

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By Chairman Jan Brown, on March 20, 1989, at
10:30 a.m.

ROLL CALL

Members Present: All present, except:

Members Excused: Reps. O'Connell, Gervais, Squires, Westlake,
Campbell, Compton, DeBruycker and Phillips.

Members Absent: None

Staff Present: Judy Burggraff, Secretary; Connie Erickson, Staff
Researcher

HEARING ON HJR 35

Presentation and Opening Statement by Sponsor: Rep. Norm Wallin,
House District 78, Gallatin County, introduced the
resolution encouraging relations with, and in support for,
the Republic of China and presented written testimony
(Exhibit 1).

Testifying Proponents and Who They Represent:

Robert A. Ellerd, Governor's Office

Jo Brunner, Self

Proponent Testimony:

ROBERT A. ELLERD, representing the Governor's Office and himself, said that the Governor believes in this resolution and asks for the Committee's favorable consideration. Mr. Ellerd said that he had the privilege two years ago of going to Taiwan as a guest of their government for one week. He said that he was greatly impressed and never treated nicer in his life. He also traveled in mainland China and said that the difference between the two "would make you cry." The Taiwanese have their freedom since they broke away from the Chinese mainland and are still under stress and pressures, but they are working hard to develop their country, and he feels they will continue to work hard over the years to be very successful. The island is clean. They think "the world of the American people." Mr. Ellerd believes that the United States should have representation in Taiwan.

JOEL BRUNNER said she sits on the Montana Growth for Agriculture Development Council. She said that while she does sit on the Council, she is speaking for herself as an individual member today. The Council is constantly informed on the happenings in the Far East. A portion of the financing for the Japanese office comes through the funding for the Council. Consequently, she said, we are well aware of what goes on in the Far East. Ms. Brunner said she supports this resolution. She participated, in some extent, in last summer's tour of the Taiwanese in Montana. She said she was very impressed with their eagerness to include Montana in their itinerary, which was added at their request after going to other states.

Proponents Who Wished To Be Listed But Did Not Testify:

Rep. Roth

Rep. Hayne

Testifying Opponents and Who They Represent: None

Questions From Committee Members:

REP. WHALEN said that the resolution shows that copies of the resolution will be sent to the President of the United States and the House of Representatives. He asked if a copy shouldn't be sent to the head of the government of Taiwan. Sen. Wallin said that a copy will be furnished and the resolution does not have to be amended.

Closing by Sponsor: Rep. Wallin said that he also has the endorsement of the following people that couldn't be at the hearing: Tom Staples of the Montana International Trade Commission, who said to tell the Committee it would be "such a great help to indicate that Taiwan has the support from the United States." Moe Wosepka, from the Department of Agriculture, who is meeting with some people from Taiwan today regarding the prospect of starting a meat packing plant in Montana, also is in favor of HJR 35. Rep. Wallin said that the over 20 million people from Taiwan are wonderful people making it a big market. He said, "We are in a fight for their trade as they do like western clothes and other items." He urged the Committee's support.

Rep. Wallin presented the Committee with chopsticks that were made in Taiwan as a souvenir of the meeting, compliments of Wongs' restaurant in Bozeman.

DISPOSITION OF HJR 35

Motion: REP. ROTH moved HJR 35 DO PASS.


Discussion: None

Amendments, Discussion, and Votes: CHAIRMAN BROWN said Connie Erickson had informed her that there will be a technical amendment made to add "e" in the word House in the title of the bill.

Recommendation and Vote: The motion CARRIED unanimously.

ADJOURNMENT

Adjournment At: 11:13 a.m.


REP. JAN BROWN, Chairman

JB/jb

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DAILY ROLL CALL

STATE ADMINISTRATION COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date March 20, 1989

NAME	PRESENT	ABSENT	EXCUSED
Rep. Jan Brown, Chairman	✓		
Rep. Helen O'Connell, Vice Ch.			✓
Rep. Vicki Cocchiarella	✓		
Rep. Ervin Davis	✓		
Rep. Floyd "Bob" Gervais			✓
Rep. Janet Moore	✓		
Rep. Angela Russell	✓		
Rep. Carolyn Squires			✓
Rep. Vernon Westlake			✓
Rep. Timothy Whalen	✓		
Rep. Bud Campbell			✓
Rep. Duane Compton			✓
Rep. Roger DeBruycker			✓
Rep. Harriet Hayne	✓		
Rep. Richard Nelson	✓		
Rep. John Phillips			✓
Rep. Rande Roth	✓		
Rep. Wilbur Spring, Jr.	✓		

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STANDING COMMITTEE REPORT

March 20, 1989

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Mr. Speaker: We, the committee on State Administration report that HOUSE JOINT RESOLUTION 35 (first reading copy -- white) do pass .

Signed: *Jan Brown*
Jan Brown, Chairman

3/20/89

EXHIBIT 1

DATE 3-20-89

~~BB~~ HSR 35

TESTIMONY - HJR-35

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE:

I WOULD LIKE THIS MORNING TO GIVE YOU A LITTLE BACKGROUND ON THIS RESOLUTION AND THE REASON FOR IT BECAUSE I FEEL IT IS VERY IMPORTANT THAT WE ADOPT IT.

OUR RELATIONSHIP WITH TAIWAN GOES BACK A LONG WAYS AND HAS BEEN EXTREMELY PLEASANT AND PRODUCTIVE. THE PORTUGUESE DISCOVERED THE ISLAND WHICH THEY CALLED ILHA FORMOSA WHICH, IN THAT LANGUAGE MEANS "BEAUTIFUL ISLAND." IT IS LOCATED 90 MILES OFF THE COAST OF MAINLAND CHINA AND IS A PROVINCE OF CHINA. IT STILL CONSIDERS ITSELF AS ONE OF THE PROVINCES OF CHINA WITH THE LEGITIMATE SEAT OF GOVERNMENT LOCATED ON THE ISLAND.

LESS THAN ONE-HALF MILLION PEOPLE LIVED ON FORMOSA PRIOR TO WORLD WAR II. WHEN JAPAN MOVED INTO CHINA DURING THE WAR, MANY CHINESE FLED TO THE ISLAND OF FORMOSA -- ABOUT 1 1/2 MILLION OF THEM.

IN 1945, THE NATIONALIST GOVERNMENT UNDER CHIANG KAI CHEK MOVED THE GOVERNMENT HEAD AND THE REMNANT OF HIS ARMY TO FORMOSA. THEY CHANGED THE NAME OF THE ISLAND TO A CHINESE NAME WHICH WE NOW KNOW AS TAIWAN.

IT IS STILL THE SEAT OF GOVERNMENT OF NATIONALIST CHINA WITH THE CAPITAL LOCATED IN TAIPEI AND THE PROVINCIAL CAPITAL IS LOCATED TO THE SOUTH ABOUT 75 MILES FROM TAIPEI.

BECAUSE JAPAN WAS A COMMON ENEMY OF CHINA AND THE U.S.A., WE BECAME CLOSELY ALLIED WITH THE NATIONALIST GOVERNMENT AND GENERAL CHIANG KAI CHEK. WHEN THE PEACE TREATY WAS SIGNED ENDING WORLD WAR II WITH JAPAN, THE NATIONALIST GOVERNMENT OF GENERAL CHIANG KAI CHEK WAS A PARTY TO THE SIGNATORY.

WE CONTINUED TO RECOGNIZE TAIWAN AS THE OFFICIAL CHINESE GOVERNMENT OF CHINA UNTIL PRESIDENT CARTER DECIDED TO MAKE THE PEOPLES REPUBLIC OF CHINA THE OFFICIAL GOVERNMENT OF THE CHINESE INSTEAD OF THE REPUBLIC OF CHINA. IN THAT PROCESS, WE NO LONGER HAVE AN AMBASSADOR LOCATED IN TAIWAN. THIS WAS UNFORTUNATE BECAUSE OF OUR LONG-STANDING FRIENDSHIP AND ASSISTANCE DURING THE WAR. THAT FRIENDSHIP STILL SHOWS IN THE FACT THAT MADAME CHIANG KAI CHEK RESIDES IN THIS COUNTRY AND HAS FOR MANY, MANY YEARS.

NOW, AFTER MORE THAN 40 YEARS OF A FRIENDLY DEMOCRATIC GOVERNMENT IN TAIWAN, WE REALIZE THAT THE REPUBLIC OF CHINA (TAIWAN) HAS BECOME EXCEEDINGLY IMPORTANT FOR U.S. TRADE. IN FACT, IT IS AMERICA'S SIXTH LARGEST TRADING PARTNER WITH THE BEIJING GOVERNMENT BEING #20. THE TAIWANESE HAVE A FAVORABLE TRADE BALANCE WITH US OF MORE THAN \$10 BILLION.

IN 1985, IT WAS MY PLEASURE TO ACCOMPANY GOVERNOR SCHWINDEN TO TAIWAN FOR THE SIGNING OF A SISTER-STATE AGREEMENT WHICH WAS INITIATED HERE IN THE MONTANA LEGISLATURE THAT YEAR. THAT WAS A FIRST STEP TOWARD ACCOMPLISHING WHAT WE ARE ASKING FOR TODAY.

ON THAT TRIP, WE OBSERVED THE LIFE OF THE PEOPLE OF TAIWAN AND WERE IMMENSELY IMPRESSED WITH THEIR WORK HABITS, THE CLEANLINESS OF THE COUNTRY, AND THE INDUSTRIALIZATION GOING ON. WE VISITED A STEEL MILL WHICH EMPLOYES MODERN TECHNOLOGIES AND A SHIPYARD, SO EFFICIENT THAT IT BUILDS SHIPS FOR ALMOST EVERY COUNTRY THAT HAS MERCHANT FLEETS ON THE OCEAN. WE LEARNED THAT EVERYONE WORKS IN TAIWAN. THERE ARE NO UNEMPLOYED. THERE IS NO UNEMPLOYMENT INSURANCE FUND. THE ELDERLY ARE TAKEN CARE OF BY THEIR CHILDREN. THE ADVANTAGE THAT THE TAIWANESE HAVE IN THE COMPETITIVE INTERNATIONAL MARKET IS THAT THEIR LABOR COSTS ARE MUCH LOWER THAN OURS OR JAPAN'S.

WITH THE EAGERNESS TAIWAN HAS EVIDENCED TO BECOME WESTERNIZED, ITS MARKET FOR MONTANA GRAINS AND BEEF HAVE GROWN. OTHER NATIONS AND OTHER AMERICAN STATES ARE AWARE OF THIS MARKET OF OVER 20 MILLION PEOPLE.

IN 1985, MONTANA SIGNED THAT SISTER-STATE RELATIONSHIP TO ENCOURAGE MORE TRADE AND THIS RESOLUTION ENHANCES OUR PURPOSE. THERE ARE 23 AMERICAN STATES THAT HAVE SIGNED RESOLUTIONS QUITE SIMILAR TO HJR-35. TWO OF THOSE THAT I SAW BEFORE PREPARING THIS RESOLUTION INCLUDED WORDING THAT PROVIDED FOR MUTUAL DEFENSE. THIS RESOLUTION DOES NOT.

THIS RESOLUTION DOES NOT REVERSE AMERICA'S RECOGNITION OF THE PEOPLES REPUBLIC OF CHINA ON THE MAINLAND. WHAT IT DOES IS TO ENCOURAGE OUR STATE DEPARTMENT TO ALSO RECOGNIZE THE

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REPUBLIC OF CHINA AS A COUNTRY AND ENTITLED TO BE TREATED AS SUCH WITH AN AMERICAN AMBASSADOR RESIDING THERE. THIS RESOLUTION WILL FURTHER ENDEAR THE STATE OF MONTANA TO THE NATIONALIST GOVERNMENT OF THE REPUBLIC OF CHINA.

IT WILL BE A GREAT HELP TO THE PEOPLE WE HAVE IN OUR MONTANA INTERNATIONAL TRADE OFFICE IN TAIPEI WHICH WAS OPENED BY GOVERNOR SCHWINDEN LAST YEAR.

GOVERNOR STEPHENS HAS PLEDGED TO CONTINUE OUR CLOSE ASSOCIATION WITH TAIWAN AND PRIOR TO MY PREPARING TO INTRODUCE THIS LEGISLATION, I VISITED WITH THE GOVERNOR WHO THEN TOLD ME TO INTRODUCE HJR-35.

I WILL APPRECIATE YOUR PASSAGE.

NORM WALLIN
REPRESENTATIVE

NW:BD

STATE ADMINISTRATION COMMITTEE

DATE March 20, 1989

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.