

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

January 14, 1987

The fifth meeting of the State Administration Committee was called to order by Vice-Chairman William Farrell on January 14, 1987 at 10:00 a.m. in Room 331 of the State Capitol.

ROLL CALL: All committee members were present. Senator Haffey was delayed while presenting a bill in another committee.

The hearing opened on Senate Bill 72.

CONSIDERATION OF SENATE BILL 72: Senator Matt Himsl, Senate District 3, Kalispell, is the sponsor of SB 72 which is entitled, "AN ACT TO EXTEND THE APPLICATION OF THE BOND VALIDATING ACT; AMENDING SECTION 17-5-205; MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE." This bill was at the request of the Department of Administration which he explained is a biennial piece of legislation extending the application of the Bond Validation Act by amending the law to cover bonds and proceedings taken prior to the immediate effective date of this act. The bill would extend the validation of those bonds issued by a public body and all proceedings taken for the authorization and issuance of such bonds. (Exhibit 1)

PROPOSERS: Marvin Eicholtz, from the Department of Administration spoke in support of the bill.

OPPOSERS: There were none.

QUESTIONS ON SENATE BILL 72: There were none. Senator Himsl then closed on SB 72.

CONSIDERATION OF SENATE BILL 67: The hearing opened on Senate Bill 67 which was sponsored by Senator Delwyn Gage, Senate District 5, Cutbank. This bill was an act entitled, "AN ACT PROHIBITING A STATE EMPLOYEE FROM TESTIFYING ON A BILL BEFORE A LEGISLATIVE COMMITTEE EXCEPT UNDER CERTAIN CIRCUMSTANCES." He stated this bill came about over controversy as a result of having state employees testify at hearings. He stated he felt the public felt this should not be a function of the state employees unless they do this on their own time. He stated it was not to limit their rights to freedom of speech. If the governor wishes them to testify and lobby, Senator Gage felt this should be put into the executive budget so it would be easier to keep track of how much the lobbying efforts cost. He noted examples of employees testifying on bills he felt would be beneficial to the people of the state and then having an employee testify about the objections they had to the bill and in many cases this would tear down his efforts and kill the proposed legislation. He stated there is another larger bill concerning this same area in the works. He felt it might just be a message to the employees in government and was not concerned about the constitutionality of it because they could still come in if they were asked to testify. Line 10 of the bill excludes

those who are testifying concerning budget matters.

PROPOSERS: There were no proponents. A letter in support was submitted after the meeting from Betty Swift. (Exhibit 2)

OPPOSERS: There were none.

QUESTIONS ON SENATE BILL 67: Senator Lynch wondered if the way the bill is worded would cause even more people to come and testify. Senator Gage felt this would not occur. Senator Hofman wondered how many people were in support of this measure and Senator Gage stated it was just people he had talked with in the halls who were state employees who were in support of this measure. Senator Hirsch wondered if the permission to testify just had to be oral and Senator Gage stated he would not want it to be any more involved than that. Senator Rasmussen wondered if Senator Gage felt there was some coercion on the part of different agencies requesting that their employees be here testifying. He felt this type of legislation would be hard to enforce. Senator Haffey wondered what type of abuses had existed that caused this bill to be presented and Senator Gage stated it arose from a concern of the public that department people are coming in and supporting or opposing bills solely because of the effect it would have on their departments and not necessarily on what it would do for the rest of the people in the state. Senator Haffey wondered what was different from having a lobbyist testifying. Senator Gage stated it would not prevent them from being here for technical explanations but that lobbyists are being paid for their efforts by a profit making organization and the state employees are tax supported people who in many instances are testifying against areas that the public might want to be reducing taxes in. Senator Haffey noted this might work both ways and that sometimes they are the most knowledgeable on a subject being discussed. By this legislation, he felt we would be forcing the state employees not to inform the legislators unless the legislator himself had noticed something and had requested their presence. He felt this would be an additional burden on the legislators. Senator Lynch felt it would just delay the process because it is helpful to have them there to answer questions when called upon. Senator Gage felt they would be present at hearings that affected them anyway.

Senator Gage CLOSED by stating he felt it would take off some of the pressure on a state employee regarding testifying. The hearing was closed on Senate Bill 67.

EXECUTIVE ACTION ON SENATE BILL 72: Senator Lynch MOVED that SENATE BILL 72 DO PASS. Senator Harding seconded. The motion carried unanimously.

EXECUTIVE ACTION ON SENATE BILL 67: Senator Lynch MOVED that SENATE BILL 67 DO NOT PASS. He felt the bill would not accomplish anything except to make it more difficult for legislators to get information and delay the whole process. Senator Rasmussen seconded the motion. Senator Harding felt the bill had some merit because it was representative of the feelings of the people of the state. Senator Hofman agreed with Senator Harding that it was a worthwhile bill. Senator Anderson commented that normally state employees do not make a practice of testifying unless asked for technical assistance and he felt it was within their rights of the constitution to be present anyway. Senator Haffey noted also that he felt there might be delays in getting information with this measure. Senator Hirsch noted the experiences Senator Gage had encountered were probably more evident at budget hearings than at other types of hearings. Senator Farrell related experiences of heavy lobbying efforts on behalf of the state employees in the hallways outside committee rooms and felt the message had already been sent through the rules committee sending a letter to all department heads advising them it is fine to testify as a private citizen but to hold down on lobbying efforts. On a vote of the motion that the bill DO NOT PASS, seven members voted yes and Senator Harding, Senator Vaughn and Senator Hofman voted no. The motion carried.

The meeting was adjourned at 10:40 a.m.

cd



SENATOR JACK HAFFEY, Chairman

ROLL CALL

SENATE STATE ADMINISTRATION COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 1/14/87

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACK HAFHEY	X		
SENATOR WILLIAM FARRELL	X		
SENATOR LES HIRSCH	X		
SENATOR JOHN ANDERSON	X		
SENATOR J. D. LYNCH	X		
SENATOR ETHEL HARDING	X		
SENATOR ELEANOR VAUGHN	X		
SENATOR SAM HOFMAN	X		
SENATOR HUBERT ABRAMS	X		
SENATOR TOM RASMUSSEN	X		

Each day attach to minutes.

DATE JANUARY 14, 1987

COMMITTEE ON SENATE STATE ADMINISTRATION

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppos
MARVIN FICHOZT	DEPT OF ADMINISTRATION	SB 72	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Ed. D.</i>	<i>Senate</i>	<i>SB 67</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Sharon Allen</i>	<i>CCMA</i>	<i>SB 67</i>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Correa	Agriculture Res. Assoc.	SB 67	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Bert Swift</i>	<i>Helena - concerned citizens</i>	SB 67	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEBORAH SCALES	MT. LIB. ASSOC.	SB 67	<input type="checkbox"/>	<input type="checkbox"/>

(Please leave prepared statement with Secretary)

1
1-14-87
SB 72
Senator Himsel

Senate Bill # 72

Bond Validating Act

Senate Bill # 72 is a traditional biennial piece of proposed legislation extending the application of the Bond Validation Act by amending the law to cover bonds and proceedings taken prior to the immediate effective date of this act.

What this bill does is continue or extend the validation, ratification, approval, and confirmation of all bonds issued by any public body and all proceedings taken for the authorization and issuance of such bonds.

The act protects the bondholders from any challenge of validity for any defects or irregularities in the construction, marketing, or delivery of the bonds. That the bonds of such public bodies under the authority of such proceedings are binding, legal, valid and enforceable obligations of such public body.

I am sponsoring this legislation at the request of the Department of Administration and as a member of the Capital Finance Advisory Council respectfully urge your favorable consideration.

SENATE STATE ADMIN.

EXHIBIT NO. 2

DATE 1-14-87

BILL NO. SB 67

Jan. 14, 1987

Ref: Testimony SB 67

My name is Betty Swift and I'm here today on my own behalf, as a concerned taxpayer of Montana. I speak in support of SB 67.

It is my understanding that near 40% of those here to lobby the Legislature and give testimony at various hearings, represent some branch of our State and Local Governments in Montana. If they are here to truly represent the best interest of our State and its citizens, then I have no objection. But if they are here for individual gain, on government time and at government expense, then I feel they are doing a grave injustice to Montana taxpayers, by using their (our) money for Government to lobby Government. I believe this to be a direct conflict of interest.

I feel this matter should be fully looked into, determining how many of our tax dollars are being expended in an improper way-----for personal gain rather than benefiting our State.

The newspapers have been making a big issue over the wasted tax dollars spend by state officials making personal phone calls at gov't expense. I think this may prove to be but a drop in the bucket when it is determined how many dollars are wasted thru government "special interest" (individual interest) lobbying activities.

*Betty Swift
900 Broadway
Helena*

STANDING COMMITTEE REPORT

JANUARY 14

87

..... 19.....

MR. PRESIDENT

SENATE STATE ADMINISTRATION

We, your committee on

SENATE BILL

72

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

first

reading copy (white)
color

BOND VALIDATING ACT

SENATE BILL

72

Respectfully report as follows: That..... No.....

DO PASS

~~DO NOT PASS~~

J. Haffey
SENATOR JACK HAFFEY.....

Chairman.

STANDING COMMITTEE REPORT

JANUARY 14

87

19.....

MR. PRESIDENT

We, your committee on..... **SENATE STATE ADMINISTRATION**

having had under consideration..... **SENATE BILL** No. **67**

first reading copy (**white**)
color

PROHIBITING STATE EMPLOYEE TESTIMONY ON BILLS EXCEPT IN CERTAIN CASES

SENATE BILL **67**

Respectfully report as follows: That..... No.....

~~XXXXX~~
DO PASS

~~DO NOT PASS~~

SENATOR JACK HAFPEY

Chairman.