

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION**

#### **SUBCOMMITTEE ON GENERAL GOVERNMENT & HIGHWAYS**

**Call to Order:** By Chairman Quilici, on January 24, 1991, at 9:04 a.m.

#### **ROLL CALL**

##### **Members Present:**

Rep. Joe Quilici, Chairman (D)  
Sen. Larry Stimatz, Vice Chairman (D)  
Sen. Harry Fritz (D)  
Rep. Mary Lou Peterson (R)  
Sen. Larry Tveit (R)  
Rep. Tom Zook (R)

**Staff Present:** Clayton Schenck, Senior Fiscal Analyst (LFA)  
Lois Steinbeck, Associate Fiscal Analyst (LFA)  
John Patrick, Budget Analyst (OBPP)  
Arlene Carlson, Secretary

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

##### **Announcements/Discussion:**

**Tape No. 1**

##### **Executive Action - Department of Justice**

**Clayton Schenck** spoke on the replacement of state special and federal funds for the East and West drug investigation units with general fund. The LFA developed contingency language as requested by the committee for substitution of general fund with other funds if other funds become available. **EXHIBIT 1**

**CHAIRMAN QUILICI** stated the committee studied this in detail yesterday and have investigated the gambling issue thoroughly and it was decided by the committee to fund the drug program with general fund. If federal funds become available, general funds will be replaced.

**Motion:** **SEN. TVEIT** moved to accept the following suggested language (**EXHIBIT 1**) and the drug investigation units be line-itemed in HB2:

"If federal or other funds can be obtained for item \_\_\_\_\_ (Special investigation Section - West) in fiscal 1993, the federal or other funds must replace the

general fund appropriation in item \_\_\_\_\_, and the general fund appropriation must be reduced by the amount of federal or other funds received. The total appropriation contained in item \_\_\_\_\_ may not be increased."

"If coal board grant funds or other funds can be obtained for item \_\_\_\_\_ (Special Investigation Section - East), the state special revenue or other funds must replace the general fund appropriation in item \_\_\_\_\_, and the general fund appropriation must be reduced by the amount of state special revenue or other funds received. The total appropriation contained in item \_\_\_\_\_ may not be increased.

**Discussion:** Mr. Schenck stated we should know by the end of the legislative session if Coal Board money would be available. If the money is available, the appropriations bill would be changed at a later date.

**Vote:** Motion CARRIED unanimously.

#### **Board of Crime Control**

Mr. Schenck gave an overview of enabling legislation for Crime Victim's Compensation Grant Administration Funds regarding the modification that was approved by the subcommittee, for federal pass-through grant funds in the amount of \$216,000 and one FTE which amounts to \$55,000 for the biennium from the crime victims' compensation account state special revenue fund. EXHIBIT 2  
The statute does not allow the use of federal funds for administrative costs, therefore, a requirement in the statute would be required.

**Motion/Vote:** REP. ZOOK moved to adopt Option 1: "Approve submission of a committee bill to amend the statute, allowing use of state crime victims' compensation funds for grant administration of the federal victims's assistance program." Motion CARRIED unanimously.

#### **Executive Action - Commissioner of Political Practices**

Mr. Schenck stated the subcommittee needs to approve 0.25 FTE for the Commissioner of Political Practices, with flexibility to utilize the added position in either year of the biennium. EXHIBIT 3

**Motion/Vote:** SEN. TVEIT moved to adopt the following language: "It is moved that the amount for the added 0.25 FTE in the Commissioner of Political Practices budget be line-itemed, and that an 0.5 FTE be a biennial appropriation." Motion CARRIED unanimously.

**Executive Action -- Department of Highways**

Mr. Schenck reviewed the issue no. 4 on the blue sheet with the Highway Traffic Safety Division regarding indirect costs. The LFA current level did not include \$3,000 for indirect costs verified with the Department of Administration.

**Motion/Vote:** REP. PETERSON moved to adopt Issue No. 4, Indirect costs, at the \$3,000 each year for the Highway Traffic Safety Division. Motion **CARRIED** unanimously.

**SECRETARY OF STATE**

CHAIRMAN QUILICI stated the subcommittee toured the Secretary of State's Office and reviewed the records. REP. ZOOK had requested information from the Office of the Legislative Auditor regarding consolidation of the state record keeping functions in the Office of the Secretary of State's Office. **EXHIBIT 4**

John Northey, Legal Counsel for the Office of the Legislative Auditor, spoke on behalf of **EXHIBIT 4**.

CHAIRMAN QUILICI stated the consolidation of Records Management would save \$360,000 of general fund money, into an agency that by statute is custodian of the records without disturbing the organization and employees. We are looking to finetune government and to make it more accessible to the public.

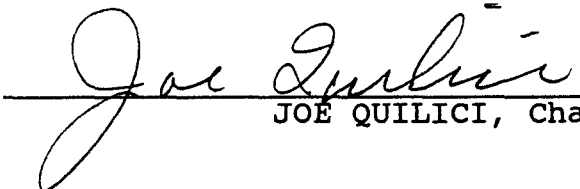
Further committee discussion center on all the records that must be filed in duplicate. The Secretary of State's Office has the personnel, equipment and the time to get the job done.

Mr. Northey stated there will be a meeting on January 25, 1991 with the Department of Justice, Clerk of Court's Office, and Secretary of State regarding records and management. This is not on the agenda but could be. He reviewed some of the remedies and process to carry them out.

**Announcement:** CHAIRMAN QUILICI stated the Department of Administration will be presenting their budget on Monday, January 25, 1991 and requested Mr. Northey to be present to testify on the transfer of Records and Management to the Secretary of State's Office.

**ADJOURNMENT**

**Adjournment:** 9:43 a.m.

  
JOE QUILICI, Chair

JQ/amc

**HOUSE OF REPRESENTATIVE**  
**GENERAL GOVERNMENT AND HIGHWAYS SUBCOMMITTEE**

**ROLL CALL**

**DATE** Jan. 24, 1991

<b>NAME</b>	<b>PRESENT</b>	<b>ABSENT</b>	<b>EXCUSED</b>
REP. JOE QUILICI, CHAIRMAN	✓		
SEN. LARRY STIMATZ, VICE-CHAIRMAN	✓		
REP. TOM ZOOK	✓		
SEN. LARRY TVEIT	✓		
REP. MARY LOU PETERSON	✓		
SEN. HARRY FRITZ	✓		

HR:1991  
CS10DLRLCALED SUB

LAURENCE E. H. L. L.  
DATE Jan 24, 1991  
HB \_\_\_\_\_

January 23, 1991

GENERAL GOVERNMENT AND HIGHWAYS SUBCOMMITTEE  
CLEAN-UP ISSUES

1. CONTINGENCY LANGUAGE, DRUG INVESTIGATION APPROP. (Dept. of Justice)

The subcommittee approved replacement of state special and federal funds for the East and West drug investigation units with general fund, and directed that the LFA develop contingency language for substitution of general fund with other funds if other funds become available.

Suggested motion:

"It is moved that the East and West Special Investigation Units (drug investigation units) be line-itemed in House Bill 2."

Suggested Language:

"If federal or other funds can be obtained for item \_\_\_\_ (Special Investigation Section - West) in fiscal 1993, the federal or other funds must replace the general fund appropriation in item \_\_\_\_, and the general fund appropriation must be reduced by the amount of federal or other funds received. The total appropriation contained in item \_\_\_\_ may not be increased."

"If coal board grant funds or other funds can be obtained for item \_\_\_\_ (Special Investigation Section - East), the state special revenue or other funds must replace the general fund appropriation in item \_\_\_\_, and the general fund appropriation must be reduced by the amount of state special revenue or other funds received. The total appropriation contained in item \_\_\_\_ may not be increased."

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Jan 24, 1991  
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**GENERAL GOVERNMENT AND HIGHWAYS SUBCOMMITTEE  
CLEAN-UP ISSUES**

**2. ENABLING LEGISLATION FOR CRIME VICTIM'S COMPENSATION GRANT  
ADMINISTRATION FUNDS (Board of Crime Control)**

The subcommittee approved an executive budget modification (LFA Vol. 1, A-172) that provided for \$216,00 additional Crime Victims' Assistance federal pass-through grant funds, and \$55,101 from the crime victims' compensation account state special revenue fund for 1.0 FTE for grant administration. The federal and state programs are separate and unique victims' assistance programs. Funds from the state program were approved for grant administration of the federal program, since the federal program doesn't allow use federal funds for administrative costs.

The use of the state funds for any purpose other than the state Crime Victims' Assistance Program will require a change in statute.

Option 1: Approve submission of a committee bill to amend statute, allowing use of state crime victims' compensation funds for grant administration of the federal victims' assistance program.

Option 2: Amend subcommittee action, substitute a different source of funding for the 1.0 FTE for grant administration.

Option 3: Amend subcommittee action, eliminate funding for 1.0 additional FTE for grant administration.

EXHIBIT 3  
DATE Jan. 24, 1991  
HB                     

January 23, 1991

**GENERAL GOVERNMENT AND HIGHWAYS SUBCOMMITTEE  
CLEAN-UP ISSUES**

**3. BIENNIAL APPROPRIATION, 0.5 FTE (Comm. of Political Practices)**

The committee approved the addition of a 0.25 FTE for the Commissioner of Political Practices, with the intent that the Commissioner have the flexibility to utilize the added position in either year of the biennium.

**Suggested motion:**

"It is moved that the amount for the added 0.25 FTE in the Commissioner of Political Practices budget be line-itemed, and that an 0.5 FTE be a biennial appropriation."



STATE OF MONTANA

Office of the Legislative Auditor

STATE CAPITOL  
HELENA, MONTANA 59620  
406/444-3122

EXHIBIT 4  
DATE Jan 21, 1991  
HB Gen Gov't Sub

DEPUTY LEGISLATIVE AUDITORS:

MARY BRYSON  
Operations and EDP Audit

JAMES GILLET  
Financial-Compliance Audit

JIM PELLEGRINI  
Performance Audit

LEGISLATIVE AUDITOR:  
SCOTT A. SEACAT

LEGAL COUNSEL:  
JOHN W. NORTHEY

January 21, 1991

Representative Tom Zook  
House of Representatives  
State Capitol  
Helena, MT 59620

Dear Representative Zook:

This is in follow up to our conversation and your request for information regarding possible consolidation of the state record keeping functions in the Office of the Secretary of State. Article IV, section 4, of the Montana Constitution provides that the Secretary of State "shall maintain official records of the executive branch and of the acts of the legislature." Additional duties of the Secretary of State relating to maintaining official records are set forth in section 2-15-401, MCA. It is the position of the Secretary of State that, since he is the constitutionally mandated custodian of certain state records, these records may not be transferred to another agency for storage and/or microfilming.

Title 2, chapter 6, part 2, MCA, established the state records management program in 1977, under the Department of Administration. This program is presently administered by the Information Services Division of the Department of Administration and, according to program personnel, has 10 authorized FTE. The Records Management Section is responsible for establishing state agency records retention guidelines, reviewing agency filing systems, operating a state records center, disseminating information on record management to state agencies, operating a microfilm center, and approving microfilm projects by state agencies. These same statutes also establish a State Records Committee, made up of representatives of the Department of Administration, Secretary of State, Attorney General, Historical Society, and the Legislative Auditor, which approves record retention schedules for state agencies and authorizes the destruction of records by state agencies.

Amending the statutes creating the state records management program by substituting the Secretary of State for the Department of Administration would transfer the program to the Secretary of State. Such a transfer would retain the State Records Committee with its existing duties. Brief discussions with the Secretary of State indicate that the Appropriations Subcommittee has already approved an additional \$360,000 in General Fund money for the next biennium for the microfilming of records in the Office of the Secretary of State. If the



Representative Tom Zook

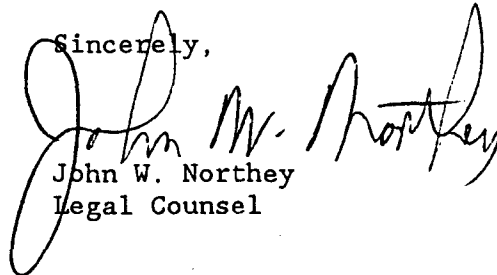
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state records management program were transferred, the Secretary of State indicated the microfilming could be completed with existing records management program staff and equipment. Although it would take more time, the work could be accomplished within a reasonable period of time. Most of the \$360,000 of General Fund money the Subcommittee has already approved would not be needed and would be available to the Subcommittee for other purposes.

The State Records Committee is scheduled to meet on Friday, January 25, 1991. As a member of the Committee, I can place this item on the meeting agenda for discussion and comment if you so desire.

This is intended to be only a brief summary of the possibility of consolidating the state records management functions. If I may provide further information or assistance, please advise.

Sincerely,

A handwritten signature in cursive script, appearing to read "John W. Northey". The signature is written in dark ink and is positioned above the printed name and title.

John W. Northey  
Legal Counsel

JWN/j/x6.1tr