

MINUTES

MONTANA SENATE 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By Chairman William E. Farrell, on January 27, 1989, at 10:00 a.m. in Room 331, Capitol.

ROLL CALL

Members Present: Senator Hubert Abrams, Senator John Anderson, Jr., Senator Esther Bengtson, Senator William Farrell, Senator Ethel Harding, Senator Sam Hofman, Senator Paul Rapp-Svrcek, Senator Tom Rasmussen, Senator Eleanor Vaughn

Members Excused: None

Members Absent: None

Staff Present: Eddy McClure

Announcements:

Chairman Farrell announced there are no bills scheduled for hearing at this meeting, but the Lt. Governor's Office has requested a committee bill and Mr. John Kinna is in attendance to explain why they are requesting this committee bill.

Discussion:

Mr. Kinna indicated that the previous Lt. Governor drew up the proposal for a general revision bill. Mr. Kinna distributed a document to the committee members, a copy of which is attached as Exhibit 1. He indicated they have had some difficulties with individuals, who are not sanctioned, utilizing the Centennial logo, much to the displeasure of those who have gone through the process of sanctioning. He noted this bill would address penalties for this, including who would impose the penalty, and how it would be pursued. Mr. Kinna noted it will also address the sale of Centennial license plates, which could mean a lot of dollars to the counties. He added it has, in fact, already meant a lot of dollars to the Centennial office, as well as the counties, and could mean considerably more. Mr. Kinna noted, however, that he has been told that a lot of people have to ask for a Centennial plate when they go to purchase their license plate, that it is not promoted.

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Mr. Kinna then indicated the proposal also addresses the accounting for monies resulting from the sale of Centennial products. He indicated that, when this is all over, he is sure the Centennial office will be asked to account for the dollars that will have gone through the office, and for products that have been sold from the office. This includes the vendors and other individuals who have been approved for various Centennial items. He noted this would provide them with the ability to give an accounting of dollars from the vendors as well as ourselves. Mr. Kinna indicated he feels this is a good bill, and one that will save some trouble down the line.

Chairman Farrell indicated that, in 1985, a statute was authorized setting up the Centennial office in the Lt. Governor's office. He stated there was an illusion in the statute which said that the Centennial Commission could make rules on endorsements, and negotiate with vendors for exclusivity. He noted that, in June of last year, they were challenged over their rule-making authority because the statute was not specific regarding allowing them to set rules. Chairman Farrell reported there were threats of law suits and George Turman went to the Code Committee, who determined that maybe the rules were not proper. He further indicated that, after George Turman went to work for Northwest Power Planning, Gordon McOmber planned to take this proposal to the Legislature. Chairman Farrell indicated that, apparently, they missed the deadline, but this proposal encompasses what they would like to put in the bill.

Chairman Farrell indicated the committee should determine if they feel it is important enough to put a bill in, and have a full-blown hearing on it so that the proponents and opponents can testify. He indicated his personal opinion is that it needs to be done, as the Centennial office has their hands tied as to what they can do, and what authority has been given to them.

Senator Hofman offered a motion to accept the request for a committee bill.

Senator Bengtson asked if this concerns all license plates, or just Centennial license plates. Mr. Kinna responded it is just Centennial license plates. Chairman Farrell added that the statute authorized the sale of the license plates, but they are not promoted in the courthouse, and people have to ask if they can buy one. Senator Bengtson noted the county gets a portion of the proceeds from the sale, and Senator

Harding indicated that was given to them in order to get the bill passed.

Recommendation and Vote:

Motion passed by the committee to accept the request for a committee bill from the State Administration Committee for a general revision of the authorities of the Centennial Office.

ADJOURNMENT

Adjournment At: 10:35 a.m.


WILLIAM E. FARRELL, Chairman

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STADMIN.127

ROLL CALL

STATE ADMINISTRATION COMMITTEE

51ST LEGISLATIVE SESSION

DATE: January 27, 1989

| NAME | PRESENT | ABSENT | EXCUSED |
|--------------------|---------|--------|---------|
| HUBERT ABRAMS | ✓ | | |
| JOHN ANDERSON, JR. | ✓ | | |
| ESTHER BENGTON | ✓ | | |
| WILLIAM E. FARRELL | ✓ | | |
| ETHEL HARDING | ✓ | | |
| SAM HOFMAN | ✓ | | |
| PAUL RAPP-SVRCEK | ✓ | | |
| TOM RASMUSSEN | ✓ | | |
| ELEANOR VAUGHN | ✓ | | |
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General Revision Bill

2-89-105. (Temporary) Powers and duties of office. (1) The office shall:

- (a) plan and coordinate statehood centennial activities;
- (b) hold public hearing and meetings throughout the state and coordinate with similar organizations in other states;
- (c) serve as a clearinghouse for centennial information and scheduling; and
- (d) publish its goals and objectives to encourage public awareness of centennial activities.

(2) The office may:

- (a) accept and expend grants, gifts, loans, and devises and use them for any lawful purpose in the furtherance of this part, subject to any restrictions by the grantor, lender, or devisor;
- (b) contract with, grant, or regrant funds to any individual or organization, public or private, for activities in the furtherance of this part; and
- (c) register trademarks, logos, symbols, and similar items for its own use and the use of other entities and for such use may require other entities to meet such conditions as the payment of a fee or royalty, or both. (Terminates June 30, 1991--sec. 8, Ch. 664, L. 1985.)

History: En. Sec. 5, Ch. 664, L. 1985.

2-89-106. (Temporary) Rulemaking authority. (1) The office is authorized to adopt rules pursuant to Title 2, chapter 4:

- ~~(1)~~ (a) to establish criteria that will apply to endorsing centennial projects;
- ~~(2)~~ (b) to establish criteria that will apply in awarding grants to individuals and entities for activities in furtherance of centennial activities; and
- ~~(3)~~ (c) to implement the provisions of this part. (Terminates June 30, 1991--sec. 8, Ch. 664, L. 1985)

History: En. Sec. 5, Ch. 664, L. 1985.

(2)(a) The rules for endorsement of centennial projects must include procedures and criteria for endorsement of projects that involve production of products, events, or services. The office may provide for exclusive and non-exclusive endorsements.

(b) The purposes of the endorsement program, which must be reflected in the rules are:

- (i) to provide funding for the office's activities;
- (ii) to promote citizen and community involvement in centennial activities;
- (iii) to promote diversity in presentation of centennial products, events, services, and topics; and
- (iv) to focus national and international attention on Montana.

New Section. Civil Penalty and Injunction. (1) An individual, partnership, corporation or other entity that uses the centennial logo without authorization of the office or falsely represents any product, event, or service or endorsed by the office or the revenues from that product, event, or service as benefiting the office or any project endorsed or funded in whole or in part by office is subject to a civil penalty not

to exceed \$1000. Each day of violation constitutes a reparate violation.

(2) The office may institute and maintain in the name of the state an action to collect those penalties in the district court in and for Lewis and Clark County or in the county of residence of the defendant. Upon request of the office, the attorney general shall institute and maintain the action to collect these penalties.

(3) The office may and, upon request of the office, the attorney general shall maintain an action for injunction to prevent the unauthorized use of the logo or misrepresentation regarding endorsement by office or benefit to the office or any project endorsed or funded by office.

New Section. Audits. An individual, partnership, corporation, or other entity that receives an endorsement or grant from the office must allow the office, the legislative fiscal analyst, the legislative auditor, or the designated representative of any of them, to audit its books at any reasonable time and at reasonable intervals to allow ensure compliance with any grant, endorsement, or licensing agreement.

2-89-302. (Temporary) Commemorative centennial license plates.

(i) Notwithstanding the 4-year period provided for in 61-3-332(2), the department of justice may issue commemorative centennial license plates for a different period if requested by the Montana statehood centennial office, at prices to be agreed upon by the department and the office as provided in 2-89-303.

(2) Commemorative license plates may be:

(a) collectors' license plates, intended to be collectors' items only, distinctively marked or colored. Such plates may be designated as not valid for the purpose of licensing motor vehicles within the state; or

(b) special or limited duration license plates valid for licensing motor vehicles in the state and carrying the same general centennial design as regularly issued license plates provided for in 2-89-301, except that they may differ from such regular license plates by:

(i) color;

(ii) use of a distinctive series of registration numbers or special prefixes or suffixes for the registration numbers; and

(iii) by other details not distracting from legibility or recognition of the license plate.

(3) (a) For all licenses sold before December 1, 1989, the proceeds from the sale of commemorative license plates, after payment of the agreed price to the department, must be used for centennial activities of the office as provided in part 1 of this chapter. The proceeds for sales occurring after November 30, 1989 must be deposited in the general fund.

(b) A county shall assess an additional fee of \$3 for each set of commemorative centennial license plates issued in the county to defray the costs incurred by the county treasurer. The county treasurer shall collect the fee and deposit the money in the county general fund.

(c) The issuance of commemorative license plates must be made at no direct cost to the state.

(4) Commemorative license plates that are valid for licensing a motor vehicle must carry the assigned county number, as established in

61-3-332(8), either within the registration numbers or by means of an affixed nonremovable sticker bearing the appropriate county designation and used in accordance with instructions by the department. (Terminated July 1, 1991--sec 5, Ch. 674, L. 1985)

History: En. Sec, Ch. 674, L. 1985; and Sec. 1, Ch. 108, L. 1987.

Compiler's Comments

1987 Amendment Inserted (3)(b).

2-89-303. (Temporary) Administration. (1) The department of justice may by rule establish application procedures for the issuance of license plates authorized by this part. The rules may provide;

(a) for the issuance of regular license plates with a centennial design to persons wishing to purchase such plates to replace present plates;

(b) for the application for an issuance of commemorative centennial license plates valid for licensing motor vehicles, as authorized by 2-89-302;

(c) whether commemorative centennial license plates, if issued under 2-89-302, may be issued as personalized plates under the provisions of Title 61, chapter 3, part 4; and

(d) other procedures necessary for the proper administration of this part.

(2) (a) The Montana statehood centennial office may request classes and variations of commemorative license plates, and each type or variation may be issued for a different price.

(b) For the issuance of commemorative license plates, the office shall contract with and provide for payment to the department for the production of such license plates. The contract must establish prices to be paid by the ultimate purchaser for the issuance of commemorative centennial license plates. The department of justice may not, however, sell any commemorative license plates for less than \$19.89, not including the county administrative fee authorized in 2-89-302(3)(b). (Terminates July 1, 1991--sec. 5, Ch. 674, L. 1985)

History: En. Sec. 3, Ch. 674, L. 1985.