

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
49th LEGISLATURE SPECIAL SESSION III
HOUSE OF REPRESENTATIVES

June 18, 1986

The meeting of the State Administration Committee was called to order by Chairman Sales on June 18, 1986, at 9:30 a.m. in Room 317 of the State Capitol.

ROLL CALL: All members were present.

CONSIDERATION OF HOUSE BILL NO. 13: Rep. John Patterson, District 97, presented HB 13 to the Committee and explained how the bill would affect the various elected and appointed state officials, that being a 10% cut in pay for fiscal year 1987 and following years. He explained that the situation, financially, is pretty grim in the rural areas and felt the state elected and appointed officials should show some empathy for all people of the state by taking a cut in pay. The savings that would be generated from this bill would amount to approximately \$200,000; not a great deal of money but there are not a great many people that would be affected by the bill. This is not necessarily a permanent reduction and could be looked at again in January if the fiscal situation should change.

PROPOSERS: There were no proponents appearing on the bill.

OPPOSERS: Bob Randall, Chairman of the State Tax Appeals Board, told the Committee that it was not easy to talk about his own salary. He said he did realize the plight of the agricultural sector but he wanted to point out to the Committee that last session the salaries of the Tax Appeals Board was addressed by the Legislature. These salaries were felt to be out of line and they did receive an increase which was kind of "catch up" to bring them in line with other salaries. He said they had been underpaid.

Phil Campbell, Montana Education Association, said they did not represent anyone in this bill but was in opposition to cutting salaries of elected officials. He felt they should have salaries that would attract well qualified people for the positions.

DISCUSSION OF HOUSE BILL NO. 13: Rep. Pistoria questioned Rep. Patterson if he was a farmer, to which Rep. Patterson replied he was a rancher. Rep. Pistoria asked if he thought he could survive without the Federal Farm Program. Rep. Patterson said he was a cow-calf operator and was not covered under any farm program and therefore did not receive any subsidies, state or otherwise.

Rep. Nelson said that in view that HB 3 was given a Do Pass in this Committee and that HB 13 would duplicate that action, he moved to amend HB 13, page 2, line 12 through line 18 on page 3

by deleting that language. Chairman Sales said that this bill would be an additional 10% cut over what HB 3 contained. It does read differently and probably should remain in the bill.

Rep. O'Connell stated that there would be additional bills coming to this Committee that would be dealing with similar subjects and felt that this bill should be delayed until all bills have been heard by this Committee. Rep. Nelson agreed with Rep. O'Connell but wanted to know how that would affect HB 3 which is scheduled for 2nd Reading on June 18.

Rep. Jenkins asked Mr. Randall why he felt they should be exempt from this bill. Mr. Randall said their salaries are out of line and quoted the salaries of bureau chief, attorneys, and administrators. Rep. Jenkins asked if these other employees were cut if he would go along with a cut for the Tax Appeals Board. He said their salaries were quite a ways out of line and they were given an extra increase but they had still not caught up.

Rep. Holliday stated that most of the cuts suggested have either been a freeze or 5% and asked Rep. Patterson what his rationale was for 10%. Rep. Patterson said it was simply for ease of calculating but had no objections to the Committee amending the bill to a different percentage.

Chairman Sales questioned Rep. Patterson about the new Section 5 on page 5 and how it would affect such persons as head of board of investments, board of regents. They are not members of any union so they have no one to negotiate for them. He asked about the increase for Mr. Tietz at MSU - would this affect the new salary or his old salary.

Lois Menzies, Staff Researcher from Legislative Council, said that they could not cut salaries for people who have been promised raises and that if there is a contract it is prohibited by the Constitution. She had an amendment prepared that would exempt them from the bill.

Chairman Sales asked Rep. Patterson if he would prefer the amendment to be included in the bill if it goes out of Committee or without the amendment and it could then be added on the floor if necessary.

There being no further questions, Rep. Patterson closed his presentation saying that some of the cuts would amount to \$5,0000 and some people on general assistance don't even receive that much. This would be a temporary cut and could be changed, however, the revenue estimates are lower than everyone thought they would be.

EXECUTIVE ACTION:

Rep. Pistoria said that he did not want to make the decision or amend the bill at this time until the other bills have been heard and MOVED TO TABLE the bill until all other bills have been considered by the Committee.

Rep. Jenkins asked if, in light of Rep. Pistoria's motion receiving no second, if he could move to AMEND THE BILL on page 5, line 12 by adding a new section (copy of amendment attached to the minutes), seconded by Rep. Janet Moore. Motion CARRIED 17-1 adopting the amendment.

Rep. Pistoria again moved to TABLE THE BILL until all other bills have been considered, seconded by Rep. O'Connell.

Rep. Phillips said that he was inclined to go along with Rep. Pistoria as there had been other bills dropped in the hopper, especially one by Rep. Rehberg. Chairman Sales said it would be at least Friday, June 20th before that bill would be in Committee but HB 16 and 17 are scheduled for June 19, 1986.

Rep. Nelson wanted to know what would happen to HB 3 if this bill is tabled in Committee. Chairman Sales told him that it would not affect HB 3. Rep. O'Connell asked if one of the members could ask that HB 3 be taken from 2nd reading and returned to Committee. Rep. Cody said that the two bills are two different things completely. HB 3 covers only legislators, HB 13 covers additional employees.

Rep. Phillips said that the Committee should clear up the question of Rep. Pistoria's motion - does the table motion mean to kill the bill in Committee or simply to delay action on the bill?

Rep. Pistoria restated the motion to read DELAY ACTION until all corresponding bills have been heard by this Committee, seconded by Rep. Nelson.

Chairman Sales told the Committee that he assumed this motion was going to pass and asked that the Committee members that have questions or suggestions to work with Rep. Patterson and also study the other bills assigned to the Committee so they will be ready for executive action on them when they are heard.

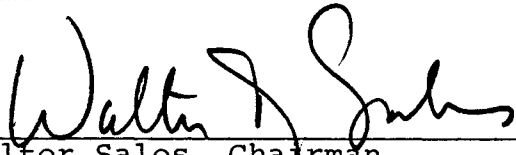
The motion CARRIED on a voice vote with Chairman Sales and Rep. Jenkins voting "no".

Rep. O'Connell was still concerned about HB 3 being on 2nd Reading on this date. Rep. Harbin said if HB 3 passes in its present form it would have no bearing on HB 13. House Bill 13

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would be in addition to that.

The meeting adjourned at 10:10 a.m.



Walter Sales, Chairman

DAILY ROLL CALL

STATE ADMINISTRATION

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 6-18-86

NAME	PRESENT	ABSENT	EXCUSED
SALES, Chairman	/		
O'CONNELL	/		
CAMPBELL	/		
CODY	/		
COMPTON	/		
GARCIA	/		
HARBIN	/		
HAYNE	/		
HOLLIDAY	/		
JENKINS	/		
KENNERLY	/		
MOORE	/		
NELSON	/		
PETERSON	/		
PHILLIPS	/		
PISTORIA	/		
SMITH	/		
VELEBER	/		

ROLL CALL VOTE
STATE ADMINISTRATION

COMMITTEE _____

DATE June 18, 1986 BILL NO. HB 13 NUMBER _____

NAME	AYE	NAY
SALES, Chairman		X
O'CONNELL	X	
CAMPBELL	X	
CODY	X	
COMPTON	X	
GARCIA	X	
HARBIN	X	
HAYNE	X	
HOLLIDAY	X	
JENKINS	X	
KENNERLY	X	
MOORE	X	
NELSON	X	
PETERSON	X	
PHILLIPS	X	
PISTORIA	X	
SMITH	X	
VELEBER	X	

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Secretary

Chairman

MOTION: Jenkins moved to amend the bill on page 5, line 12 by
adding new section. (Copy of amendment attached)

PROPOSED AMENDMENT TO HOUSE BILL NO. 13 (PATTERSON)

1. Page 5.

Following: line 12

Insert: "NEW SECTION. Section 6. Saving clause. This act
does not affect rights and duties that matured,
penalties that were incurred, or proceedings that were
begun before the effective date of this act."

Renumber: subsequent section

MENZ1/6169a

VISITORS' REGISTER

STATE ADMINISTRATION

COMMITTEE

BILL NO.

H.B. 13

DATE _____

6-18-86

SPONSOR

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.