been worked out with all concerned and said that the amendment adopted at the hearing on HB 98 would have required the regents to set a maximum fee. There was confusion as to what was intended. Chairman Sales said they did not intend to set a maximum fee that would apply to all the parking. Fees will be set on each particular parking area. They want the flexibility to have different fees in different areas after consultation with the student governing body.

Rep. Jenkins moved HB 98 DO PASS, seconded by Rep. Fritz. Rep. Jenkins moved ADOPTION OF THE AMENDMENTS TO HB 98, seconded by Rep. Fritz.

In answer to Rep. Pistoria's question, Rep. Fritz said that all students do not have to pay the parking fee. If they don't drive, they don't pay.

Rep. Moore asked if the students have a vote on these proposed fees. Mr. Heikes of Eastern Montana College said that the procedures for each campus may vary according to the needs. If they have a parking structure built it would probably go to a vote, otherwise they would probably just go to the student governing body to raise the fees. Each campus would be different. Rep. Moore asked if there shouldn't be some uniformity throughout the campuses in allowing the students to vote on this.

Monte Koch, Associated Students of the University of Montana, said under this amendment the students would have some recourse to the board of regents. He said he didn't think they needed to have some kind of complex voting procedure under this amendment and said that it was a very workable proposal. Rep. Pistoria asked Mr. Koch if he was entirely sold on this amendment. Mr. Koch replied that there are problems but said this was a solution and he was fairly comfortable with it.

Rep. Jenkins' motion to ADOPT THE PROPOSED AMENDMENTS CARRIED UNANIMOUSLY. The motion DO PASS AS AMENDED, CARRIED 15-3, with Reps. Cody, Pistoria and Moore voting "no".

The Committee resumed the hearing on bills.

CONSIDERATION OF HOUSE BILL NO. 146: Rep. Earl Lory, District #59, explained that this would allow the Dept. of Administration to delegate certain powers and duties to other agencies to supervise construction of state buildings. Some of these other agencies have architects and engineers on their staff and this would eliminate duplication by the Dept. of Administration, Division of Architects and Engineering.

PROPOSERS: Barbara Martin, Staff Researcher for the Governor's Building Council, said this bill also gives the opportunity for administrative flexibility.

Bill Lannan, Board of Regents, said he is a member of the Building Council, along with two people from the State, contractors, architects and suppliers and provided the Committee with a copy of the Report to the Governor of Recommended Improvements to Montana State Construction Laws, Policies and Procedures which is included with these minutes as Exhibit #2. He said this bill would allow the Department of Administration to delegate supervision of construction projects to those agencies that have the expertise to do so. He did not think the Department would indiscriminately delegate these powers to other agencies. The supervisory powers would be authorized on a project by project basis.

Rep. Bardanouve appeared before the Committee saying he was not a violent opponent of this bill but said this is delegating rather broad powers and felt the present system is working well and should be left as it is. Once the powers are delegated it is difficult to bring that power back. He didn't see any crying need for this delegation of powers and that under the present system if something goes wrong they are able to place the blame which they would not be able to do if these powers are delegated elsewhere. He wanted to see it left under the Department of Administration.

DISCUSSION OF HOUSE BILL NO. 146: Rep. Nelson asked if HB 143 is approved if it would affect HB 146 to which Rep. Lory answered it would not.

Rep. Jenkins asked if there would be a drop in employees in the Department of Administration if they delegated these powers to other agencies. Rep. Lory said that not all buildings would be supervised by other agencies and didn't see any increase or decrease in personnel. This would be decided unit by unit.

Mr. Lannan said these supervisory powers would not be delegated for every construction project on the campuses. This is a way for the Department to delegate the supervision if they wish to. Presently the law says it must be handled by the Department of Administration.

Rep. Jenkins asked if other state agencies would be included other than the University system. Mr. Lannan said it would include all state agencies but most of these agencies have staff members that can supervise that kind of construction.

Rep. Harbin asked about the words "reasonably available" on page 2, line 17. Rep. Lory said that is the way the law presently reads.

Mr. Lory closed his presentation of House Bill No. 146.

The hearing was closed on HB 146.

CONSIDERATION OF HOUSE BILL NO. 147: Rep. Earl Lory sponsored this legislation at the request of the Governor's State Building Construction Advisory Council and said that it would increase the level from \$25,000 to \$100,000 that may be constructed without Legislative consent.

PROPOSERS: Bill Lannan, Board of Regents, said this increases the authorization that exists presently in the statutes from \$25,000 to \$100,000 to construct buildings without the consent of the Legislature. Any building project that is going to be done in the state that receives money from the Legislature through the long range building program or are appropriated a budget has already received prior Legislative approval. This would not be projects

that are part of the long range building program. The University system has situations where the money is not appropriated by the Legislature and these are the conditions which they talked about. The Department of Administration would still have the authority to make sure that the construction was done according to the laws of the State of Montana, the drawings and plans would still be reviewed and the architect would still be appointed. The Board of Examiners would still be in charge of letting the bids.

The \$25,000 limit was set by the Legislature in 1963 and during the period from 1963 to 1985 the inflation in the construction industry has been considerable - that \$25,000 has increased to \$100,000. Building projects funded from other sources would not be delayed two years waiting for approval of the Legislature. This would be for funds that are not part of the long range building program.

Neil Bucklew, President of the University of Montana, said this would increase the efficiency of the University system and state government. He said that under the present situation he sometimes has to speculate about items they may need to do in the next two years. It doesn't take much to reach the limit of \$25,000 even in such things as parking lot improvements of expansion.

Ken Heikes, Eastern Montana College, said they still have to go to the Board of Regents to spend any money that have so this is some protection to the student body and the taxpayers of the state.

OPPONENTS: Rep. Francis Bardanouve said it was interesting that only the University people were present - the other agencies were conspicuous by their absence. He said that inflation has not sent the \$25,000 to \$100,000 as Mr. Lannan said but to \$60,000. He said he did not see any evidence that they are in a crisis situation and there has been no demonstrated hardship that they are really being hurt. He said that he felt the University system has been treated fairly.

DISCUSSION OF HOUSE BILL NO. 147: Rep. Hardin asked if Rep. Bardanouve could support HB 146 if HB 147 was not passed. Rep. Bardanouve said he wanted to see it left the way it is now.

Rep. Jenkins asked how many agencies would be affected by this. Rep. Bardanouve said it would cover all departments. Rep. Jenkins said this could then be a multi-million dollar impact. Rep. Bardanouve said that would be so if all agencies came into this. He wanted everyone to come to the Legislature for approval.

There being no further discussion by the Committee, Rep. Lory said in closing, that the University system does have funds that are not appropriated by the Legislature but all other agencies have funds that have been appropriated. He also said that \$100,000 is a reasonable cost figure considering the inflation in the last 20 years.

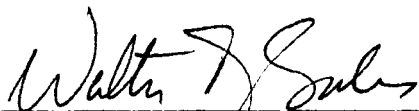
The hearing was closed on HB 147.

The Committee then went into executive session for action on HB 70. Lois Menzies explained the amendment. Chairman Sales said that the amendment does away with sprinkler systems and gives more flexibility to the Department of State Lands in the type of leases they can make. It leaves it up to the Department to decide how much flexibility is going to occur.

Rep. Holliday, chairman of the subcommittee that worked on HB 70 said that everything was in concurrence with all involved and she asked for approval of the Committee.

DISPOSITION OF HOUSE BILL NO. 70: Rep. Phillips moved that HB 70 DO PASS, seconded by Rep. Jenkins. Rep. Phillips moved ADOPTION OF THE AMENDMENTS TO HB 70, seconded by Rep. Peterson. Motion on the ADOPTION OF THE AMENDMENTS CARRIED UNANIMOUSLY. Motion that HB 70 DO PASS AS AMENDED, motion CARRIED UNANIMOUSLY.

There being no further business the Committee adjourned at 10:24 a.m.



WALTER R. SALES, Chairman

(Type in committee members' names and have 50 printed to start).

DAILY ROLL CALL

State Administration COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 4/17/85

NAME	PRESENT	ABSENT	EXCUSED
Chairman Walter Sales	/		
V-Chairman Helen O'Connell	.		
Campbell, Bud	/		
Compton, Duane	.		
Cody, Dorothy	.		
Fritz, Harry	✓		
Garcia, Rodney	.		
Hayne, Harriet	.		
Harbin, Raymond	/		
Holliday, Gay	/		
Jenkins, Loren	/		
Kennerly, Roland	/		
Moore, Janet	/		
Nelson, Richard	/		
Peterson, Mary Lou	/		
Phillips, John	/		
Pistoria, Paul	/		
Smith, Clyde	/		

Please attach to minutes.

WITNESS STATEMENT

Name Neil Bucklen Committee On _____
 Address 1325 Gerald; Missoula Date 1/17/85
 Representing U. of M. Support yes
 Bill No. H.B. 47 Oppose _____
 Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1.

2.

3.

4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

STANDING COMMITTEE REPORT

January 17

85

19.....

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 70

First reading copy (White)
color

REDUCING LEASES OF STATE LANDS WHEN UNDER SPRINKLER IRRIGATION

Respectfully report as follows: That HOUSE Bill No. 70

BE AMENDED AS FOLLOWS:

1) Title, lines 4 through 7.

Strike: "PROVIDING" on line 4 through "IRRIGATION" on line 7

Insert: "GENERALLY REVISING THE RENTAL REQUIREMENTS FOR STATE
AGRICULTURAL LEASES; AUTHORIZING REDUCTION OF CROP SHARE
FOR HIGH PRODUCTION COST METHODS; AUTHORIZING ALTERNATIVE
RENTAL METHODS WHEN IN BEST INTERESTS OF STATE"

2) Title, line 7.

Strike: "SECTIONS"

Insert: "SECTION"

3) Title, lines 7 and 8.

Following: "77-6-501" on line 7

Strike: "AND 77-6-502"

NO PASS

Continued on page 2

JR 1/17/85
STATE PUB. CO.
Helena, Mont.

Chairman.

COMMITTEE SECRETARY

HB 70
State Administration Committee

January 17 85
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4) Page 1, lines 12 and 13.
Following: "leases" on line 12
Strike: "and" through "methods" on line 13.

5) Page 1, line 20.
Following: "beets"
Insert: "or for high production cost methods when these
methods would result in more income to the state"

6) Page 1, line 22.
Following: "(2)"
Strike: "In unusual cases"
Insert: "If it is in the best interests of the state,"

7) Page 1, line 23.
Following: "these"
Strike: "unusual"

8) Page 1, line 25.
Following: "district"
Insert: "under similar circumstances"

9) Page 2, line 1.
Following: "records the"
Strike: "unusual"

10) Page 2, lines 3 through 18.
Strike: subsection (3) and section 2 in their entirety
Insert: "NEW SECTION. Section 2. Extension of authority.
Any existing authority of the board of land commissioners
or department of state lands to make rules on the subject
of the provisions of this act is extended to the provisions
of this act."

AND AS AMENDED,
DO PASS

STANDING COMMITTEE REPORT

January 17

19 95

SPEAKER

MR.

STATE ADMINISTRATION

We, your committee on

HOUSE

having had under consideration Bill No. 98

First

White

reading copy (.....)
color

REMOVE LIMIT ON FEES FOR PARKING ON UNIVERSITY SYSTEM CAMPUSES

Respectfully report as follows: That **HOUSE** Bill No. 98

BE AMENDED AS FOLLOWS:

1) Title, lines 4 and 5.

Following: "TO" on line 4

Strike: "REMOVE" through "LIMITATION ON" on line 5

Insert: "PERMIT A PRESIDENT OF A UNIVERSITY UNIT TO ASSESS"

2) Title, line 5.

Strike: "ASSESSED"

3) Title, lines 5 and 6.

Following: "PARKING ON" on line 5

Strike: "CAMPUSES" through "SYSTEM" on line 6

Insert: "CAMPUS SUBJECT TO THE APPROVAL OF THE BOARD OF REGENTS
AFTER THE REGENTS' CONSULTATION WITH THE RESPECTIVE STUDENT
GOVERNING BODY"

XXXXXX
DO PASS

Continued on page 2

January 17

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State Administration Committee
House Bill 98
Page 2 of 2

4) Page 1, line 14.

Following: "campus"

Insert: "subject to the approval of the regents after the
regents' consultation with the respective student governing
body of the unit"

AND AS AMENDED,
DO PASS

Bill Lannan

Report to the Governor



Governor's State Building Construction Advisory Council
December 1984

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.

Amendments to HB 70 (white copy)

1. Title, lines 4 through 7.
 ← Strike: "PROVIDING" on line 4 through "IRRIGATION" on line 7
 ← INSERT: "GENERALLY REVISING THE RENTAL REQUIREMENTS FOR
 STATE AGRICULTURAL LEASES; AUTHORIZING REDUCTION OF
 CROP SHARE FOR HIGH PRODUCTION COST METHODS;
 AUTHORIZING ALTERNATIVE RENTAL METHODS WHEN IN BEST
 INTERESTS OF STATE"

2. Title, line 7.
 ← Strike: "SECTIONS"
 ← Insert: "SECTION"

3. Title, lines 7 and 8.
 ← Following: "77-6-501" on line 7
 ← Strike: "AND 77-6-502"

4.5 Page 1, line 20.
 ← Following: "beets"
 ← Insert: "or for high production cost methods when these
 methods would result in more income to the state"

6. Page 1, line 22.
 ← Strike: "In unusual cases"
 ← Insert: "If it is in the best interests of the state,"

7. Page 1, line 23.
 ← Strike: "unusual"

8. Page 1, line 25.
 ← Following: "district"
 ← Insert: "under similar circumstances"

9. Page 2, line 1.
 ← Strike: "unusual"

10. Page 2, lines 3 through 18.
 ← Strike: subsection (3) and section 2 in their entirety
 ← Insert: "NEW SECTION. Section 2. Extension of authority.
 Any existing authority of the board of land
 commissioners or department of state lands to make
 rules on the subject of the provisions of this act is
 extended to the provisions of this act."

4. PAGE 1, LINES 12 AND 13.

FOLLOWING: "LEASES" ON LINE 12

STRIKE: "--" THROUGH "METHODS" ON LINE 13

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE RENTAL REQUIREMENTS FOR STATE AGRICULTURAL LEASES; AUTHORIZING REDUCTION OF CROP SHARE FOR HIGH PRODUCTION COST METHODS; AUTHORIZING ALTERNATIVE RENTAL METHODS WHEN IN BEST INTERESTS OF STATE; AMENDING SECTION 77-6-501, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 77-6-501, MCA, is amended to read:

77-6-501. Agricultural leases. (1) As to agricultural lands, all leases shall be continued or made upon a crop share rental basis of not less than one-fourth of the annual crops to the state or the usual landlord's share prevailing in the district, whichever is greater. The board may, however, approve special crop share rentals of less than one-fourth for high production cost crops such as but not limited to potatoes and sugar beets or for high production

cost methods when these methods would result in more income to the state.

The board may
not delegate the authority to approve such special crop share rentals.

(2) ~~In unusual cases;~~

If it is in the best interests of the state,

the department may authorize a lease upon other basis than crop share, but in these ~~unusual~~ cases the rental shall at least equal the value of the usual landlord's share prevailing in the district, and the department shall set forth in the records the ~~unusual~~ conditions of the case and the rental to be charged. "

under
similar
circumstances

NEW SECTION. Section 2. Extension of authority. Any existing authority of the board of land commissioners or department of state lands to make rules on the subject of the provisions of this act is extended to the provisions of this act.

- End -

Amendments to HB 98 (white copy)

1. Title, lines 4 and 5.

Following: "TO" on line 4

Strike: "REMOVE" through "LIMITATION ON" on line 5

Insert: "PERMIT A PRESIDENT OF A UNIVERSITY UNIT TO ASSESS"

2. Title, line 5.

~~Following: "FEES"~~

Strike: "ASSESSED"

3. Title, lines 5 and 6.

Following: "PARKING ON" on line 5

Strike: "CAMPUSES" through "SYSTEM" on line 6

Insert: "CAMPUS SUBJECT TO THE APPROVAL OF THE BOARD OF REGENTS
AFTER THE REGENTS' CONSULTATION WITH THE RESPECTIVE STUDENT
GOVERNING BODY"

4. Page 1, line 14.

Following: "campus"

Insert: "subject to the approval of the regents after the
regents' consultation with the respective student governing
body of the unit"

MISC/ee/HB 98

Ex #1

TESTIMONY - 146

Delegation of Authority

Background

This bill would allow the Department of Administration to delegate any or all of the duties and responsibilities involved in supervision of construction of buildings costing more than \$25,000, and eliminate the requirement for Department of Administration concurrence on projects costing between \$5,000 and \$25,000.

This bill also clarifies the law by eliminating the \$5,000 and \$25,000 cost ceilings and will make this law easier to administer.

Advantages

Allows delegation of supervision of construction duties which could reduce the Department of Administration workload.

The law allows the department to determine conditions of delegation, and therefore to retain control over duties delegated. It also allows some administrative flexibility to insure a more even distribution of duties and a smooth execution of the construction program.

The Department of Administration's responsibility for coordinating and administering the Long Range Building Program is not affected.

STATEMENT OF INTENT

House Bill No. 150

A statement of intent is required for this bill because sections 1 through 3 and 7 grant the secretary of state authority to establish fees for filing documents and issuing certificates required by Title 30, chapter 9; Title 30, chapter 13, parts 2 and 3; and Title 35, chapter 2. The documents and certificates for which filing fees may be charged under those rules include those specifically mentioned in sections 30-9-403, 30-13-217, 30-13-311, 30-13-313, 30-13-315, and 35-2-1001, MCA, prior to amendment by this bill, and any others required under Title 30, chapter 9; Title 30, chapter 13, parts 2 and 3; and Title 35, chapter 2. These rules must allow the filing and billing for filing fees to be accomplished by mail.

Sections 1 through 3 and 7 require fees to be commensurate with costs. This means reasonably related to the costs of processing the documents.