

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By FRANCIS BARDANOUVE, on March 8, 1991, at 8:00 A.M.

ROLL CALL

Members Present:

Francis Bardanouve, Chairman (D)
Ray Peck, Vice-Chairman (D)
Dorothy Bradley (D)
John Cobb (R)
Dorothy Cody (D)
Mary Ellen Connelly (D)
Ed Grady (R)
John Johnson (D)
Mike Kadas (D)
Berv Kimberley (D)
Wm. "Red" Menahan (D)
Jerry Nisbet (D)
Mary Lou Peterson (R)
Joe Quilici (D)
Chuck Swysgood (R)
Bob Thoft (R)
Tom Zook (R)

Members Excused: Larry Grinde (R)

Staff Present: Terry Cohea, Legislative Fiscal Analyst
Sylvia Kinsey, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Announcement: Meeting chaired by REP. PECK

Hearing on HB 603

Appropriation for legislative delegation visit to sister-state of Kumamoto - Legislative Council

Presentation and Opening Statement by Sponsor: REP. JAN BROWN, HD 46, Helena said over the years Kumamoto regularly sent legislative delegations from their Assembly to Montana and it is time Montana reciprocated. There are a variety of trade missions that are sent to Kumamoto but there hasn't been a legislative trip. The appropriation was set up as a one-time \$35,000 Biennial appropriation because it would take some time to put a

trip together that would be meaningful. The Council talked about a variety of ways to fund this and felt the state should commit some money.

Proponents' Testimony: REP. MENAHAN asked to go on record as a proponent.

Questions From Committee Members: REP. CODY asked if the executive or any others been there. REP. BROWN said there have been a number of delegations sent but they don't usually include members of the Legislature. REP. CODY asked when the executive had gone and who paid for the trip. Dave Boyer said Governor Schwinden has gone to Kumomoto twice during his term. REP. CODY asked if anybody had gone since. Mr. Boyer was not aware of Governor Stephen's going to Kumomoto. REP. QUILICI said there have been executive delegations but no legislative delegations.

Closing by Sponsor: REP. BROWN closed.

EXECUTIVE ACTION HOUSE BILL 51

Motion: REP. NISBET MOVED HB 51 BE TABLED. Motion carried unanimously.

Discussion: REP. NISBET said HB 51 has been presented to the Subcommittee on General Government and Highways and they acted on the Bill.

HEARING ON HB 164

Exempt FWP from deposit requirements on certain license fees and charges - Fish, Wildlife & Parks

Presentation and Opening Statement by Sponsor: REP. JOHN COBB, HD 42, Augusta said this Bill modifies the present statutes requiring deposits of receipts on a daily basis to allow deposits of special license and park fees. The Fish and Game collect fees from 35 different sites, state parks and fishing access sites and cannot get the money in on a daily basis. This Bill allows them to get the money in a reasonable time.

Proponents' Testimony: Dave Mott, Representing Dept. of Fish, Wildlife and Parks presented testimony from EXHIBIT 1.

REP. KIMBERLEY asked to be recorded as a proponent.

REP. GRADY asked to be recorded as a proponent.

Questions From Committee Members: REP. PECK asked what was a reasonable time? Scott Seacat, Legislative Auditor said two or three days is a reasonable time. REP. BARDANOUE said a "reasonable time" is not a legal definition. Mr. Mott said there are 10 or 12 different license drawings, which require time. Most of them can be processed within the two or three day time limit.

HEARING ON HB 897Consolidate records management in Secretary of State - Secretary of State

Presentation and Opening Statement by Sponsor: REP. TOM ZOOK, HD 25, Miles City said this is a Bill that is a result of work in the Auditor's office and consolidates the State Records Management Agency, moving it into the Secretary of State's office. This Bill will save the General Fund about \$300,000 and the reason is the Secretary of State had a microfilming need and the General Government Subcommittee approved it. By making this transfer the Secretary of State feels the microfilming needs can be accomplished on the same equipment in a satisfactory time. No jobs will be lost, which is a critical point.

Proponents' Testimony: REP. BARDANOUVE said the proposal does save money, is bipartisan and he commended the General Government Subcommittee.

REP. QUILICI said when the Secretary of State came before the Subcommittee there was a problem with corporate directives but they met with the Department of Administration and it was corrected. There will be considerable savings to the general fund.

Mike Trevor, Administrator of Information Services said all concerns have been worked out and addressed in this Bill. His Department is responsible for the growing area of computers and data networks so it makes sense to transfer this to the Secretary of State where records are one of their interests.

REP. PETERSON said this was creative committee work and she would like to be recorded as a Proponent.

Doug Mitchell, Representing Secretary of State's Office said they support the Bill and it has been a good exercise in Government. They have worked out an agreement that will enable Records Management to move to his office very smoothly and they can give it the attention it deserves there.

EXECUTIVE ACTION ON HB 897

Motion/Vote: REP. MENAHAN MOVED HB 897 DO PASS. Motion carried unanimously.

HEARING ON HB 423Appropriation of fees to PERD for Judges Retirement System - Department of Administration, PERS

Presentation and Opening Statement by Sponsor: REP. MIKE KADAS, HD 55, Missoula said this Bill takes fees going into the Judges' Retirement System and statutorily appropriates them.

Proponents' Testimony: Jim Oppedahl, Administer, Montana Supreme Court said this Bill rises out of an audit exception they had in the audits the last three or four times and they bring it as a way of getting that off the audit and reflecting the concerns the Legislative Auditor has. Currently District Court fees are collected state-wide and sent in to the Department of Administration. Since a portion of that goes to Judges' Retirement and they don't have statutory appropriation the required amount is transferred to PERD for the Judges' Retirement Account. The Auditor would like the revenue recorded by Mr. Oppedahl's agency and sent out as an expenditure to PERD. This Bill allows them to do that with a statutory appropriation. There is an Amendment to the Bill that is necessary. EXHIBITS 2, Explanation, 3, Amendment and EXHIBIT 4, Copy of Bill.

Closing by Sponsor: REP. KADAS closed.

EXECUTIVE ACTION ON HB 423

Motion/Vote: REP. KADAS moved AMENDMENTS DO PASS on HB 423. Motion carried unanimously.

Motion/Vote: REP. THOFT moved HB 423 DO PASS AS AMENDED. Motion carried unanimously.

HEARING ON HB 298

Deletes Department of Administration's requirement to include care of capitol in its budget - Department of Administration

Presentation and Opening Statement by Sponsor: REP. JOHN COBB, HD 42, Augusta said this is an act eliminating the requirement for the Department of Administration to include in its budget appropriations for custodial care of the Capitol building and equipment. The Department of Administration is custodian of all state property in the Capitol area. In 1989 this was expanded to include a ten mile radius.

Proponents' Testimony: Debbie Kehr, Administrator of General Services Division, Department of Administration is recorded as a proponent.

Closing by Sponsor: REP. COBB closed.

EXECUTIVE ACTION ON 298

Motion/Vote: REP. BRADLEY MOVED HB 298 DO PASS. Motion carried unanimously.

EXECUTIVE ACTION ON HB 164

Motion/Vote: REP. GRADY MOVED HB 164 DO PASS. Motion carried unanimously.

HEARING ON HB 784Secretary of State to maintain list of registered voters -
Secretary of State

Presentation and Opening Statement by Sponsor: REP. MARK O'KEEFE, HD 45, Helena said a Bill came out of the Appropriation Committee last session that is practically identical to this Bill. It requires the Secretary of State to compile and maintain a list of all registered electors in the state. It will relieve the county election officials of sending out the voter information pamphlets which are required by law. The Secretary of State's Office would have a centralized list of all voters in the state and mail the voter information pamphlets from Helena rather than distributing them around the state and having the counties do it. The fiscal note indicates the Bill would cost approximately \$79,218 after considering \$20,000 in total revenue, which would come from the sale of the list, one to the Democratic Party and one to the Republican Party.

Questions From Committee Members: REP. CODY asked if the savings on the fiscal note in 1993 were county savings? Mr. Mitchell said they are county savings and a postage figure. They currently print the voter information pamphlet and distribute them to the county courthouses. They then place postage on that and send it out. They have assumed the postage savings so there will be some staff savings. REP. CODY asked if this is a new practice or did this happen in the last session? Mr. Mitchell said it is the current practice and the responsibility for mailing the pamphlet has been done by the counties.

Closing by Sponsor: REP. O'KEEFE closed.

HEARING ON HB 251Extending life of worker's compensation joint select committee -
Legislative Council

Presentation and Opening Statement by Sponsor: REP. JERRY DRISCOLL, HD 92, Billings said this Bill will reinstate the joint select study committee on worker's compensation and the amendment was suggested by the state fund but the committee should have an actuary. EXHIBIT 5.

Proponents' Testimony: SEN. SVRCEK said there is more work to be done for Worker's Compensation and it is important to continue legislative oversight. Hiring an independent actuary who could come from the outside and give his perception of what is going on in the state fund should be done. One difference with this particular issue is it is long term, ongoing and financially more serious than many legislative studies.

REP. CONNELLY asked to be recorded as a proponent.

Questions From Committee Members: REP. PECK asked if the \$15,000 becoming \$70,000 is a result of the proposed amendment? REP. DRISCOLL said yes.

REP. PECK asked if examinations will be done over the next few years for continuation of the same or something new. REP. DRISCOLL said there are several proposals. One is for employers who have a good safety record to get a 10% reduction. Employers who have a bad risk would get a 10% or 20% increase. When the rates change, as they did in the trucking industry, the fair employer is "punished".

REP. CODY said this particular issue affects the whole state and what happens concerns business so it should be put into law permanently. SEN. SVRCEK agreed but put the Bill in to make it a statutory committee because he was afraid it would die in the process and they would have nothing over the coming interim. REP. PECK asked if it was a bi-partisan committee with eight members and SEN. SVRCEK said yes.

Closing by Sponsor: REP. DRISCOLL said the unfunded liability is still over \$200,000,000. The liability on the books was \$32,000,000 and they settled it for \$11,000,000, which saved \$20,000,000 but they still can't get the unfunded liability down and it might take several years.

HEARING ON HB 953

Money for cosmetology Inspections - Department of Commerce

Presentation and Opening Statement by Sponsor: REP. SHEILA RICE, HD 36, Great Falls said the essence of the Bill is to create an additional inspector position in the state under the Department of Commerce. Currently there is a single inspector appointed by the Department of Commerce who does a proportion of the annual inspection of cosmetology licensees. The rest of the inspections are done by the Board members. This Bill appropriates an additional inspector which would allow all the inspections to be done by inspectors employed by the Department of Commerce and none by the Board members. The cash balance for the cosmetology licensing function is \$418,000 at the present time so there is enough money to employ this additional person. The appropriation is Section 2 of the Bill, \$37,600 for personal services, operations and equipment for FY 92 and \$37,000 for FY 93 and the money is available. There is one amendment, Page 1, line 17 after the word "department" add "in consultation with the Board".

Tape 1, Side 2, 170

Proponents' Testimony: REPS. JOHNSON AND CODY asked to be recorded as proponents.

Questions From Committee Members: REP. KADAS asked what was the account balance. REP. RICE said \$418,000. REP. KADAS asked how such a balance was achieved? Steve Meloy, Bureau Chief, Professional and Occupation License Bureau said every time there is a projected shortfall in the general fund it also affects special revenue funds. The Department Director has the ability to approve invoice expenditures by Boards. The Board of Cosmetology, based on a directive from the Legislature last session, has been trying to decrease the earmarked cash balances.

REP. PECK asked how many cosmetologists are licensed. Mr. Meloy said currently there are 6,142 cosmetologists, 1,332 shops and about 12 schools.

REP. QUILICI asked if there had been problems with these establishments. Marlene Sorum, Chairman, Board of Cosmetology said the responsibilities of the inspector is to insure that proper safety and sanitation are being observed by licensees and salon owners to protect the general public. There have been complaints about unclean establishments and consumers receiving injuries.

REP. CODY said in her district there have been complaints about people practicing without licenses.

REP. PETERSON asked if they inspect places that give home permanents but are charging for them? Ms. Sorum said the inspector is sent to investigate complaints of that nature too.

REP. THOFT asked how often are these businesses inspected now? Ms. Sorum said once a year unless they receive a complaint.

REP. JOHNSON said it is impossible for one person to inspect 1332 shops yearly and supports adding another inspector.

REP. GRADY asked if these inspections are unannounced. Ms. Sorum said yes.

REP. CODY asked where the money comes from and Ms. Sorum said through license fees. REP. PECK asked what the charge is. Ms. Sorum said applicants for licensing pay fees for the examination process but primarily the fees are received from the annual \$25 renewal. That fee is now \$10 as fees across the board were cut.

Closing by Sponsor: REP. RICE closed.

HEARING ON HB 704

An act to appropriate money from the federal special revenue fund in fiscal years 1992 and 1993 to the Department of Labor and Industry to fund apprenticeship instruction programs

Presentation and Opening Statement by Sponsor: REP. DAVE

WANZENRIED, HD 7, Kalispell said this Bill proposes to appropriate a sum of money which has been changed. The totals will be reduced downward to \$57,000 per year so money is being saved. This Bill will appropriate money from the penalty and interest account to make up for lost federal money to be used in the operation of joint apprenticeship programs which are currently administered by the Office of Public Instruction. Carl Perkins money will no longer be available to the state on July 1. This Bill proposes in conjunction with HB 2 to reinstate funding for this program with a total of \$110,000 per year. The \$57,000 will be combined with \$53,000 per year from the Administrative tax fund. EXHIBIT 6.

REP. BRADLEY said a number of years ago a policy decision was made to splinter off a small amount of the unemployment benefit tax for administrative purposes because it was a concern at that time the federal money that supports job service would be lost. There was a concern, particularly in the rural areas, that without the job service there would be a problem for employers. The problem never occurred. That account was kept there and periodically it rolls into the trust fund. Two years ago it became the new RIT tax and was suddenly seen as a possible fund to take general fund money out of administrative positions within the Department of Labor.

REP. COBB said the total amount is \$6,000,000 and REP. GILBERT'S Bill will advise how to divide it.

Proponents' Testimony: Bruce Morris, representing Montana Carpenter's Joint Apprenticeship and Training Trust Fund said they provide a four-year construction carpentry apprenticeship program. As part of the curriculum they provide related instructions at the central training facility in Helena. The program is state-wide and the apprentices come from as far away as Libby to attend the school for a minimum of three weeks each year. In the past they have successfully competed for Carl Perkins money which have helped pay the instructor's salary. They have also been successful in obtaining funds to teach a milling class, blueprint reading and transit class for the journey level carpenters. The basic funding comes from an employer cents for hour contribution which is negotiated through the collective bargaining process. The Carl Perkins money has been put to good use to expand and enrich the programs.

Jack Copps, Deputy Superintendent, OPI said the office would like to be placed on record supporting the apprenticeship instructional program and the funding carried in this proposed legislation.

Don Judge, Montana State AFL-CIO read from EXHIBIT 7

Johnny Monahan, Director, Montana Ironworkers Joint Apprenticeship and Journeyman Programs read from EXHIBIT 8.

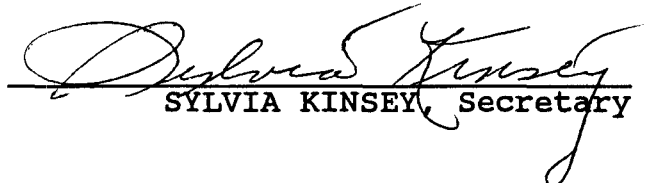
Questions From Committee Members: REP. THOFT asked where the courses are conducted. Mr. Morris said the carpenters' central training facility is in Helena. Mr. Monahan said the ironworkers programs are administered throughout the state and most of the training is done through the Vo-Tech Centers in Great Falls, Billings and Butte. REP. THOFT asked if the Carl Perkins money is re-directed and can't be applied here where will it go? REP. KADAS said it will go primarily to secondary and Vo-Ed and the apprenticeship is out.

Closing by Sponsor: REP. WANZENRIED said this is an important policy decision to be made and these programs are important for employers and employees alike and everyone will benefit from the improvements and level of skills in the labor force in Montana.

ADJOURNMENT

Adjournment: 9:45 A.M.


FRANCIS BARDANOUVE, Chair


SYLVIA KINSEY, Secretary

FB/SK

HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE

ROLL CALL

DATE

3/8/91

NAME	PRESENT	ABSENT	EXCUSED
REP. FRANCIS BARDANOUVE, CHAIRMAN	✓		
REP. RAY PECK, VICE-CHAIRMAN	✓		
REP. DOROTHY BRADLEY	✓		
REP. JOHN COBB	✓		
REP. DOROTHY CODY	✓		
REP. MARY ELLEN CONNELLY	✓		
REP. ED GRADY	✓		
REP. LARRY GRINDE			✓
REP. JOHN JOHNSON	✓		
REP. MIKE KADAS	✓		
REP. BERV KIMBERLEY	✓		
REP. WM. "RED" MENAHAN	✓		
REP. JERRY NISBET	✓		
REP. MARY LOU PETERSON	✓		
REP. JOE QUILICI	✓		
REP. CHUCK SWYSGOOD			
REP. BOB THOFT	✓		
REP. TOM ZOOK	✓		

HOUSE STANDING COMMITTEE REPORT

March 8, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that
House Bill 897 (first reading copy -- white) do pass .

Signed: 
Francis Bardanouve, Chairman

HOUSE STANDING COMMITTEE REPORT

March 8, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 423 (first reading copy -- white) do pass as amended.

Signed: Francis Bardanoue
Francis Bardanoue, Chairman

And, that such amendments read:

1. Title, line 8 and 9.

Following: "THE" on line 8.

Strike: "DEPARTMENT OF ADMINISTRATION"

Insert: "SUPREME COURT"

2. Page 3, lines 21 and 22.

Following: "money" on line 21

Strike: the remainder of line 21 through "division" on line 22.

Insert: "from court fees collected"

3. Page 3, lines 23 and 24.

Following: "the" on line 23.

Strike: "the remainder of line 23 through "administration"
on line 24.

Insert: "supreme court"

Following: "the" on line 24.

Insert: "judges' retirement"

4. Page 4, lines 15 and 16.

Following: "money" on line 15.

Strike: the remainder of line 15 through "division" on line 16.

Insert: "from court fees collected"

5. Page 4, line 18.

Following: "the"

Strike: "department of administration"

Insert: "supreme court"

6. Page 4, line 19.

Following: "the" on line 19.

Insert: "judges' retirement"

Sylva

1:35

3-22-91

JDP

HOUSE STANDING COMMITTEE REPORT

March 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that
House Bill 298 (first reading copy -- white) do pass.

Signed:

Francis Bardanouve
Francis Bardanouve, Chairman

HOUSE STANDING COMMITTEE REPORT

March 8, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that
House Bill 164 (first reading copy -- white) do pass.

Signed: Francis Bardanouve
Francis Bardanouve, Chairman

EXHIBIT 1
DATE 3-8-91
HB 164

HB 164
March 8, 1991

Testimony presented by Dave Mott, Dept. of Fish, Wildlife & Parks

The purpose of this bill is to exempt the department from daily deposit of receipts related to license drawing applications and park entrance fees.

The 1988 Legislative Audit Report noted we were having difficulty depositing some receipts on a daily basis as required by current law. In most instances, the department can deposit funds on a daily basis. However, there are two instances where daily deposit of funds is not practical or possible.

-- License Drawings. Each year we receive over 125,000 applications for hunting licenses and permits that are issued through a random drawing. There are about a dozen different license drawings held throughout the year. The most intense period is June 1 when we receive up to 90,000 envelopes containing cash receipts in a single day. The physical demands of handling that volume of mail make it impossible for the department to comply with the state's daily deposit law.

--Park Fees. The remote location of some of our parks also makes it impractical to deposit fees on a daily basis. Some areas do not have banking facilities near the park site. Diverting our limited staff away from the site to travel long distances to a banking facility would reduce the attention given to our park users.

The department will take reasonable steps to assure we have adequate internal controls over the receipt and deposit of our funds. We will take prudent measures to assure our funds are deposited in the quickest manner possible.

In closing, the amendments in this legislation recognize the unique circumstances of the department and will bring us into compliance with state law.

We urge your passage of HB 164.

462
MONTANA JUDGES' RETIREMENT SYSTEM

EXHIBIT 2

DATE 3-8-91

HB 423

The Judicial Branch receives money from certain district court fees and Supreme Court fees as defined by state law. Part of the money received is used to fund the Montana Judges' Retirement System (MJRS). Section 19-5-404, MCA, requires the Judicial Branch to contribute fees collected under section 25-1-201, MCA, in an amount equal to 31 percent of salaries paid to district judges and Supreme Court justices and one-fourth of the fees collected under section 3-2-403, MCA, to the MJRS and deposit the balance in the general fund. The Judicial Branch deposits these moneys directly in the MJRS fund at the Public Employees' Retirement Division (PERD), Department of Administration. It does not record revenue for receipt of the fees nor expenditure for the corresponding disbursement to PERD to fund the retirement plan. The Montana Judges' Retirement System was established for district court judges and Supreme Court justices. Because both judges and justices are employees of the Judicial Branch, the Judicial Branch is the logical agency to account for the fee revenue and reflect the costs associated with the MJRS.

The Judicial Branch's procedures resulted in an understatement of revenues and pension expenditures of approximately \$510,525 in fiscal year 1986-87 and \$487,322 in fiscal year 1987-88. This also results in an adverse opinion on the Judicial Branch's financial schedules shown on pages 10 through 17. To properly record the transactions, the Judicial Branch would require appropriation authority, but no additional money. The appropriation authority could be provided through a statutory appropriation. This concern was noted in our three previous audit reports. The Judicial Branch concurred with the recommendation but has not taken corrective action.

pk 3

EXHIBIT 3
DATE 3.8.91
HB 423

PROPOSED AMENDMENT TO HB 423
INTRODUCED BILL

1. Title, line 8 and 9.
Following: "THE" on page 8.
Strike: "DEPARTMENT OF ADMINISTRATION"
Insert: "SUPREME COURT"
2. Page 3, lines 21 and 22.
Following: "money" on line 21.
Strike: the remainder of line 21 through "division" on line 22.
Insert: "from court fees collected".
3. Page 3, lines 23 and 24.
Following: "the" on line 23.
Strike: the remainder of line 23 through "administration" on line 24.
Insert: "supreme court"
Following: "the" on line 24
Insert: "judges retirement"
4. Page 4, lines 15 and 16.
Following: "money" on line 15.
Strike: the remainder of line 15 through "division" on line 16.
Insert: "from court fees collected".
5. Page 4, line 18.
Following: "the".
Strike: "department of administration".
Insert: "supreme court"
6. Page 4, line 19
Following: "the" on line 19
Insert: "judges retirement"

F:WP50\....\HB423.AMD

1 HOUSE BILL NO. 4232 INTRODUCED BY Keeler

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT FEES OR
5 PARTS OF FEES REQUIRED BY LAW TO BE TRANSFERRED TO THE
6 PUBLIC EMPLOYEES' RETIREMENT DIVISION OF THE DEPARTMENT OF
7 ADMINISTRATION FOR DEPOSIT IN THE MONTANA JUDGES' RETIREMENT
8 SYSTEM PENSION TRUST FUND ARE APPROPRIATED TO THE ~~DEPARTMENT~~
9 ~~OF ADMINISTRATION~~ ^{SUPREME COURT} FOR DEPOSIT IN THE FUND; PROVIDING A
10 STATUTORY APPROPRIATION; AMENDING SECTIONS 17-7-502 AND
11 19-5-404, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

12

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

14 Section 1. Section 17-7-502, MCA, is amended to read:

15 "17-7-502. Statutory appropriations -- definition --
16 requisites for validity. (1) A statutory appropriation is an
17 appropriation made by permanent law that authorizes spending
18 by a state agency without the need for a biennial
19 legislative appropriation or budget amendment.

20 (2) Except as provided in subsection (4), to be
21 effective, a statutory appropriation must comply with both
22 of the following provisions:

23 (a) The law containing the statutory authority must be
24 listed in subsection (3).

25 (b) The law or portion of the law making a statutory

1 appropriation must specifically state that a statutory
2 appropriation is made as provided in this section.

3 (3) The following laws are the only laws containing
4 statutory appropriations: 2-9-202; 2-17-105; 2-18-812;
5 10-3-203; 10-3-312; 10-3-314; 10-4-301; 13-37-304; 15-1-111;
6 15-25-123; 15-31-702; 15-36-112; 15-37-117; 15-65-121;
7 15-70-101; 16-1-404; 16-1-410; 16-1-411; 17-3-212; 17-5-404;
8 17-5-424; 17-5-804; 19-5-404; 19-8-504; 19-9-702; 19-9-1007;
9 19-10-205; 19-10-305; 19-10-506; 19-11-512; 19-11-513;
10 19-11-606; 19-12-301; 19-13-604; 20-6-406; 20-8-111;
11 20-9-361; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-1016;
12 23-5-1027; 27-12-206; 37-51-501; 39-71-2504; 53-6-150;
13 53-24-206; 61-2-406; 61-5-121; 67-3-205; 75-1-1101;
14 75-5-1108; 75-11-313; 76-12-123; 80-2-103; 82-11-136;
15 82-11-161; 90-3-301; 90-4-215; 90-4-613; 90-6-331; 90-9-306;
16 and section 13, House Bill No. 861, Laws of 1985.

17 (4) There is a statutory appropriation to pay the
18 principal, interest, premiums, and costs of issuing, paying,
19 and securing all bonds, notes, or other obligations, as due,
20 that have been authorized and issued pursuant to the laws of
21 Montana. Agencies that have entered into agreements
22 authorized by the laws of Montana to pay the state
23 treasurer, for deposit in accordance with 17-2-101 through
24 17-2-107, as determined by the state treasurer, an amount
25 sufficient to pay the principal and interest as due on the

1 bonds or notes have statutory appropriation authority for
2 such payments. (In subsection (3), pursuant to sec. 10, Ch.
3 664, L. 1987, the inclusion of 39-71-2504 terminates June
4 30, 1991.)"

5 Section 2. Section 19-5-404, MCA, is amended to read:

6 "19-5-404. (Temporary) Contributions by the state. The
7 state of Montana shall contribute monthly to the fund a sum
8 equal to 6% of the salary of each member. In addition, the
9 clerk of each district court shall transmit 68% of certain
10 filing fees as required under 25-1-201(2) and that portion
11 of the fee for filing a petition for dissolution of marriage
12 and a motion for substitution of a judge specified in
13 25-1-201(4) and (6) to the state, which shall first deposit
14 in the fund an amount equal to 31% of the salaries paid to
15 district judges and supreme court justices who are covered
16 by the judges' retirement system and then deposit the
17 balance in the state general fund. The clerk of the supreme
18 court shall pay one-fourth of the fees collected under
19 3-2-403 to the public employees' retirement division of the
20 department of administration to be credited to the fund. The
21 ~~from court fees collected~~
~~money to be deposited in the fund by the public employees'~~
22 ~~retirement division pursuant to this section is statutorily~~
23 ~~appropriated, as provided in 17-7-502, to the department of~~
24 ~~administration for deposit in the fund.~~
~~Supreme Court~~
~~Judges retirement~~

25 19-5-404. (Effective July 1, 1991) Contributions by the

1 state. The state of Montana shall contribute monthly to the
2 fund a sum equal to 6% of the salary of each member. In
3 addition, the clerk of each district court shall transmit
4 68% of certain filing fees as required under 25-1-201(2) and
5 that portion of the fee for filing a petition for
6 dissolution of marriage and a motion for substitution of a
7 judge specified in 25-1-201(4) and (6) to the state, which
8 shall first deposit in the fund an amount equal to 34.71% of
9 the salaries paid to district judges and supreme court
10 justices who are covered by the judges' retirement system
11 and then deposit the balance in the state general fund. The
12 clerk of the supreme court shall pay one-fourth of the fees
13 collected under 3-2-403 to the public employees' retirement
14 division of the department of administration to be credited
15 to the fund. from court fees collected
to the fund. The money to be deposited in the fund by the
16 public employees' retirement division pursuant to this
17 section is statutorily appropriated, as provided in
18 17-7-502, to the ^{Supreme Court} department of administration for deposit in
19 Judges retirement
the fund."

20 NEW SECTION. Section 3. Effective date. [This act] is
21 effective on passage and approval.

-End-

24th 5

EXHIBIT 5
DATE 3-8-91
HB 251

Amendment to HB 251
(Second Reading)

1. Page 2.

Following: line 2.

Insert: New Section. Section 1. Provision of professional actuarial consulting services. The joint select committee on workers' compensation must consult with a professional actuary in determining the liability for claims for injuries resulting from accidents that occurred before July 1, 1990, on an annual basis following the close of the fiscal year ending June 30, 1991.

Re-number: subsequent sections

2. Page, 2, line 6.

Following: "of \$"

Strike: "15"

Insert: "70"

3. Page 2, line 8.

Following: "to"

Insert: "provide professional actuarial consulting services and"

EXHIBIT 6
DATE 3-8-71
HB 704

House Bill 704 Statement of Intent:

It is the intent of the Legislature that the transfer of the affected apprenticeship programs from the Office of Public Instruction to the Department of Labor and Industry have no significant impact on the operation of the affected apprenticeship programs.

The transfer to the Department of Labor and Industry is simply a function of changed funding sources, and should not change the operation, funding levels, goals or implementation of the affected apprenticeship programs. Except, however, that the appropriation provided by this legislation may include funds for operation of jointly administered training programs not previously funded through federal Carl Perkins dollars. .pa



EXHIBIT 7
DATE 3-8-91
HB 704

DONALD R. JUDGE
EXECUTIVE SECRETARY

110 WEST 13TH STREET
P.O. BOX 1176
HELENA, MONTANA 59624

(406) 442-1708

TESTIMONY OF DON JUDGE ON HB 704, HOUSE APPROPRIATIONS COMMITTEE, MARCH 8, 1991

Mr. Chairman and members of the Committee, for the record my name is Don Judge and I'm here today representing the Montana State AFL-CIO. We rise in support of House Bill 704 and the jointly administered apprenticeship programs operated in Montana.

As has been stated, this bill is designed to partially replace federal apprenticeship funds that Montana will no longer receive after this fiscal year ends.

The federal Carl Perkins funds we have received for many years have supported successful and valuable apprenticeship programs that are primarily funded by contributions from employers and the unions representing their employees.

The U.S. Department of Education provided these funds to Montana programs via the Office of Public Instruction, but they will not provide them any longer after June 30, 1991. We believe those funds should be replaced by state funds.

Apprenticeship programs in Montana provide valuable assistance to workers to upgrade their skills, both for their own benefit and for the benefit of their employers. Apprenticeship programs in Montana cover such occupations as painters, plumbers, carpenters, electricians, operating engineers, sheet metal workers, ironworkers and others.

We support the addition of jointly operated training programs to this category of funding, as well. As an example, the Associated General Contractors and the Laborers International Union run jointly funded apprenticeship programs and separate training programs. Both are valuable and provide solid training that makes workers and companies stronger and more competitive, and we think both should be included in this program.

We support taking some funds from the U.I. program's tax and penalty fund in order to replace at least part of the lost federal funding. We also support moving the administration of the programs to the Department of Labor and Industry as the result of the funding changes, and we agree with Rep. Wanzenried that such changes should have no resulting impact on the programs.

2x. 1
3-8-91
HB 704

Testimony of Don Judge, HB 704
Page Two
March 8, 1991

Mr. Chairman, we understand that the loss of federal funding places an additional burden on Montanans, but we believe the high-quality training provided by these programs justifies this partial replacement of the funds.

This bill essentially will allow Montana companies to remain competitive in terms of their employees' skills and proficiency in the fast-changing marketplace. They also will help affected employers hold down job-related accidents and injuries, and will promote Montana's already highly regarded position as a leader in workforce quality. The continuation of Montana's apprenticeship programs will make a significant contribution to our state's overall economic development efforts, and we urge you to give it a "do pass" recommendation.

Thank you.

EXHIBIT 8
DATE 3-8-91
HB 704

TESTIMONY OF JOHNNY MONAHAN
HOUSE BILL 704
BEFORE THE HOUSE APPROPRIATIONS COMMITTEE
MARCH 8, 1991

For the record, my name is Johnny Monahan, and I'm the director of the Montana Ironworkers Joint Apprenticeship and Journeyman Training Programs.

House Bill 704 is an attempt to replace joint apprenticeship funds that will be lost on July 1, 1991, because of changes in the federal Carl Perkins law.

This bill will only provide partial replacement of funds lost by the employer-labor sponsored apprenticeship programs. But even with only partial funding, House Bill 704 can have a positive impact on Montana workers by providing necessary skills upgrade.

Joint apprenticeship programs in Montana are proven partnerships that work. All of these training programs are administered and funded by government, employers and unions. Some of the apprenticeship programs operated in Montana are the Ironworkers, Electrical Workers, Operating Engineers and Carpenters.

In my trade, our apprenticeship program allows Montana ironworkers an opportunity to learn about changing technology, to obtain welding certification and train new apprentices.

These programs properly train workers, creating safer working conditions which will help reduce workers' compensation rates. Providing proven joint apprenticeship training for Montana workers helps Montana industries, which is good economic development.

The use of penalty and interest money from unemployment insurance taxes is appropriate, because these programs directly affect employment in Montana.

Certainly, the money appropriated by House Bill 704 is a small price to pay for proven training for Montana workers.

I would like to request that this committee recommend a "do pass" for House Bill 704.

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Appropriation COMMITTEE BILL NO. _____
 DATE 3/8/91 SPONSOR(S) _____

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
<u>Mike Fenn</u>	<u>DOA/ISD</u>	<u>HB897</u>		✓
<u>Tony Huber</u>	<u>" "</u>	<u>"</u>		✓
<u>Osgood Keller</u>	<u>DOA/ISD</u>	<u>"</u>		✓
<u>Debbie Kishi</u>	<u>DOA/GSD</u>	<u>AB298</u>		✓
<u>Jacqueline N. Serrell</u>	<u>Am. Inv. Assoc.</u>	<u>HB251</u>		✓
<u>Bob Coon</u>	<u>GOI</u>	<u>704</u>		✓
<u>Rich Tuerker</u>	<u>STATE COSMETOLOGIST ASSOC.</u>	<u>H953</u>		✓
<u>Maureen Larson</u>	<u>Board of Cosmetology</u>	<u>H953</u>		✓
<u>JOHNNY MORRIS</u>	<u>MONTANA TAILWORKERS</u>	<u>704</u>		✓
<u>G. BRUCE MORRIS</u>	<u>MONTANA CARPENTERS INT. APPRENTICESHIP & TRNG. COMM.</u>	<u>704</u>		✓
<u>Bob Heiser</u>	<u>UFCW</u>	<u>704</u>		✓
<u>Doni Judge</u>	<u>MT STATE AFL-CIO</u>	<u>704</u>		✓

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.