

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
53rd LEGISLATURE - REGULAR SESSION**

**JOINT SUBCOMMITTEE ON GENERAL GOVERNMENT & TRANSPORTATION**

**Call to Order:** By REPRESENTATIVE MARY LOU PETERSON, CHAIRMAN, on January 12, 1993, at 8:00 AM.

**ROLL CALL**

**Members Present:**

Rep. Mary Lou Peterson, Chair (R)  
Sen. Harry Fritz, Vice Chair (D)  
Rep. Marjorie Fisher (R)  
Sen. Gary Forrester (D)  
Rep. Joe Quilici (D)  
Sen. Larry Tveit (R)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Jon Moe, Legislative Fiscal Analyst  
Terri Perrigo, Legislative Fiscal Analyst  
Clayton Schenck, Legislative Fiscal Analyst  
John Patrick, Office of Budget & Program Planning  
Elaine Benedict, Committee Secretary

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

**Committee Business Summary:**

Hearing: JUDICIARY  
Executive Action: BOARD OF CRIME CONTROL; ENVIRONMENTAL  
QUALITY CONTROL; SECRETARY OF STATE;  
LEGISLATIVE COUNCIL; AND JUDICIARY

**EXECUTIVE ACTION ON BOARD OF CRIME CONTROL**

**Tape No. 1:A:000**

**BUDGET ITEM LANGUAGE:**

**Mr. Clayton Schenck, Legislative Fiscal Analyst, presented the subcommittee with language concerning crime control legislative contract authority, based on previous action by the subcommittee. EXHIBIT 1**

**Mr. Don Merritt, Fiscal Manager for the Board of Crime Control, stated that his department had reviewed the language and was agreeable with whichever option is chosen by the subcommittee.**

**Motion/Vote:** SEN. HARRY FRITZ moved to accept language which would include \$500,000 for FY 92 and the same amount for FY 93. THE MOTION CARRIED UNANIMOUSLY.

**BUDGET ITEM ADMINISTRATIVE COSTS:**

Mr. Schenck presented the subcommittee with options concerning the Crime Control Division statutory appropriation-administrative costs, based on previous action by the subcommittee. EXHIBIT 2. He explained that option one was agreeable to the Office of Budget and Program Planning and the LFA. However, option three would be the best for the agency.

**Questions, Responses and Discussion:**

REP. JOE QUILICI asked how much the total amount of funds would be from the 9.1%. Mr. Merritt estimated the revenue would be \$550,000 this year.

REP. QUILICI asked what percentage would go to administrative costs. Mr. Merritt answered it would be about 9% and that some of the administrative expenditures were to train local enforcement for juvenile detention facilities.

REP. QUILICI and CHAIRMAN MARY LOU PETERSON expressed a preference for option #3. Mr. Schenck said that option 1 and 3 were similar in the amount of control given to the legislature.

**Motion/Vote:** SEN. FRITZ moved to accept option #3. THE MOTION CARRIED UNANIMOUSLY.

**EXECUTIVE ACTION ON ENVIRONMENTAL QUALITY COUNCIL**

Tape No. 1:A:370

**Informational Testimony:**

Ms. Karen Fagg, Governor's Office, gave a statement concerning the previous Governor's proposal of combining of the Water Policy Committee with the State Water Plan Advisory Council. She stated that the current Governor's office had reviewed the initiative and found combining the two agencies inappropriate, citing that each is critical in its service.

**Motion/Vote:** SEN. FRITZ moved to accept the LFA current level budget, including the Water Policy Committee biennial appropriation. THE MOTION CARRIED UNANIMOUSLY.

**EXECUTIVE ACTION ON SECRETARY OF STATE**

Tape No. 1:A:560

**ADMINISTRATIVE CODE PROGRAM**

**Informational Testimony:**

**Mr. Jon Moe, Legislative Fiscal Analyst,** reviewed the Administrative Code Program portion of the budget for the agency.  
**EXHIBIT 3**

**Mr. Doug Mitchell, Chief Deputy, Secretary of State,** noted the account in question was non-general fund and was a special revenue account. He raised the issue of personal services stating that although the bureau has 3.5 FTEs, it only has 1.5 people. State law mandates that non-general fund money be expended first; therefore, other general fund salaries have to be allocated into the agency. In order to reach the 1.95 FTE, the agency chose to allocate part of the FTE position (rather than the actual person).

**Questions, Responses and Discussion:**

**CHAIRMAN PETERSON** asked if the previous vote on the 1.7 FTE included the same money in this issue. **Mr. Mitchell** answered that this issue was concerning the remaining .25 FTE allocation removed by the subcommittee which the agency is trying to restore. He distributed a handout showing that the Secretary of State's Office ranks lowest in per FTE expenditures, as compared with other Government agencies. **EXHIBIT 4.** He then raised the issue of printing, stating that the office does not have the materials desired by customers. He stated that the increased funding for postage is necessary due to increased postal rates and increased number of customers.

**BUDGET ITEM PERSONAL SERVICES:**

**Motion:** **REP. QUILICI** moved to accept the LFA budget for personal services of 3.5 FTEs, for \$104,413 in 1994 and \$104,538 in 1995, which restored the .25 FTE.

**Vote:** A roll call vote was taken, resulting in a tie. **THE MOTION FAILED. EXHIBIT 5**

**Motion/Vote:** **REP. QUILICI** moved to accept the LFA budget as a base budget. **THE MOTION CARRIED UNANIMOUSLY.**

**BUDGET ITEM OPERATING EXPENSES:**

**Motion:** **SEN. FRITZ** moved to accept the executive budget for operating expenses on the grounds that the agency generates revenue from printing and postage.

**Questions, Responses and Discussion:**

**REP. MARJORIE FISHER** asked why the extra funding was necessary if the agency made money on the operations. **Mr. Mitchell** answered that the additional money would allow them to produce products so the agency can break even.

**Vote:** **THE MOTION CARRIED UNANIMOUSLY.**

## RECORDS MANAGEMENT

Tape No. 1:B

Informational Testimony:

Mr. Moe reviewed the budget for the Records Management portion of the budget. EXHIBITS 6 and 7

Mr. Mitchell discussed the issue of revenue shortfall. He stated that when the Records Management Bureau was separated from the Information Services Division, the agency inaccurately estimated the amount of revenue that would be generated by each entity. The agency would like to move the microfilming function to the Records Management Bureau so revenue could be generated in this division. Repositioning of personnel allowed for decreased expenditure and increased revenue. The agency would like to transfer specific functions to the state-wide cost allocation Plan. The agency altered fees in order to be more competitive in the marketplace.

Questions, Responses and Discussion:

REP. QUILICI asked if there had been a decline in the usage of services by other agencies. Mr. Mitchell answered that there was some decline due to the agency's loss of Computer Out Microfiche. Competition with private vendors has also hindered the division.

REP. QUILICI asked if rent for the division's quonset hut was \$45,000/year. Mr. Mitchell answered that this was true but that this is standard footage rate.

REP. FISHER asked if the building is state-owned and what the building contained. Mr. Mitchell answered that he did not know who owned the building and that it contained the equipment for reproducing records and the records themselves.

BUDGET ITEM RECORDS MANAGEMENT:

Motion/Vote: SEN. FRITZ moved to accept the LFA budget for Records Management, excluding the .45 FTE. THE MOTION CARRIED with REP. QUILICI opposing.

BUDGET ITEM OPERATING EXPENSES:

Motion: REP. QUILICI moved to accept the LFA budget for operating expenses, to include equipment.

Questions, Responses and Discussion:

SEN. FRITZ asked Mr. Mitchell if he thought an investment for equipment or for operating expenses would be the most money making. Mr. Mitchell answered operating expenses would prove the most money making.

REP. FISHER asked if private enterprise furnished the same

services as the agency and if this accounted for the agency charging three times as much as private vendors. **Mr. Mitchell** answered that the services offered generally were not the same, that the agency provided superior service and that Secretary of State Cooney's salary was, according to statute, figured into the rate.

**Vote:** THE MOTION CARRIED unanimously with five members present.

**Questions, Responses and Discussion:**

**SEN. FRITZ** stated that the committee should consider the transfer of COM from Department of Administration to the Secretary of State's Records Management Division.

The subcommittee considered a letter from **Mr. Jim Haubein** to **REP. QUILICI** concerning the agency's proposal to create an enterprise fund. **EXHIBIT 8**

**SEN. FRITZ** asked about the filling of the 10% reserve fund. **Mr. Mitchell** explained that in the first year, approximately \$120,000, or 10% of the agency's \$1.2 million budget, would be deposited in the reserve account, leaving \$155,000 for the general fund. In subsequent years, having filled the reserve fund, the agency would be able to put \$275,000 in the general fund.

**SEN. FRITZ** asked if the reserve fund served to balance "ups and downs" in the agency's money making ventures, and if it would be possible to invest reserve funds. **Mr. Mitchell** replied that the money could serve to balance the agency's budget. However, monies could be invested only on the approval of the Legislature. The intent of the reserve fund is to place revenue funds where the customers intend them to go. He went on to say that fewer FTEs will reduce revenue in the area of priority handling due to inability to provide full service.

**SEN. FRITZ** raised the issue of whether to combine Records Management with the other two programs or to combine the three, letting the first two programs subsidize the third. **Mr. Mitchell** said that the agency would prefer the second of these two options, citing that the duties performed by records management should be funded by an enterprise account, and that three separate enterprise accounts would be unnecessary.

**REP. QUILICI** asked if Records Management could be subsidized by the other two programs, should the three be combined. He asked if the legislative auditor or customers would question having to pay for records management while paying for the other programs. **Mr. Mitchell** responded that the agency would confront this issue, explaining that under the enterprise fund, records management could be more easily defined and allocated. He stated that the gap between revenue and expenditure is one FTE, which, if

transferred to the business and government general services budget, would eliminate the problem faced in Records Management.

**Mr. Schenck** asked if the accounting division had reviewed or approved the agency's proposal. **Mr. Mitchell** stated that the agency had not been aware of the conversation between Mr. Haubein and Ms. Connie Griffith of the D of A and that in discussions with them, the accounting division had been generally supportive of the concept of consolidation.

**Mr. Schenck** stated that the accounting division was obligated by statute to oversee the state accounting system and to insure that bills comply with state accounting statutes. He said there is a distinct difference between enterprise and proprietary funds and advised that the accounting division be in direct connection with the decision to approve the agency's proposal.

**REP. QUILICI** favored establishing a proprietary rather than an enterprise fund in order to avoid possible litigation. He suggested that the subcommittee move this decision and allow it to undergo the necessary scrutiny under further committee hearings.

**Mr. Moe** distributed an excerpt of the statute defining proprietary funds. **EXHIBIT 9**. He said that Generally Accepted Accounting Procedure states that upon determining that an activity be accounted for in an enterprise account, a separate fund should be established for each service provided. He reiterated the importance of the accounting division's involvement in the decision.

**Motion/Vote:** **SEN. FRITZ** moved that the subcommittee request that a bill be drafted to propose a funding change for the Office of the Secretary of State. **THE MOTION CARRIED UNANIMOUSLY.**

#### EXECUTIVE ACTION ON LEGISLATIVE COUNCIL

Tape No. 2:A:579

#### BUDGET ITEM INTERIM STUDIES AND CONFERENCES:

##### Informational Testimony:

**Mr. Bob Person, Executive Director of the Legislative Council,** distributed a handout detailing the budgets of the Interim Studies and Conferences. **EXHIBIT 10**

##### Discussion:

**SEN. TVEIT** expressed concerns about removal of the Five State Legislative Conference. He presented an analysis of the cost to reinstate the conference. **EXHIBIT 11**. He believes the conference is valuable for Montana and submitted a report from the last conference he had attended. **EXHIBIT 12**

**Motion:** SEN. LARRY TVEIT moved to reinstate the Five State Legislative Conference at a cost of \$3,321, to be funded by the Council of State Governments travel budget.

**Discussion:**

Discussion took place concerning the advantages and disadvantages of appropriating a total sum to non-specified regional conferences (which would allow the Legislative Council flexibility in determining funding for specific conferences) or line-iteming dollar amounts for specific conferences (which would allow for greater legislative control in appropriating funds in this area).

**Motion/Vote:** SEN. TVEIT amended his motion and moved to appropriate \$51,324 (originally allotted to the Pacific Northwest Economic Regional Council) to Regional Conferences, with language specifying that the Five State Legislative Conference be funded \$3,321 of this amount. **THE MOTION CARRIED UNANIMOUSLY.**

**Questions, Responses and Discussion:**

REP. FISHER expressed concern at the high cost of dues for the conferences.

SEN. TVEIT commented on the \$8,000 increase in travel expenses for the National Conference of State Legislatures, asking how many people attend and how often. Mr. Person answered that eight people attend the conference, which takes place three times a year. He stated that the increase is due to the increase in base of travel.

REP. QUILICI, Vice Chairman of the State Federal Assembly for NCSL, emphasized the importance of the conference. He has paid his own travel expenses to attend the meetings because he deems the involvement in the hearings important for Montana.

REP. FISHER asked how many people will attend the Council of State Government. Mr. Person answered that eight people would attend.

**Motion/Vote:** REP. QUILICI moved to accept the Interim Studies Conferences budget, as amended by the subcommittee. **THE MOTION FAILED** with SEN. GARY FORRESTER, REP. FISHER and CHAIRMAN PETERSON opposing.

**HEARING ON JUDICIARY**

**Tape No. 2:B:465**

**SUPREME COURT OPERATIONS**

**Informational Testimony:**

Mr. Moe presented an overview of the budget for the Supreme

Court. **EXHIBITS 13 and 14**

**Mr. Jim Oppedahl, Administrator, Supreme Court,** distributed a letter from Chief Justice Turnage **EXHIBIT 15.** He then distributed a booklet of the 1991 Judicial Report. **EXHIBIT 16.** Mr. Oppedahl stated that there was a vacancy position in the payroll system. The agency has made cutbacks by eliminating a state-wide judicial information system, removing telephones, and negotiating set rates for Montana Reports. Only 50 books are provided to district court judges and law offices and the universities must purchase the books. The print size has been reduced and format changed to allow one third more material in each book. Changes have been made in the Commission of Practice to consolidate meetings and allow a minimal fee rate to customers. A disbarred member of the Supreme Court is required to pay the cost of the investigation, with the fee going to the general fund. The number of bar exams administered per year and travel time have both been reduced. Magazine and journal subscriptions have been reduced and consolidated and expenditures for equipment reduced. The department held law clerk positions open for two weeks to generate vacancy savings. Mr. Oppedahl presented recommendations that the department believed would aid the Legislature. He said that the agency would continue the savings programs previously outlined and recommended: recharging 10% of his and the assistant administrator's salaries against the District Court Criminal Reimbursement Program; transferring on-line database searches from the law library to the State Bar of Montana which would eliminate the need for funding from general fund; reduce the general fund request by approximately \$400,000 and eliminate the need for a supplemental; eliminating unnecessary money transactions by transferring character and fitness reviews to the Montana State Bar, who would take in the fee and submit an annual accounting of expenditures. He said that the difference in LFA recommendation for the Character and fitness review budget and the request by the department is do to an increase in fees. He stated that the department would not spend more than what would be taken in for the budget. He distributed a packet containing the issues raised by the department. **EXHIBIT 17**

**Questions, Responses and Discussion:**

**REP. FISHER** asked if the State Bar of Montana is a state agency. **Mr. Oppedahl** answered that the State Bar was ordered to exist by the Supreme Court and that the court sets the dues that the lawyers must pay.

**REP. FISHER** asked if the State Bar would be self-supporting in the event of transferring the character and fitness review. **Mr. Oppedahl** answered that it would.

**Mr. Oppedahl** stated that the department accepted the LFA current level as a base and that issues on which they differed on this were listed on the handout. **EXHIBIT 17.** He addressed the budget



for Supreme Court Operations, explaining that the budget for travel was low because more than half the court was running for re-election and therefore funding travel with campaign money.

Mr. Moe gave an overview of the budget, explaining that the LFA current level for personal services is most accurate, based on information received by the office. He asked if the on-line bulletin board, which would allow public access to court opinions, was still part of the department's request. Mr. Oppedahl answered that it was.

REP. QUILICI asked if the information from the bulletin board could be obtained through newspapers. Mr. Oppedahl answered that it couldn't, that it was available only through xerox copies or books provided by a private service. This causes a delay in the obtaining of information, and that the bulletin board would allow people to call in to receive up-to-date information. This service would appeal most to legal services, news media and district court judges.

#### EXECUTIVE ACTION ON JUDICIARY

Tape No. 3:A

Motion/Vote: SEN. FRITZ moved to accept the LFA current level budget. THE MOTION CARRIED UNANIMOUSLY.

#### Questions, Responses and Discussion:

REP. QUILICI asked how much funding would be freed up from the Law Library if the modifications were accepted. Mr. Oppedahl answered \$204,000 the first year and \$225,000 the second year, under the LFA current level budget. Mr. Moe explained that although passing the modification would reduce general fund expenditure from the budget, the funding is done by fees and a 10% surcharge which are deposited in the general fund, therefore a reduction to general fund revenue would coincide with a reduction in expenditure.

SEN. FORRESTER asked if the transfer of the on-line legal database from the Law Library would also require a transfer of an FTE. Mr. Oppedahl answered that the walk-in services at the Law Library would continue and that, along with unrelated duties, would require the same staff. Transferring the program would eliminate the growing need for additional staff that would occur with higher demand for the service.


SEN. FORRESTER asked how the State Bar would acquire the funding to hire the necessary staff. Mr. Oppedahl answered that the State Bar would receive a 10% surcharge on Lexus bills.


Mr. Oppedahl reviewed the department issues for Boards and Commissions. EXHIBIT 17

Mr. Moe reviewed the budget for this division. EXHIBIT 18. He explained that the language issues contained in the LFA were rendered inaccurate by a change in the department's planning.

ADJOURNMENT

Adjournment: 11:50 AM

  
\_\_\_\_\_  
REP. MARY LOU PETERSON, Chair

  
\_\_\_\_\_  
ELAINE BENEDICT, Secretary

MLP/EB

# HOUSE OF REPRESENTATIVES

Gen. Gov. & Hwys.

SUB-COMMITTEE

ROLL CALL

DATE

1/12/93

NAME	PRESENT	ABSENT	EXCUSED
Rep. Mary Lou Peterson Chair	X		
Sen. Harry Fritz Vice Chair	X		
Rep. Marjorie Fisher	X		
Sen. Gary Forrester	X		
Rep. Joe Quilici	X		
Sen. Larry Tveit	X		

# HOUSE OF REPRESENTATIVES

Gen. Gov. & Hwys.

SUB-COMMITTEE

## ROLL CALL VOTE

DATE 1/12/93 BILL NO. N/A NUMBER N/A

MOTION: ACCEPT LEA BUDGET FOR PERSONAL  
SERVICES OF 35 FTE FOR \$104,413 IN 1994 + \$104,538  
IN 1995, WITH RESTORATION OF 25 FTE - SEC OF STATE OFFICE

NAME	AYE	NO
Rep. Mary Lou Peterson-Chair		X
Sen. Harry Fritz-Vice Chair		X
Rep. Marjorie Fisher		X
Sen. Gary Forrester	X	
Rep. Joe Quilici	X	
Sen. Larry Tveit	X	

31T The Appropriations Subcommittee on General Government, in executive action on the Crime Control Division budget on January 8, authorized the agency legislative contract authority for any additional federal pass-through grant funds that become available during the 1995 biennium. The subcommittee directed the LFA to provide the necessary change to House Bill 2 that is required. The additional appropriation and language required are as follows:

Provide a line-item in the bill of \$500,000 federal funds in fiscal 1992 and \$500,000 federal funds in fiscal 1993, titled "Legislative Contract Authority."

Language:

"Item \_\_\_\_ is a biennial appropriation."

"The appropriation for legislative contract authority in item \_\_\_\_ is subject to the following provisions:

- EXHIBIT 1  
DATE 1/12/93  
19
- (1) Legislative contract authority applies only to federal pass-through funds.
  - (2) Legislative contract authority expenditures must be reported on state accounting records. The records must separately account for contract authority appropriations and expenditures.
  - (3) A report must be submitted by the division to the legislative fiscal analyst following the end of each fiscal year of the biennium. The report must include a list of the additional federal funds appropriated and expended by grant program and the amounts."

(5) (a) For the fiscal year beginning July 1, 1991, 1.6% of the net revenue derived under subsection (3) must be paid quarterly to the board of crime control.

→ (b) For the fiscal year beginning July 1, 1992, and thereafter, 9.1% of the net revenue derived under subsection (3), but not to exceed \$1 million in any fiscal year, must be paid to the board of crime control.

→ (c) All money paid to the board of crime control under this subsection (5) must be used to fund state grants to counties for youth detention services as authorized in 41-5-1002. The revenue is statutorily appropriated, as provided in 17-7-502, to the board of crime control.

CRIME CONTROL DIVISION  
LEGISLATIVE CONTRACT AUTHORITY

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**Language:**

"Item \_\_\_\_ is a biennial appropriation."

"The appropriation for legislative contract authority in item \_\_\_\_ is subject to the following provisions:

- (1) Legislative contract authority applies only to federal pass-through funds.
- (2) Legislative contract authority expenditures must be reported on state accounting records. The records must separately account for contract authority appropriations and expenditures.
- (3) A report must be submitted by the division to the legislative fiscal analyst following the end of each fiscal year of the biennium. The report must include a list of the additional federal funds appropriated and expended by grant program and the amounts."

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23-7-410

PARKS, RECREATION,  
SPORTS, AND GAMBLING

936

(5) (a) For the fiscal year beginning July 1, 1991, 1.6% of the net revenue derived under subsection (3) must be paid quarterly to the board of crime control.

→ (b) For the fiscal year beginning July 1, 1992, and thereafter, 9.1% of the net revenue derived under subsection (3), but not to exceed \$1 million in any fiscal year, must be paid to the board of crime control.

→ (c) All money paid to the board of crime control under this subsection (5) must be used to fund state grants to counties for youth detention services as authorized in 41-5-1002. The revenue is statutorily appropriated, as provided in 17-7-502, to the board of crime control.

EXI  
JA  
HB

The Appropriations Subcommittee on General Government and Transportation directed the LFA, OBPP, and the Crime Control Division to work out an acceptable method of funding administrative costs of the youth detention services grant program, which were being charged against the statutory appropriation. The subcommittee intent appeared to be to 1) ensure the agency is funded for administrative costs; 2) provide funding from the lottery proceeds; 3) provide for the most simple solution; and, 4) provide a method that ensures legislative integrity of the budget process.

There does not appear to be a method of providing for administrative costs of the grant program from lottery proceeds without revising statute. If statute is to be revised, it would require a subcommittee bill or other sponsor to introduce the amendment.

OPTION 1 - ALLOW LEGISLATIVE APPROPRIATION FROM THE 9.1%

This option would require an amendment to section 23-7-402(5)(c), MCA, to state that, of the 9.1 percent of net lottery proceeds paid to the Board of Crime Control for youth detention services, there can be a legislative appropriation in the general appropriations act for the administrative costs of the grant program, with the remainder of the funds statutorily appropriated. It would also require an appropriation increase from net lottery proceeds in House Bill 2 for the administrative costs.

Recommended current level appropriation increase:

\$48,937 fiscal year 1994

\$49,170 fiscal year 1995

OPTION 2 - ALLOW ADMIN. EXPENSES FROM STATUTORY APPROP.

This option would require an amendment to section 23-7-402(5)(c), MCA, to allow the charge of administrative costs of the grant program against the statutory appropriation.

OPTION 3 - ALLOW ADMIN. EXPENSES FROM STATUTORY APPROP.,  
LIMIT WITH HOUSE BILL 2 LANGUAGE

This option would require the same amendment as for Option 2, but language would be added to House Bill 2 stating legislative intent as to the maximum to be charged for administrative expenses. Language would be as follows:

"It is the intent of the legislature that operating expenses charged to the statutory appropriation in section 23-7-402(5)(c), MCA for youth detention services grant administration not exceed \$48,937 in fiscal 1994 and \$49,170 in fiscal 1995."



**SECRETARY OF STATES OFFICE**  
**Program Summary**

## Administrative Code Program

 DATE 1/12/93  
 HB       

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	3.50	3.50	3.25	3.50	(0.25)	3.25	3.50	(0.25)
Personal Services	99,762	104,379	99,013	104,413	(5,400)	99,134	104,538	(5,404)
Operating Expenses	80,241	75,864	115,877	91,338	24,539	102,129	89,409	12,720
Equipment	0	1,592	1,457	1,457	0	1,600	1,600	0
Total Costs	\$180,004	\$181,835	\$216,347	\$197,208	\$19,139	\$202,863	\$195,547	\$7,316
<b>Fund Sources</b>								
State Revenue Fund	<u>180,004</u>	<u>181,835</u>	<u>216,347</u>	<u>197,208</u>	<u>19,139</u>	<u>202,863</u>	<u>195,547</u>	<u>7,316</u>
Total Funds	\$180,004	\$181,835	\$216,347	\$197,208	\$19,139	\$202,863	\$195,547	\$7,316

**Page References**

Stephens' Executive Budget—Pages A29 to A32  
 LFA Budget Analysis 1995 Biennium Vol. I—Pages A-51 to A-58

**Current Level Differences**

PERSONAL SERVICES—The LFA current level is higher than the executive current level primarily because the LFA analysis includes all FTE authorized by the 1991 Legislature including those FTE reductions for the "5 percent reduction" (0.25 FTE for this program).

 Exec. Over(Under) LFA  
 Fiscal 1994    Fiscal 1995  
 (5,400)        (5,404)

PRINTING—The LFA analysis reflects continuation at levels consistent with fiscal 1992 actual expenditures for printing of Administrative Rules of Montana and the Montana Administrative Register, while the executive current level includes additional authority in order to respond to potential demand increases and a new printing.

19,916        6,534

POSTAGE—The LFA current level is consistent with the fiscal 1992 actual expenditures. Fiscal 1992 was 62.6 percent higher than fiscal 1991 and consistent with fiscal 1990.

2,772        4,314

MINOR DIFFERENCES—Generally, LFA current level uses fiscal 1992 actual expenditures.

1,851        1,872

TOTAL CURRENT LEVEL DIFFERENCES

19,139        7,316
**Budget Modifications**

None

**Language**

None

E A -

LFA Fiscal 94	FTE	Annual \$	\$ Per FTE
Secretary of State	35.25	\$877,638	\$24,897.53
Public Employees' Ret. Board	20	\$594,889	\$29,744.45
Library Commission	29.5	\$884,147	\$29,971.08
Historical Society	47.88	\$1,442,854	\$30,134.80
State Auditor	68.5	\$2,079,487	\$30,357.47
Gambling Control Division	31	\$1,081,896	\$34,899.87
Public Service Regulation	47	\$1,643,327	\$34,964.40
Legislative Council	40.5	\$1,574,004	\$38,864.30
Governor's Office	58.5	\$2,347,885	\$40,134.79

EXHIBIT 4

DATE 1/12/93

HB

## HOUSE OF REPRESENTATIVES

EXHIBIT 5DATE 1/12/93

Gen. Gov. &amp; Hwys.

SUB-COMMITTEE

## ROLL CALL VOTE

DATE 1/12/93 BILL NO. N/A NUMBER N/A

MOTION: ACCEPT LEA BUDGET FOR PERSONAL  
SERVICES OF 35 FTE, FOR \$104,413 IN 1994 + \$104,538  
IN 1995, WITH RESTORATION OF 25 FTE - SEC OF STATE OFFICE

NAME	AYE	NO
Rep. Mary Lou Peterson-Chair		X
Sen. Harry Fritz-Vice Chair		X
Rep. Marjorie Fisher		X
Sen. Gary Forrester	X	
Rep. Joe Quilici	X	
Sen. Larry Tveit	X	

SECRETARY OF STATES OFFICE  
Program Summary

Records Management

DATE 1/12/93

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	9.25	9.25	8.80	9.25	(0.45)	8.80	9.25	(0.45)
Personal Services	217,273	225,667	225,900	234,500	(8,600)	226,481	235,090	(8,609)
Operating Expenses	102,486	123,619	117,379	106,444	10,935	116,151	104,516	11,635
Equipment	8,355	10,000	22,395	8,355	14,040	23,755	8,355	15,400
Total Costs	\$328,115	\$359,286	\$365,674	\$349,299	\$16,375	\$366,387	\$347,961	\$18,426
<b>Fund Sources</b>								
Proprietary Fund	<u>328,115</u>	<u>359,286</u>	<u>365,674</u>	<u>349,299</u>	<u>16,375</u>	<u>366,387</u>	<u>347,961</u>	<u>18,426</u>
Total Funds	\$328,115	\$359,286	\$365,674	\$349,299	\$16,375	\$366,387	\$347,961	\$18,426

**Page References**

Stephens' Executive Budget – Pages A29 to A32  
LFA Budget Analysis 1995 Biennium Vol. I – Pages A-51 to A-58

**Current Level Differences**

PERSONAL SERVICES – The LFA current level is higher than the executive current level primarily because the LFA analysis includes all FTE authorized by the 1991 Legislature including those FTE reductions for the "5 percent reduction" (0.45 FTE for this program).

(8,600) (8,609)

OPERATING EXPENSES – The LFA current level is lower than the executive current level. The LFA analyses use fiscal 1992 actual expenditures (adjusted for fixed costs) because projected revenues which support this program are less than program costs.

10,935 11,635

EQUIPMENT – The LFA current level is lower than the executive current level because of the projected revenue shortfall as described for operating expenses above.

14,040 15,400**TOTAL CURRENT LEVEL DIFFERENCES**16,375 18,426**Budget Modifications**

Executive Budget Modification

RESTORE 5% REDUCTION – Restore 0.25 FTE in this program – LFA page A-53

4,459 4,465

**Language and Other Issues**

ISSUE: RECORDS MANAGEMENT PROGRAM REVENUES – Inadequate revenue in proprietary fund account which funds this program. See page A-54, LFA Budget Analysis 1995 Biennium Vol. I

Exec. Over(Under) LFA  
Fiscal 1994 Fiscal 1995

2) Fireproof Storage Purchase - This budget modification would allow the purchase of fireproof cabinets for document storage. These cabinets are estimated to cost \$50,000. The agency proposes two alternatives: 1) purchase; or 2) a five-year lease purchase at \$12,748 per year. The total cost of the second alternative would be \$63,740.

3) Records Filming-Retrieval - Photographic equipment to microfilm business registrations and uniform commercial code financing statements for more efficient storage and retrieval would be purchased with this budget modification.

4) Data Processing Personnel - A grade 15 data processing position is requested in this budget modification. The new FTE would provide services now being provided by ISD, private vendors, consultants, and office staff.

## Issues

### Senate Bill 423 - Corporation Information

Senate Bill 423, enacted during the 1991 session, authorized the Secretary of State to sell lists of certain corporation information maintained on the office's computer system. The fiscal note for this bill estimated that the sale would provide the general fund with revenue of \$15,000 in fiscal 1992 and \$20,000 in fiscal 1993. According to agency personnel, no revenue has been collected because the office did not have enough funding to generate the lists.

### Increased Corporation Filing Fees

In the January 1992 special session, the following language was added to House Bill 2:

The secretary of state is directed to raise annual corporation report fees by an amount sufficient to deposit an additional \$150,000 in the general fund beginning in fiscal 1993.

The fees, which are established by administrative rules, have not been increased. The Secretary of State's office does not plan to raise the fees, due to concern that fee increases would violate section 35-1-1206(3), MCA, which states:

The [corporation report] fees must be reasonably related to the costs of processing the documents and preparing and providing the services. The secretary of state shall maintain records sufficient to support the fees established under this section.

Currently, the agency does not maintain SBAS records in a manner that isolates costs associated with this service.

### Records Management Program Revenues

The Records Management Program is funded from a proprietary fund account which receives revenues from state agencies for records storage and microfilming. Shortly after the program was transferred to the Secretary of State's Office in fiscal 1992, it was apparent that revenues were falling behind expenditures. The program received a \$40,000 inter-entity loan in August 1991 from the Administrative Rules state special revenue account. This loan was due on January 1, 1992, but has not yet been paid. Currently, the agency cannot repay the loan due to the low balance in the proprietary fund account.



TERESA OLCOTT COHEA  
LEGISLATIVE FISCAL ANALYST

STATE OF MONTANA

*Office of the Legislative Fiscal Analyst*

STATE CAPITOL  
HELENA, MONTANA 59620  
406/444-2986

EXHIBIT 8  
DATE 1/12/93  
HB                     

January 5, 1993

Representative Joe Quillici  
Seat # 30  
Montana House of Representatives

Dear Representative Quillici:

You asked that I review the attached Proposal to Change Funding Structure by the Secretary of State and give you any comments I may have concerning the proposal.

The proposal by the Secretary of State is twofold: 1) to consolidate the funding for the three programs into a single enterprise (proprietary) fund account as shown on page 6; and 2) to set aside 10 percent of all revenues generated by the programs to be statutorily appropriated to provide for equipment, systems replacement or enhancements, and for other needs in the operations of the Secretary of State's office.

Following are my comments concerning the proposal:

1) Revenues from the Businesses and Government Services program (such as corporation filing fees) currently deposited in the general fund would be deposited in the enterprise fund after July 1, 1993. These revenues exceed the program's current operating expenditures from the general fund. There was approximately \$275,000 of revenues in excess of expenditures in fiscal 1992. Therefore, the transfer could result in a \$550,000 loss of revenue to the general fund in the 1995 biennium.

2) Since the Records Management program primarily provides services to other governmental agencies, it is an internal services fund rather than an enterprise fund, according to Generally Accepted Accounting Principles (GAAP). These two fund types are also defined in Section 17-2-102(i) and (ii), MCA. Therefore, it may not be legally possible to consolidate the Records Management program with the other two programs. I discussed this with Connie Griffith, the administrator of the Accounting Division, and she agrees that the accounts for the Records Management program should not be consolidated with the other two programs in the agency.

DATE 1/12/93

~~HB~~

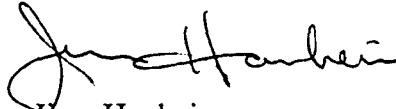
3) The Records Management program is currently having financial difficulty; in fiscal 1992, revenues were less than expenditures. A similar shortfall is projected for the 1995 biennium. If the three programs are consolidated into one enterprise fund account, revenues from the other two programs could subsidize Records Management program costs.

4) The legislature passed Senate Bill 253 in the 1987 session with the intent of decreasing the number of earmarked accounts (the state special revenue and proprietary fund accounts). The legislature was concerned that the increasing number of the accounts limited the legislature's ability to shift funds during periods of "tight money".

5) The agency is requesting that 10 percent of all revenues (approximately \$200,000 per fiscal year) be set aside and statutorily appropriated for long range equipment, systems replacement or enhancement, and to provide flexibility in operations. In the 1989 session, House Bill 583 was passed to remove all operating expenses from statutory appropriations because there was no on-going review of these costs during legislative sessions.

If you have any questions, please call me.

Sincerely,



Jim Haubein  
Principal Fiscal Analyst

JH3B:lt:rql-6.ltr

17-2-123. Repealed.  
17-2-124 through 17-2-130 reserved.  
17-2-131. Genetic engineering technology research and development account created.

Part 2 — Special Accounts  
17-2-201. Contingent revolving accounts — when established.  
17-2-202. Retention of agency moneys.  
17-2-203. Repealed.

Chapter Cross-References  
Contribution account in agency fund,  
19-1-601 through 19-1-604.  
  
Fund for telecommunications services for  
the handicapped, 53-19-310.  
Funds created for water conservation,  
85-1-321.

Part 1

Treasury Funds and Accounts

Part Cross-References  
Treasurer to withhold payment, 2-2-206.  
Disposition of fines, penalties, forfeitures,  
and fees, 3-10-601.  
Disposition of license and other tax  
proceeds within treasury funds, 15-1-501.  
  
Warrants to Fire Department Relief As-  
sociation, 19-11-514.  
Ex officio treasurer of Unemployment  
Compensation Account, 39-51-402.  
Treasurer for hail insurance, 80-2-232.

17-2-101. Title and purpose. Sections 17-2-101 through 17-2-107 may be cited as the "Treasury Fund Structure Act". The purpose of these sections is to simplify the accounting system and treasury fund structure of the state, to make possible the full utilization of modern accounting methods, to provide the legislature with a greater measure of control over public moneys, and to enable the financial records of the state to accurately reflect the state's revenues, expenditures, expenses, and financial position in accordance with generally accepted accounting principles.  
History: En. Sec. 1, Ch. 147, L. 1963; R.C.M. 1947, 79-409; amd. Sec. 1, Ch. 540, L. 1979; amd. Sec. 1, Ch. 28, L. 1981.

17-2-102. Fund structure. (1) There are in the state treasury only the following fund categories and types:  
(a) governmental fund category, which includes:  
(i) the general fund, which accounts for all financial resources except those required to be accounted for in another fund;  
(ii) the special revenue fund type, which accounts for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. The financial activities of the special revenue fund type shall be subdivided for operational purposes into the following funds to serve the purpose indicated:  
(A) The state special revenue fund consists of money from state and other nonfederal sources deposited in the state treasury that is earmarked for the

state government. Other nonstate and nonfederal revenue deposited in the state special revenue account is not subject to the emergency budget amendment provisions of 17-7-403.

(B) The federal special revenue fund consists of money deposited in the treasury from federal sources, including trust income, that is used for the operation of state government.

(iii) the capital projects fund type, which accounts for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds or trust funds; and

(iv) the debt service fund type, which accounts for the accumulation of resources for and the payment of general long-term debt principal and interest;

(b) proprietary fund category, which includes:

(i) the enterprise fund type, which accounts for operations:

(A) that are financed and operated in a manner similar to private business enterprises whenever the intent of the legislature is that costs (i.e., expenses, including depreciation) of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges; or

(B) whenever the legislature has decided that periodic determination of revenue earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes; and

(ii) the internal service fund type, which accounts for the financing of goods or services provided by one department or agency to other departments or agencies of state government or to other governmental entities on a cost-reimbursed basis;

(c) the fiduciary fund category, which includes trust and agency fund types used to account for assets held by state government in a trustee capacity or as an agent for individuals, private organizations, other governmental entities, or other funds. These include the:

- (i) expendable trust fund type;
- (ii) nonexpendable trust fund type;
- (iii) pension trust fund type; and
- (iv) agency fund type.
- (d) the higher education funds, which include:

(i) the current fund, which accounts for moneys deposited in the state treasury which are used to pay current operating costs relating to instruction research, public service, and allied support operations and programs conducted within the Montana university system and vocational-technical centers. The financial activities of the current fund shall be subdivided for operation purposes, into the four following subfunds to serve the purpose indicated:

(A) The unrestricted subfund segregates that portion of the current fund's financial resources that can be expended for general operations and is free of externally imposed restrictions, except those imposed by the legislature.

(B) The restricted subfund segregates that portion of the current fund's financial resources that can be expended for general operations but only for

EXHIBIT  
DATE 1/2/93  
AB



EXHIBIT 10

DATE 1/12/93

HB



**Senate Members**  
GARY C. AKLESTAD  
VICE CHAIRMAN  
DELWYN GAGE  
MIKE HALLIGAN  
J.D. LYNCH

**House Members**  
RED MENAHAN  
CHAIRMAN  
JAN BROWN  
MARY LOU PETERSON  
JIM RICE

# Montana Legislative Council

## Office of the Executive Director

Room 138 • State Capitol  
Helena, Montana 59620-1706  
(406) 444-3064  
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**Executive Director**  
ROBERT B. PERSON

January 11, 1993

TO: Appropriations Subcommittee on General Government and Highways

FROM: Bob Person *Bob*

RE: Interim Studies and Conferences Budgets

You, as a member of this subcommittee, have a special relationship to the budgets that support the interim activities of the Legislature. The Legislative Council passes these budgets along to you considering you an active partner, perhaps even a senior partner, in their consideration.

The Legislative Council budgets for a variety of interim activities for the Legislature. In the past, the Appropriations Subcommittee has had terrible difficulty dealing with the issues associated with the appropriations. To understand the issues involved with the budgets will take some time.

In the past, the subcommittee asked for more detailed information about the separate budgets. The enclosed material describes each activity in detail and contrasts the proposed budget to the previous one. Where appropriate, additional useful information is included. A spreadsheet is included that details each budget.

I believe this information is the foundation necessary to make good decisions. I will do my best to assist you further and answer your questions at any time.

Joint Interim Committees (including Statewide Issues)

The Interim Studies and Conferences portion of the budget supports interim studies activities established under 5-5-202 and 5-5-211 through 5-5-217, MCA. Funding for interim committees formed immediately after the session and committees formed later by the Legislative Council to study issues of statewide importance underlies this budget. The budget includes funding for legislator salary and expenses; the printing and postage costs of a study; contracted services for a study; other extraordinary study costs; and general costs of supporting interim studies including publication of the *Interim Directory of Legislative Committees*.

Proposed budgets:

INTERIM STUDIES			
SALARIES	1100		20,542
EMPLOYEE BENEFITS	1400		1,674
CONSULTING SERVICES	2102		25,000
PRINTING/PUB & GRAPHICS	2190		4,125
OTHER PRINTING (e.g., Final Rpt.)	2191		500
	21--		29,625
PHOTO & REPRODUCTION	2212		2,409
SUPPLIES	2236		100
	22--		2,509
POSTAGE & MAILING	2304		1,404
IN-STATE PERSONAL CAR MILEAGE	2401		24,684
IN-STATE LODGING	2408		3,744
IN-STATE MEALS OVERNIGHT	2410		5,580
	24--		34,008
GENERAL FUND	0000		89,762

STATEWIDE ISSUES			
GENERAL FUND	0000		25,000

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DATE 1/12/93  
HBF

Basic assumptions:

1. Funding is included for 5 interim committees. Money for general interim support is included. The average interim committee would hold 5 meetings.
2. The budget assumes no change in salary, per diem, or hotel reimbursement from current law.

Considerations:

The interim committees program was designed to balance appropriations and staff resources. It seems to be growing out of favor, however, as more and more interim work is directed through enactment of separate bills. The Legislative Council proposed a rule change to correct this problem in 1991, but the rule was not adopted. The number of studies that could be supported by this budget represents the amount of work the Legislative Council research staff can support in an interim.

Options:

Changes made to the budget should represent increments based upon the assumptions outlined above.

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DATE 1/13/93  
~~HB~~

Select Committee on Indian Affairs

The Select Committee on Indian Affairs has operated under legislative authorization from session to session since 1977 and under permanent statute since 1989. The Committee is directed to encourage participation of Indian people at committee meetings, to act as an available liaison between the Indian people and the Legislature, to encourage tribal-state and tribal-local government cooperation, and to hold hearings to promote better understanding between the tribes and public agencies.

Proposed Budget:

INDIAN AFFAIRS COMMITTEE		
SALARIES	1100	2,055
EMPLOYEE BENEFITS	1400	167
PRINTING (e.g., Final Rpt.)	2190	825
OTHER PRINTING (Not P&G)	2191	100
	21--	925
PHOTO & REPRODUCTION	2212	409
OFC SUPPLIES/CENTRAL STORES	2236	20
	22--	429
POSTAGE & MAILING	2304	213
IN-STATE PERSONAL CAR MILEAGE	2401	2,472
IN-STATE MEALS OVERNIGHT	2410	558
	24--	3,404
GENERAL FUND	0000	7,193

Options:

The budget is minimal. The choice is to increase it or eliminate it.

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HB

Montana Legislative Council  
Interim Studies and Conferences  
Second Level Budget Detail by Activity  
Page 5

Districting and Apportionment Commission

The Districting and Apportionment Commission is required by Title 5, chapter 1, part 1, MCA, to accomplish the constitutionally required decennial reapportionment of congressional and state legislative districts.

Proposed budget: \$ 0

Considerations:

The work of the Commission will be completed this year. Lawsuits have been threatened by various entities. It is unclear what, if any effect a lawsuit might have on Legislative Council resources -- specifically technical staff support for the state.

EXHIBIT 10  
DATE 1/12/93  
~~HB~~ \_\_\_\_\_

Revenue Oversight Committee

The Revenue Oversight Committee was created in 1979 to review proposed rules of the Department of Revenue and exercise legislative oversight of that Department. The Committee also investigates and reports on any other matters concerning taxation, serving essentially as the interim legislative committee on taxation. Recently, the Committee has been assigned revenue estimation responsibility. The Committee operates under Title 5, chapter 18, part 1, MCA.

Proposed budget:

REVENUE OVERSIGHT COMMITTEE		
SALARIES	1100	12,325
EMPLOYEE BENEFITS	1400	1,005
CONSULTING SERVICES	2102	5,000
PRINTING/PUB & GRAPHICS	2190	2,200
	21--	7,200
PHOTO & REPRODUCTION	2212	1,231
SUPPLIES	2236	20
	22--	1,251
POSTAGE & MAILING	2304	773
IN-STATE PERSONAL CAR MILEAGE	2401	14,810
IN-STATE LODGING	2408	2,246
IN-STATE MEALS OVERNIGHT	2410	3,348
	24--	20,404
GENERAL FUND	0000	42,958

Options: Revise budget by number of meetings allowed.

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DATE 1/12/93  
HB

Coal Tax Oversight Subcommittee

The Coal Tax Oversight Subcommittee was established in 1979 and operates under authority of Title 5, chapter 18, part 2, MCA. The Subcommittee reviews programs financed by coal severance tax funds and considers other matters relating to coal taxation.

Proposed budget:

COAL TAX OVERSIGHT SUBCOMMITTEE		
SALARIES	1100	1,367
EMPLOYEE BENEFITS	1400	112
PRINTING/PUB & GRAPHICS	2190	413
OTHER PRINTING (e.g., Final Rpt.)	2191	100
	21--	513
PHOTO & REPRODUCTION	2212	228
SUPPLIES	2236	20
	22--	248
POSTAGE & MAILING	2304	101
IN-STATE PERSONAL CAR MILEAGE	2401	1,646
IN-STATE LODGING	2408	250
IN-STATE MEALS OVERNIGHT	2410	372
	24--	2,268
LOCAL IMPACT	0000	4,609

Options: Eliminate the budget and accept the bill transferring duties or not.

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DATE 1/12/93  
~~HB~~

Administrative Code Committee

The Administrative Code Committee was established in 1975 as a permanent joint committee to review all proposed rules, rule amendments, and rule repeals filed with the Secretary of State under the Montana Administrative Procedure Act (Title 2, chapter 4, MCA). The powers of the Committee are set forth in Title 2, chapter 4, part 4, MCA.

Proposed budget:

ADMINISTRATIVE CODE COMMITTEE		
SALARIES	1100	4,792
EMPLOYEE BENEFITS	1400	391
PRINTING (e.g., Final Rpt.)	2190	413
PRINTING/OTHER PROVIDER	2191	100
	21--	513
PHOTO & REPRODUCTION	2212	527
SUPPLIES	2236	20
	22--	547
POSTAGE & MAILING	2304	285
IN-STATE PERSONAL CAR MILEAGE	2401	5,760
IN-STATE LODGING	2408	874
IN-STATE MEALS OVERNIGHT	2410	1,302
	24--	7,936
GENERAL FUND	0000	14,464

Options: Adjust the budget by a certain number of meetings based upon the assumptions.

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National Conference of State Legislatures

The National Conference of State Legislatures was formed in 1975 from three separate legislative organizations to improve the quality and effectiveness of state Legislatures, foster interstate communication and cooperation, and ensure Legislatures a strong, cohesive voice in the federal system.

Proposed budget:

NCSL		
SALARIES	1100	13,754
EMPLOYEE BENEFITS	1400	1,126
OUT-OF-STATE COMMERCIAL TRANS	2412	26,400
OUT-OF-STATE LODGING	2418	21,600
OUT-OF-STATE MEALS-OVERNIGHT	2430	4,320
	24--	52,320
DUES	2801	128,188
EDUCATION/TRAINING COSTS	2809	12,000
	28--	140,188
GENERAL FUND	0000	207,388

Considerations:

The salary and travel budgets allow for 8 committee memberships. Each committee meets an average of twice a year separately and once at the annual meeting.

NCSL Committees open to legislators are divided into two groups. The Assembly on the Legislature (AOL) consists of a number of committees that consider state legislative policy and procedure matters. The State-Federal Assembly (SFA) consists of a number of committees that work on federal issues of interest to the states. The State-Federal Assembly committees recommend the issues on which NCSL lobbying activities are based. SFA committees can be powerful tools for a state like Montana if effective representation is arranged.

AOL Committees (14): Arts, Tourism and Cultural Resources; Children, Families and Social Services; Commerce and Economic Development; Criminal Justice; Education; Fiscal Affairs and Oversight; Legislative and Management Oversight; Reapportionment Task Force; Science, Energy and Environmental Resources; State-Local Relations; Task Force on Developmental Disabilities; Task Force on Information Policy; and Task force on the Wine Industry.

SFA Committees (11): Agriculture and International Trade; Commerce, Labor and Regulation; Communications; Education and Job Training; Energy; Environment and Natural Resources; Federal Budget and Taxation; Health; Human Services; Law and Justice; and Transportation.

Other services supported, in part, by dues payments: Services to individual legislators and staff, committees, and other legislative bodies including: information requests; technical assistance; publications such as *State Legislatures* magazine; and representation of state interests as decided by SFA before Congress. Direct support to legislative staff is provided through 9 staff section organizations: American Society of Legislative Clerks and Secretaries; National Association of Legislative Fiscal Officers; Legal Services Staff Section; Legislative Program Evaluation Section; Legislative Research Librarians Staff Section; National Legislative Service and Security Association; Leadership Staff Section; Research and Committee Staff Section; Computer Applications Staff Section. Montana staff participate in few of these sections. Information disseminated by the sections is used regularly by us even if meetings are not regularly attended. The audit staff has been active with their group and has frequently been honored by them.

Montana has a very poor dues payment record. Although, in the last biennium, the dues budget approved by the Legislature fully supported expected billing as of the end of the session. The second special session in July 1992 required reversion of all remaining NCSL funding including dues. The payment record is as follows:

FY	Billed	Paid
84	\$27,946	\$27,946
85	29,631	29,631
86	33,204	32,500*
87	40,942	38,084*
88	45,122	22,561*
89	47,722	23,861*
90	50,019	39,725*
91	52,270	39,202*
92	57,961	57,961
93	60,647	0*

\* payment less than full assessment

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DATE 1/12/93  
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Options:

- A1. Fully fund dues as proposed
- A2. Reduce dues payment by \_\_\_\_ % or \$ \_\_\_\_.
- B1. Fund legislator salary and travel as proposed.
- B2. Budget \_\_\_\_ committee memberships @ the recommended level for each
- B3. Budget \_\_\_\_ partial committee memberships @ \$ \_\_\_\_ salary and \$ \_\_\_\_ travel each

Further considerations:

Legislator travel to NCSL activities often has been funded by budgets of other legislative agencies and by leadership approved travel budgets. For example, due to severe constraints here over the years, Rep. Quilici has held his membership on the SFA Energy Committee through Legislative Consumer Committee funding. Although the Legislative Council recognized Rep. Quilici's role as an NCSL officer by funding his travel this interim, this budget may not represent the whole picture as to legislator travel to NCSL activities. The committee may wish to address that issue as an overall budgetary concern. The concern becomes especially great should the budget be significantly reduced.

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Ocean Resources; Water Policy; and the Executive Committee.

In addition to the regional conference committees and governing boards, CSG dues support a range of activities including ancillary associations such as the Western Attorneys General and a number of other state official organizations nationally. The Council conducts research on state issues nationally and publishes statistical information. A standard publication on state government is the *Book of the States*. Numerous other publications are also available. A new project in the Western Conference has been the Westrends project. Montana's recent dues payment history is dismal. The Legislature approved a budget in the past biennium to cover 75% of the anticipated dues billing. The payment record back to 1984 is as follows:

FY	Billed	Paid
84	\$30,200	\$30,200
85	30,200	30,200
86	32,200	31,556*
87	34,300	31,933*
88	37,400	18,700*
89	40,300	20,750*
90	43,100	33,515*
91	45,600	34,200*
92	48,200	0*
93	48,200	0*

\* payment less than full assessment

Options:

- A1. Fund dues as proposed
- A2. Reduce dues by \_\_\_% or \$ \_\_\_\_.
- B1. Fund salary and travel as proposed.
- B2. Budget \_\_\_ memberships @ the calculated level
- B3. Budget \_\_\_ memberships @ \$ \_\_\_\_ for salary and \$ \_\_\_\_ for travel
- B4. Budget \_\_\_ memberships @ the same rate each as NCSL decided above

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DATE 1/12/93  
HB

Regional Conferences

The Legislative Council has eliminated its request to authorize a budget to support Montana participation in regional conferences supplanting budgets for the Five-State Legislative Conference, the Montana-Western Canadian Provinces Boundary Advisory Committee, or the Western States Legislative Forestry Task Force.

Budget: \$ 0

Considerations:

Details related to the active issues of the Montana-Western Canadian Provinces Boundary Advisory Committee and the Western States Legislative Forestry Task Force are included in following pages. Appropriate adjustments should be made as other decisions are made. A bill to redefine the Montana-Western Canadian Provinces Boundary Advisory Committee has been prepared for introduction by Rep. Gervais.

The general lack of Montana legislator participation in the Five-State Legislative Conference led to the Council's decision to recommend no funding for that activity.

Options: As the committee wishes

Montana-Western Canadian Provinces Boundary Advisory Committee

The Montana-Western Canadian Provinces Boundary Advisory Committee was created in 1985 and operates under Title 1, chapter 13, part 1, MCA. The Committee is to strengthen understanding and cooperation between Montana government and citizens and the governments and citizens of the neighboring Canadian provinces, with special emphasis on encouraging economic, cultural, and educational exchanges. The Committee is authorized to meet with an appropriate body representing the provinces of Alberta, British Columbia, and Saskatchewan.

Proposed budget: \$0

Considerations:

This is a statutory committee that was established with great enthusiasm 3 sessions ago. There are four legislative members funded by this budget. The committee has never been adequately funded since its inception. This year the Legislative Council opted to propose no funding for the committee. The Governor's office and the committee believe a new initiative with Alberta founded in October 1990 offers a new hope for progress. They will propose a bill chartering the group to meet with Alberta only. The legislature will need to decide how to fund this activity should the bill pass. Should no funding be forthcoming, a bill eliminating the committee should be adopted.

Options:

Fund activities with Alberta or not.

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~~HB~~

Western States Legislative Forestry Task Force

The Western States Legislative Forestry Task Force was established in 1974 to operate as a clearinghouse for opinions from all the various interests involved in the forest use and conservation in the West and which includes among its duties a report to the Legislatures of the participating states and to the state delegations in the United States Congress concerning means of protecting and fostering the forests of the participating states. Participation is reaffirmed each legislative session upon adoption of a joint resolution authorizing appointment of delegates.

Proposed budget: \$0

Considerations:

Montana membership is determined each biennium by passing a resolution and adopting a budget. The resolution process is a part of the organization's bylaws. Typically four members are eligible to travel to four meetings a year throughout the West and to Washington, D.C. Fully funding travel would require a budget per meeting of around \$1,000 for salary; and \$3,000 for travel for the four members.

Montana did not pay dues in the past biennium and its dues were forgiven by the organization.

JTPA Committee

The Subcommittee on JTPA, was established in 1989 by 53-2-1110 to review and comment upon the job training plan written under 53-2-1106.

Proposed budget:

JTPA REVIEW COMMITTEE		
SALARIES	1100	2,054
EMPLOYEE BENEFITS	1400	167
PRINTING (e.g., Final Rpt.)	2190	413
OTHER PRINTING (Not P&G)	2191	100
	21--	513
PHOTO & REPRODUCTION	2212	255
OFC SUPPLIES/CENTRAL STORES	2236	20
	22--	275
POSTAGE & MAILING	2304	173
IN-STATE PERSONAL CAR MILEAGE	2401	2,468
IN-STATE LODGING	2408	374
IN-STATE MEALS OVERNIGHT	2410	558
	24--	3,400
GENERAL FUND	0000	6,582

EXHIBIT 10  
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Pacific Northwest Economic Region

The Pacific Northwest Economic Region was established in 1991 and operates under Title 5, chapter 11, part 7 to promote collaboration on the economic activities of the region, enhance the competitiveness of the region's products, and improve economic well-being and quality of life of the region's citizens.

Proposed budget:

PACIFIC N.W. ECONOMIC REGION		
SALARIES	1100	2,750
EMPLOYEE BENEFITS	1400	226
IN-STATE PERSONAL CAR MILEAGE	2401	146
OUT-OF-STATE PERSONAL CAR MLGE	2411	2,884
OUT-OF-STATE COMMERCIAL TRANS	2412	7,170
OUT-OF-STATE LODGING	2418	4,320
OUT-OF-STATE MEALS-OVERNIGHT	2430	1,128
	24--	15,648
DUES	2801	31,500
EDUCATION/TRAINING COSTS	2809	1,200
	28--	32,700
GENERAL FUND	0000	51,324

National Conference of Commissioners on Uniform State Laws

The National Conference of Commissioners on Uniform State Laws was established in 1892 to promote uniformity of law among the states in areas where uniformity was desirable. Funding for Commissioner participation was included in the Legislative Council budget by the Legislature in 1991. It had been included in the budget for the Governor's office for a number of previous biennia.

Proposed budget:

NATL CONF COMMISS UNIF ST LAWS		
OUT-OF-STATE COMMERCIAL TRANS	2412	5,400
OUT-OF-STATE LODGING	2418	8,000
OUT-OF-STATE MEALS-OVERNIGHT	2430	1,600
	24--	15,000
DUES	2801	16,000
EDUCATION/TRAINING COSTS	2809	4,000
	28--	20,000
GENERAL FUND	0000	35,000

Current membership:

Joseph P. Mazurek, Chairman  
Appointed Commissioner  
Appointed: July 1, 1989

Robert E. Sullivan, Secretary  
Life Member

Alex Blewett  
Life Member

James E. Vidal  
Appointed Commissioner  
Appointed: July 1, 1989

E. Edwin Eck  
Appointed Commissioner  
Appointed: July 1, 1989

Gregory J. Petesch  
Montana Legislative Council  
Ex Officio Associate

EXHIBIT 10  
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**Senate Members**  
GARY C. AKLESTAD  
VICE CHAIRMAN  
DELWYN GAGE  
MIKE HALLIGAN  
J.D. LYNCH

**Executive Director**  
ROBERT B. PERSON

**Division Director**  
DAVID D. BOHYER

**Library**  
BETH FURBUSH  
NANCY ZALUTSKY  
RITA GIBSON



EXHIBIT 11  
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**House Members**  
RED MENAHAN  
CHAIRMAN  
JAN BROWN  
MARY LOU PETERSON  
JIM RICE

**Researchers**  
CONNIE ERICKSON  
SUSAN FOX  
TOM GOMEZ  
SHERI S. HEFFELFINGER  
JEFF MARTIN  
ANDREA MERRILL

## Montana Legislative Council

### Research and Reference Services

Room 138 • State Capitol  
Helena, Montana 59620-1706  
(406) 444-3064  
FAX (406) 444-3036

January 11, 1993

TO: Senator Larry Tveit

FROM: Dave Bohyer *Dave*

RE: Budget for participation in the Five State Legislative Conference

This morning, Bob Person asked me to develop for you a budget for Montana participation in the Five State Legislative Conference for FY 1994. A fairly tight budget would be **\$3,321.**

This budget for Five-State is predicated on the following assumptions:

1. the Conference will be held in Cheyenne, WY;
2. travel and per diem for legislators will be the same in FY 1994 as it is currently;
3. four Montana legislators will participate;
4. each of Montana's delegates will drive to Cheyenne;
5. Montana's delegates will claim an average of 3-days for per diem and salary.

I hope this information meets your needs. If we can be of further assistance, please give me a call (3064) or drop by my office in Room 140-B.

db\01113a.ddb  
enc.

EXHIBIT 11  
DATE 1/12/93  
HB

COMMITTEE: Five State Legislative Conference  
Delegates will drive to Cheyenne, Wyoming

Number of Meetings 1  
Avg. days/meeting 3

LEGISLATOR EXPENSES

No. of Reps 2  
In-state meals \$0  
In-state lodging \$0  
Mileage \$550  
O-O-S Airfare \$0  
O-O-S meals \$165  
O-O-S lodging \$400  
-----  
Subtotal \$1,115  
-----

Salary \$399  
Benefits \$33

Senators 2  
In-state meals \$0  
In-state lodging \$0  
Mileage \$550  
O-O-S Airfare \$0  
O-O-S meals \$165  
O-O-S lodging \$400  
-----  
Subtotal \$1,115  
-----

Salary \$399  
Benefits \$33

COMMITTEE OP. EXP.: Interim

Dues \$200  
Final Report \$0  
Other Printing \$0  
Photocopies \$5  
Supplies \$20  
Postage \$3

Cost per copy \$0.055  
#pages/Final Report 0  
#copies/Final Report 0  
Months for activities 0  
Postage for letters \$0.30  
No. of interested pers. 0

EXHIBIT 11  
DATE 1/12/93  
~~FIB~~

Five State Legislative Conference  
123\BUDGET\FIVEST-1.WK1  
11-Jan-93  
12:07 PM

# Montana State Senate



EXH.B.T. 12

DATE 1/12/93

HB \_\_\_\_\_

SENATOR LARRY J. TVEIT

SENATE DISTRICT 11  
Serving Richland & Roosevelt Counties

HELENA ADDRESS:  
P.O. BOX 129  
CAPITOL STATION  
HELENA, MONTANA 59620

HOME ADDRESS:  
ROUTE 1, BOX 1475  
FAIRVIEW, MONTANA 59221

COMMITTEES:  
FINANCE & CLAIMS  
NATURAL RESOURCES  
HIGHWAYS & TRANSPORTATION

*The Big Sky Country*

## FIVE STATE LEGISLATIVE CONFERENCE

Rapid City, South Dakota

September 15 - 17, 1991

Senator Mazurek, Representative Peck and I attended the five state conference. The conference was attend by 150 legislators and state officials from the five states of North Dakota, South Dakota, Nebraska, Wyoming and Montana. North Dakota came with two bus loads of Senators, Representatives, and other state officials.

Three main issues discussed at the meeting were water, education, and transportation. Senator Mazurek presented the Montana Indian water compacts, Representative Peck the education issues, an I presented transportation issues.

Other water issues discussed, were the present status of the Corp of Engineers and how they manage the upper Missouri Dams and River system. We discussed multiple use of the river system to include recreation, while the present plan pertains only to hydro-electric power, irrigation, flood control and stream navigation. The new master plan must stress proper river water releases and dam water levels with the inclusion of recreation, with an equal distribution of beneficial use to both upper and lower river basin states.

Also discussed under water issues were:

1. Water conservation
2. Real time data supply and demand
3. Point of use
4. Supply source
5. Improving infrastructure
6. Demand Management
7. More water development on river system (no developments have been completed for the last 20 years)
8. Water treatment for domestic use
9. Compliance with state Safe Water Acts
10. Conservation of flood control
11. Multiple use of water

12. Drought management
13. Stream contamination control
14. Require all entities of government to reach these goals
15. State primacy

Panelists from the five states on water spoke to these issues and the Pick-Sloan Act, and whether or not this Act has been fair to upper states. The lower states have reaped the benefits of hundreds of million of dollars for maintaining river system, while the upper states have been drastically placed on the short end of the stick in irrigation project development and stream bank restoration.

In Senator Mazurek's presentation on Montana-Indian Water Compacts, he commented as to the lack of incentive to negotiate by the Indians, reluctance of legal rights, question of jurisdiction and tensions between Indian and non-Indians, the give and take of water use off and on reservations, and development of marketing between reservation and non-reservation, plus racial harmony. Other states commented on water quality plans, more small water projects, and a balance between environmental and development concerns.

Conference Delegates passed a resolution addressing the Corps' Master Plan on river systems, which stressed more adequate water levels in dams to enhance recreation, more irrigation development in upper states, and better municipal, fish, and wildlife use.

Representative Peck, a panelist, spoke on education and education funding in Montana, the changes that occurred through HB 28, which increased school funding by 100 million dollars.

Other states commented on how sales taxes carried a large load of education funding. South Dakota uses 56% of their collected sales tax dollars for school funding.

I was a panelist and spoke on transportation issues of concern to Montana. We have 1,000 miles of primary, and 4747 miles of secondary roads which were built in the 1930's, and a recent study reveals that 5 billion dollars worth of repair is needed for these roads by the year 2000. I also explained the new DOT which Montana's Legislature passed last session and (NHS) National Highway System and the effects it would have on Montana's and Federal matching funds and changing of highway funding formula. Montana opposes the nickel tax by the Feds.

Other states commented on highway revenue raises such as South Dakota, who has a state owned railroad, and has a 2 cent reduction of gas tax from 18 to 16 cents, as an incentive for ethanol use and a 2 dollars per wheel tax. Wyoming just completed a \$600,000 study of their highway system.

EXHIBIT 12

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HB

A couple of side highlights at the conference were a trip to Mount Rushmore for an official night lighting ceremony, and to Crazy Monument, a carving of Chief Crazy Horse and his horse, which are carved into the mountainside.

I feel the Conference was well attended, (Montana has been weakly represented in the past), and worthwhile in sharing ideas and problems with other states.

Senator Larry Tveit



2110 00 00000

## JUDICIARY

## Agency Summary

Budget Item	Actual Expenditures Fiscal 1992	Current Level Fiscal 1992	Current Level Fiscal 1993	LFA Fiscal 1994	Executive Fiscal 1994	LFA Fiscal 1995	Executive Fiscal 1995	Biennial Difference Exec.-LFA
FTE	93.50	91.50	92.00	92.50	92.50	92.50	92.50	
Personal Services	5,026,718	4,438,056	4,561,029	4,929,205	4,926,982	4,940,420	4,939,734	(2,909)
Operating Expenses	1,001,750	993,100	1,199,154	1,105,313	1,274,474	1,127,922	1,273,780	315,019
Equipment	283,765	283,766	292,549	275,620	353,005	280,100	372,010	169,295
Grants	2,916,744	2,646,833	2,985,405	3,143,290	3,143,290	3,291,290	3,291,290	
Total Costs	\$9,228,978	\$8,361,755	\$9,038,137	\$9,453,428	\$9,697,751	\$9,639,732	\$9,876,814	\$481,405
<b>Fund Sources</b>								
General Fund	8,184,776	7,882,350	8,526,783	8,927,539	8,912,856	9,118,909	9,058,493	(75,099)
State Revenue Fund	1,028,129	479,405	511,354	525,889	784,895	520,823	818,321	556,504
Federal Revenue Fund	16,072							
Total Funds	\$9,228,978	\$8,361,755	\$9,038,137	\$9,453,428	\$9,697,751	\$9,639,732	\$9,876,814	\$481,405

## Agency Description

The judicial branch of state government is provided for in Article III, Section I, and Article VII of the 1972 Montana Constitution. The jurisdiction of the Supreme Court consists of all appellate and original jurisdiction in petitions for writs of habeas corpus and other such writs, general supervisory control over all courts, and rule making powers for Montana courts. The court also supervises the reimbursement to district courts of certain costs of criminal cases.

## Adjustments to Actual Expenditures

	Actual Fiscal 1992	Approp. Transfer	Budget Amendment	One Time Approp.	Language Approp.	Non-Budget Expenditure	Statutory Approp.	All Other Approp.	Current Lvl Fiscal 1992
FTE	93.50			2.00					91.50
Expenditure	9,228,978			318,507			532,488	16,238	8,361,745
		General Fund	State Special Fund	Federal Fund	Cap. Projects Fund	Proprietary Fund	Other Fund	Current Unrestricted	
Funding	9,228,978	302,434	548,726	16,073					8,361,745

## Adjustments to Actual Expenditures

Adjustments of \$867,233 were made to actual expenditures to determine a fiscal 1992 current level base for the Judiciary. Two FTE and one-time expenditures totalling \$318,507 for court automation authorized in House Bill 903 passed by the 1991 Legislature were removed. General fund comprised \$302,434 of the amount and federal funds \$16,073.

Statutorily appropriated state special revenue expenditures of \$532,488 for judges' retirement were removed. Section 19-5-404(1), MCA, directs the clerks of district courts and the clerk of the Supreme Court to remit certain fees to fund judges' retirement.

**Table A**  
**Supreme Court Budget Request Compared to Fiscal 1992 Actual Expenditures and LFA**  
**Current Level**

Program/Funding Source	FY92 Actuals	--Fiscal 1994--		Difference	--Fiscal 1995--		Difference
		Judicial Request	LFA Cur. Level		Judicial Request	LFA Cur. Level	
FTE		93.5	92.5	(1.0)	93.5	92.5	(1.0)
Supreme Court Operations	\$1,467,334	\$1,653,464	\$1,612,404	(\$41,060)	\$1,648,272	\$1,604,346	(\$43,926)
Boards and Commissions	224,167	300,172	257,064	(43,108)	310,170	265,113	(45,057)
Law Library	727,893	874,175	796,196	(77,979)	895,813	828,166	(67,647)
District Courts	2,617,642	3,029,860	2,908,966	(120,894)	3,042,406	2,920,214	(122,192)
Water Adjudication	479,405	546,307	525,889	(20,418)	541,913	520,823	(21,090)
Clerk of Court	164,746	189,086	177,106	(11,980)	183,807	177,265	(6,542)
District Court Criminal Reimbursement	<u>2,680,562</u>	<u>3,233,062</u>	<u>3,175,803</u>	<u>(57,259)</u>	<u>3,381,069</u>	<u>3,323,805</u>	<u>(57,264)</u>
Total Cost	\$8,361,749	\$9,826,126	\$9,453,428	(\$372,698)	\$10,003,450	\$9,639,732	(\$363,718)
General Fund	\$7,882,344	\$9,016,800	\$8,927,539	(\$89,261)	\$9,196,240	\$9,118,909	(\$77,331)
State Special Revenue	<u>479,405</u>	<u>809,326</u>	<u>525,889</u>	<u>(283,437)</u>	<u>807,210</u>	<u>520,823</u>	<u>(286,387)</u>
Total Funding	\$8,361,749	\$9,826,126	\$9,453,428	(\$372,698)	\$10,003,450	\$9,639,732	(\$363,718)

## Issues

### State Special Revenue

The Judiciary has requested that a number of fee-reimbursed activities budgeted in the general fund be budgeted in state special revenue. Table B lists these activities, actual costs for fiscal 1992, and the LFA current level budget for the 1995 biennium. The LFA

current level continues these activities in the general fund as budgeted by the 1991 Legislature. The Judiciary requested and the Executive Budget funded these activities in the state special revenue fund. The Judiciary believes that it will be easier to clearly relate expenditures and revenues if these activities were funded with state special revenue.

From a central statewide perspective, budgeting activities in state special revenue instead of the general fund: 1) restricts flexibility in reacting to changing budgetary circumstances; 2) makes budgeting and accounting for programs more complex; and 3) can prevent the general fund from receiving the revenue recouped in excess of program costs.

Table B			
Activities Funded by State Special Revenue in the Executive Budget			
Fiscal 1992 Actual Expenditures Compared to LFA Current Level			
Activity	FY92 Actual	LFA Current Level	
		FY94	FY95
Automated Legal Database Searches	\$189,197	\$220,000	\$242,000
Courts of Limited Jurisdiction	36,612	36,900	36,900
Judges' Training			
Character and Fitness Exams	<u>19,635</u>	<u>13,000</u>	<u>13,000</u>
Total	\$245,444	\$269,900	\$291,900

2110 01 00000

## JUDICIARY

## Supreme Court Operations

## Program Summary

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	30.00	30.00	30.00	30.00	0.00	30.00	30.00	0.00
Personal Services	1,143,352	1,129,611	1,263,702	1,260,955	2,747	1,265,829	1,262,806	3,023
Operating Expenses	299,408	338,629	343,822	326,684	17,138	336,940	316,581	20,359
Equipment	24,573	30,460	27,616	24,765	2,851	27,616	24,959	2,657
Total Costs	\$1,467,334	\$1,498,700	\$1,635,140	\$1,612,404	\$22,736	\$1,630,385	\$1,604,346	\$26,039
<b>Fund Sources</b>								
General Fund	1,467,334	1,498,700	1,635,140	1,612,404	22,736	1,630,385	1,604,346	26,039
Total Funds	\$1,467,334	\$1,498,700	\$1,635,140	\$1,612,404	\$22,736	\$1,630,385	\$1,604,346	\$26,039

**Page References**

LFA Budget Analysis A-23 to A-37  
 Stephens Executive Budget A13 to A18

**Current Level Differences**

	Exec. Over(Under) LFA Fiscal 1994	Fiscal 1995
PERSONAL SERVICES—The LFA current level is lower than the executive current level. The data used by LFA was revised from an OPBB report to correct discrepancies (no revisions received since).	2,747	3,023
FIXED COSTS—The LFA current level is lower because a portion of the fixed cost allocation is reallocated to the Water Courts program (05) in order to recover a share of the costs from the special revenue fund.	3,640	3,151
COMPUTER PROCESSING—The LFA current level is lower but still allows for increased use and costs.	4,335	4,335
DATA NETWORK SERVICES—The LFA current level is higher because of a transposition in entry of amount. Executive current level is the intended figure.	(540)	
SYSTEMS DEVELOPMENT—The LFA current level is higher allowing for development of an on-line bulletin board which would give the public access to court opinions.	(5,000)	(5,000)
TRAVEL—The LFA current level is lower and is based upon fiscal 1992 actual expenditures.	6,070	6,070
VEHICLE MAINTENANCE—The LFA current level is lower than the executive, but allows an amount in each year that is double the fiscal 1992 actual expenditures.	606	606
DUES—The LFA current level is lower and reflects fiscal 1992 actual expenditures.	14,038	17,031
EQUIPMENT (Supreme Court)—The LFA current level is higher than the executive current level and is established to allow replacement of office chairs, purchase of shelving, replacement of 2 computers each year, and purchase of software for online bulletin board.	(3,767)	(3,767)
EQUIPMENT (Court Automation)—The LFA current level is lower than the executive current level and reflects the level spent in fiscal 1992.	6,817	6,817
INFLATION DIFFERENCES	(11)	(24)
MINOR DIFFERENCES—LFA current level is higher primarily because of an adjustment to the executive current level which understates the executive current level amount.	(6,199)	(6,203)
TOTAL CURRENT LEVEL DIFFERENCES	22,736	26,039

**Budget Modifications**

None

**Language**

None

THE SUPREME COURT OF MONTANA

EXHIBIT 15  
DATE 1/12/93  
HB

J. A. TURNAGE  
CHIEF JUSTICE



JUSTICE BUILDING  
215 NORTH SANDERS  
HELENA, MONTANA 59620-3001  
TELEPHONE (406) 444-2621

January 11, 1993

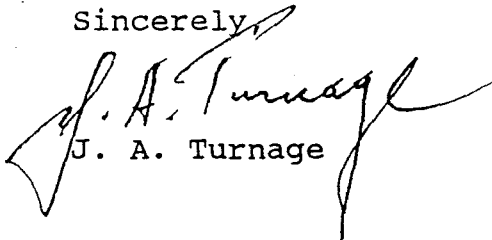
Representative Mary Lou Peterson, Chairperson  
General Government and Highways Subcommittee  
State Capitol  
Helena, Montana 59620

Dear Mary Lou:

I am very sorry that I will not be able to be present during the scheduled hearings on the Judiciary's budget on Tuesday or Wednesday. I have court conferences and Oral Arguments that can not be rescheduled.

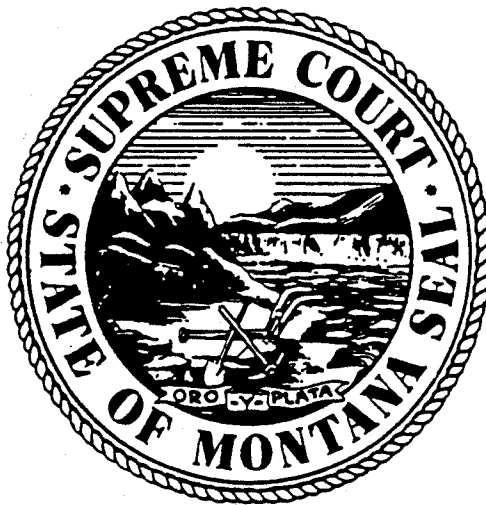
I did want, however, to express my appreciation to you and the members of the Subcommittee for the careful consideration and attention that you always give to our budget proposal. My Office and the Court Administrator's Office looks forward to working with you on our budget and is available to provide any additional information that you may require.

Sincerely,

  
J. A. Turnage

1991

JUDICIAL  
REPORT



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MONTANA COURTS

Exhibit #16 is an annual report of the Montana Judicial system for calendar year 1991. The original is stored at the Historical Society at 225 Roberts, Helena, MT, 59620-1201. The phone number is 444-2694.

SCHEDULE NAME=95LB&D.WK1

REVISED SCHEDULED DATE 1-13-93

~~HB~~

3100 EQUIPMENT  
TOTAL  
GR TOTAL  
PLUS INFLATION FACTORS  
TOTAL REQUESTS  
GENERAL FUND

**ISSUES:**

- 1) Cost of Administralating Program 07  
Recharge of Salary to District Court Criminal  
Reimbursement Program (10% at this time)
- 2) HB320 funding could be removed contingent  
on passage and approval of LC 918 containing  
an appropriation for court automation in 3-5-'901 (4). MCA  
(District Court Criminal Reimbursement Program Changes)
- 3) Travel

JUDICIAL REQUEST FY 94	LFA RECOMMEND FY 94	DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND FY 95	DIFFERENCE FY 95
\$1,056,736	\$1,056,850	\$114	\$1,056,736	\$1,056,850	\$114
\$206,966	\$204,105	(\$2,861)	\$209,093	\$205,956	(\$3,137)
\$1,263,702	\$1,260,955	(\$2,747)	\$1,265,829	\$1,262,806	(\$3,023)
		\$0			\$0
\$64,065	\$81,705	(\$2,360)	\$69,312	\$67,442	(\$1,870)
\$41,162	\$41,112	(\$50)	\$42,303	\$42,005	(\$298)
\$20,063	\$20,063	\$0	\$19,443	\$19,468	\$37
\$22,626	\$14,291	(\$8,335)	\$23,303	\$14,529	(\$8,774)
\$97,837	\$97,837	\$0	\$100,619	\$100,619	\$0
\$23,545	\$22,196	(\$1,349)	\$23,886	\$22,435	(\$1,451)
\$63,518	\$49,480	(\$14,038)	\$66,792	\$49,755	(\$17,037)
\$352,816	\$326,684	(\$26,132)	\$345,646	\$316,253	(\$29,393)
		\$0			\$0
\$36,616	\$24,765	(\$11,851)	\$36,616	\$24,907	(\$11,709)
\$36,616	\$24,765	(\$11,851)	\$36,616	\$24,907	(\$11,709)
\$1,653,134	\$1,612,404	(\$40,730)	\$1,648,091	\$1,603,966	(\$44,125)
\$0	\$0	\$0	\$0	\$0	\$0
\$1,653,134	\$1,612,404	(\$40,730)	\$1,648,091	\$1,603,966	(\$44,125)
\$1,653,134	\$1,612,404	(\$40,730)	\$1,648,091	\$1,603,966	(\$44,125)
\$0	\$0	\$0	\$0	\$0	\$0

JUDICIAL REQUEST FY 94	LFA RECOMMEND FY 94	DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND FY 95	DIFFERENCE FY 95
(\$6,007)	\$0	(\$6,007)	(\$6,007)	\$0	(\$6,007)
(\$96,407)	\$0	(\$96,407)	(\$96,608)	\$0	(\$96,608)
\$22,626	\$14,291	\$8,335	\$23,030	\$14,529	\$8,501

MONTEANA SUPREME COURT  
SCHEDULE OF FISCAL 94 & 95 APPROPRIATION REQUEST  
LAW LIBRARY - PROGRAM 03

SCHEDULE NAME=95L.FALL.WK1  
PRINT DATE 01/12/93  
REVISED SCHEDULED DATE 1-13-93

DATE 1/12/93  
HB

EXPEND CODE  
1100 SALARIES  
1400 BENEFITS  
TOTAL  
2100 CONTRACTED SERV  
2200 SUPPLIES & MATR  
2300 COMMUNICATIONS  
2400 TRAVEL  
2500 RENT  
2700 REPAIR & MAINT  
2800 OTHER EXPEN  
TOTAL  
3100 EQUIPMENT  
TOTAL  
GRAND TOTAL  
TOTAL REQUESTS  
GENERAL FUND  
STATE SPECIAL

JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95
\$171,267	\$171,267	\$171,267	\$171,267
\$42,957	\$42,957	\$42,965	\$42,965
\$214,224	\$214,224	\$214,232	\$214,232
\$226,000	\$220,000	\$217,000	\$242,000
\$25,966	\$19,978	\$26,562	\$20,513
\$10,858	\$11,469	\$11,284	\$11,433
\$4,072	\$2,958	\$4,053	\$3,016
\$77,514	\$77,514	\$79,735	\$79,735
\$8,930	\$6,581	\$9,036	\$6,640
\$7,919	\$7,979	\$8,219	\$7,979
\$361,259	\$346,479	\$355,889	\$371,316
\$275,000	\$235,493	\$302,000	\$242,618
\$275,000	\$235,493	\$302,000	\$242,618
\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0
\$850,483	\$796,196	\$872,121	\$828,166
\$654,541	\$796,196	\$677,121	\$828,166
\$195,000	(\$195,000)	\$195,000	(\$195,000)

ISSUES:

JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95
(\$200,000)	(\$204,000)	(\$200,000)	(\$225,000)
\$265,000	\$229,993	\$292,000	\$237,118
\$5,000	\$500	\$5,000	\$500
	(\$4,500)		(\$4,500)

- 1) Remove On Line Legal Database Funding  
(2173 expenditure category)
- 2) Law Library Books
- 3) Book Binding

SCHEDULE NAME=951.FADCT.WK1

DATE \_\_\_\_\_

15

1100 SALARIES  
1400 BENEFITS  
TOTAL

**3100 EQUIPMENT  
TOTAL**

**GENERAL FUND  
STATE SPECIAL**

**ISSUES:**

- 1) Travel
- 2) Education/Training Expense
- 3) Equipment

\$2,362,588	\$2,360,007	(\$2,581)	\$2,362,586	\$2,360,007	(\$2,579)
\$407,222	\$407,222	\$0	\$416,324	\$416,324	\$0
\$2,769,810	\$2,767,229	(\$2,581)	\$2,778,910	\$2,776,331	(\$2,579)
		\$0			\$0
\$15,191	\$9,069	(\$6,122)	\$13,687	\$7,731	(\$5,956)
\$6,315	\$5,598	(\$717)	\$6,604	\$5,855	(\$749)
\$2,097	\$1,370	(\$727)	\$2,092	\$1,366	(\$726)
\$134,082	\$102,090	(\$31,992)	\$138,088	\$105,184	(\$32,904)
\$0	\$0	\$0	\$0	\$0	\$0
\$7,291	\$4,394	(\$2,897)	\$4,531	\$4,531	\$0
\$25,194	\$19,216	(\$5,978)	\$25,194	\$19,216	(\$5,978)
\$190,170	\$141,737	(\$48,433)	\$190,196	\$143,883	(\$46,313)
		\$0			\$0
\$78,762	\$0	(\$78,762)	\$80,737	\$0	(\$80,737)
\$78,762	\$0	(\$78,762)	\$80,737	\$0	(\$80,737)
		\$0			\$0
\$3,038,742	\$2,908,966	(\$129,776)	\$3,049,843	\$2,920,214	(\$129,629)
\$3,038,742	\$2,908,966	(\$129,776)	\$3,049,843	\$2,920,214	(\$129,629)
\$0	\$0	\$0	\$0	\$0	\$0

JUDICIAL REQUEST FY 94	LFA RECOMMEND FY 94	DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND FY 95	DIFFERENCE FY 95
\$134,082	\$102,090	\$31,992	\$138,088	\$105,184	\$32,904
\$25,000	\$19,022	\$5,978	\$25,000	\$19,022	\$5,978
\$78,762	\$0	\$78,762	\$80,737	\$0	\$80,737



## MONTANA SUPREME COURT

**SCHEDULE NAME=95LFACTLK.WK1**

PRINT DATE 01/12/93

REVISSED SCHEDULED DATE 1-13-93

FB

1100 SALARIES  
1400 BENEFITS  
TOTAL

2100 CONTRACTED SERV  
2200 SUPPLIES & MATR  
2300 COMMUNICATIONS  
2400 TRAVEL  
2500 RENT  
2700 REPAIR & MAINT  
2800 OTHER EXPEN  
TOTAL

3100 EQUIPMENT  
TOTAL

6100 GRANTS  
TOTAL

TOTAL REQUESTS

GENERAL FUND  
STATE SPECIAL

JUDICIAL REQUEST FY 94	LFA RECOMMEND FY 94	DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND FY 95	DIFFERENCE FY 95
\$116,853	\$116,853	\$0	\$116,853	\$116,853	\$0
\$27,288	\$27,288	\$0	\$27,338	\$27,338	\$0
\$144,141	\$144,141	\$0	\$144,191	\$144,191	\$0
\$3,007	\$3,221	\$214	\$3,005	\$3,272	\$272
\$6,501	\$3,809	(\$2,692)	\$6,591	\$3,872	(\$2,719)
\$16,929	\$12,614	(\$4,315)	\$16,754	\$12,488	(\$4,266)
\$3,437	\$2,676	(\$761)	\$3,534	\$2,755	(\$779)
\$0	\$721	\$721	\$0	\$721	\$721
\$4,634	\$3,455	(\$1,179)	\$4,678	\$3,483	(\$1,195)
\$1,651	\$1,074	(\$577)	\$1,662	\$1,083	(\$579)
\$36,159	\$27,570	(\$8,589)	\$36,224	\$27,679	(\$8,545)
\$5,395	\$5,395	\$0	\$0	\$5,395	\$5,395
\$5,395	\$5,395	\$0	\$0	\$5,395	\$5,395
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$185,695	\$177,106	(\$8,589)	\$160,415	\$177,265	(\$3,150)
\$185,695	\$177,106	(\$8,589)	\$160,415	\$177,265	(\$3,150)
\$185,695	\$177,106	(\$8,589)	\$160,415	\$177,265	(\$3,150)
\$0	\$0	\$0	\$0	\$0	\$0

**ISSUES:**

JUDICIAL REQUEST FY 94	LFA RECOMMEND DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND DIFFERENCE FY 95

REVISED SCHEDULED DATE 1-13-93

DATE \_\_\_\_\_

HB

EXPEND CODE	
1100 SALARIES	
1400 BENEFITS	
TOTAL	

2100 CONTRACTED SERV  
2200 SUPPLIES & MATR  
2300 COMMUNICATIONS  
2400 TRAVEL  
2500 RENT  
2700 REPAIR & MAINT  
2800 OTHER EXPEN  
TOTAL

3100 EQUIPMENT  
TOTAL

6100 GRANTS  
TOTAL  
TOTAL REQUESTS

**GENERAL FUND  
STATE SPECIAL**

## ISSUES:

1) Total Judicial Appropriation Request  
Judicial request is anticipated revenue.

2) Cost of Administering Program  
a) From Program 01 recharge  
b) From Program 02 recharge

## 2) Communications

### 3) Travel

4) Language amendment to allow payment of actual audit cost for this program.

JUDICIAL REQUEST FY 94	LFA RECOMMEND FY 94	DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND FY 95	DIFFERENCE FY 95
\$22,638	\$22,641	\$3	\$22,638	\$22,641	\$3
\$5,857	\$5,864	\$7	\$5,864	\$5,864	\$0
\$28,495	\$28,505	\$10	\$28,502	\$28,505	\$3
\$56,302	\$24	(\$56,278)	\$56,302	\$24	(\$56,278)
\$1,099	\$1,099	\$0	\$1,121	\$1,121	\$0
\$1,076	\$844	(\$232)	\$1,046	\$814	(\$232)
\$707	\$20	(\$687)	\$713	\$22	(\$691)
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$227	\$227	\$0	\$229	\$229	\$0
\$59,411	\$2,214	(\$57,197)	\$59,411	\$2,210	(\$57,201)
\$1,866	\$1,800	(\$66)	\$1,866	\$1,800	(\$66)
\$1,866	\$1,800	(\$66)	\$1,866	\$1,800	(\$66)
\$3,143,290	\$3,143,290	\$0	\$3,291,290	\$3,291,290	\$0
\$3,143,290	\$3,143,290	\$0	\$3,291,290	\$3,291,290	\$0
\$3,233,062	\$3,175,809	(\$57,253)	\$3,381,069	\$3,323,805	(\$57,264)
\$3,233,062	\$3,175,809	(\$57,253)	\$3,381,069	\$3,323,805	(\$57,264)
\$3,233,062	\$3,175,809	(\$57,253)	\$3,381,069	\$3,323,805	(\$57,264)

JUDICIAL REQUEST FY 94	LFA RECOMMEND FY 94	DIFFERENCE FY 94	JUDICIAL REQUEST FY 95	LFA RECOMMEND FY 95	DIFFERENCE FY 95
\$3,233,062	\$3,175,809	(\$57,253)	\$3,381,069	\$3,323,805	(\$57,264)
\$1,076	\$844	\$232	\$1,046	\$814	\$232
\$707	\$20	\$687	\$713	\$22	\$691
		\$6,007			\$6,007
		\$6,564			\$6,564

2110 02 00000

## JUDICIARY

## Boards And Commissions

## Program Summary

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	3.00	3.00	3.00	3.00	0.00	3.00	3.00	0.00
Personal Services	97,898	76,594	107,810	108,389	(579)	107,812	108,390	(578)
Operating Expenses	125,303	154,683	189,260	145,570	43,690	201,056	156,614	44,442
Equipment	964	0	3,102	3,105	(3)	1,302	109	1,193
Total Costs	\$224,166	\$231,277	\$300,172	\$257,064	\$43,108	\$310,170	\$265,113	\$45,057
<b>Fund Sources</b>								
General Fund	224,166	231,277	232,153	257,064	(24,911)	222,873	265,113	(42,240)
State Revenue Fund	0	0	68,019	0	68,019	87,297	0	87,297
Total Funds	\$224,166	\$231,277	\$300,172	\$257,064	\$43,108	\$310,170	\$265,113	\$45,057

**Page References**

LFA Budget Analysis A-23 to A-37  
 Stephens Executive Budget A13 to A18

**Current Level Differences**

CONSULTING & PROFESSIONAL SERVICES— The LFA current level includes the update of the judges benchbook which is not in the executive current level. Other items in this category are included at levels consistent with historical expenditures.

18,546 28,803

PRINTING—The LFA current level for fiscal 1994 is lower than the executive current level. The LFA analysis uses the fiscal 1992 actual expenditures.

1,305

POSTAGE—The LFA current level is lower than the executive current level. The LFA analysis uses actual fiscal 1992 expenditures.

2,330 400

TRAVEL—The LFA current level is lower than the executive current level. The LFA uses fiscal 1992 actual expenditures.

19,188 12,895

EQUIPMENT—The LFA current level is higher because it includes an amount in fiscal 1995 for file cabinets which is not in the executive current level.

1,200

**INFLATION DIFFERENCES**

1,002 1,025

MINOR DIFFERENCES—The LFA current level is lower and is based upon fiscal 1992 actual expenditures.

737 734

**TOTAL CURRENT LEVEL DIFFERENCES**

43,108 45,057

**Budget Modifications**

None

**Language and Other Issues**

STATE SPECIAL REVENUE—The Judiciary has requested that two activities in this program be budgeted in state special revenues (listed with fiscal 1992 actual and the LFA current level for the 1995 biennium):  
 (Reference LFA Budget Analysis, A-26)

Activity	FY 92	LFA Current Level	
	Actual	FY 94	FY 95
Courts of limited jurisdiction judges' training	\$ 36,612	\$ 36,900	\$ 36,900
Character and fitness exams	19,615	13,000	13,000

The LFA current level includes these activities in the general fund as budgeted by the 1991 Legislature. The Judiciary and the Executive Budget funded these activities in the state special revenue fund. The Judiciary believes that it will be easier to clearly relate expenditures and revenues if these activities were funded with state special revenue. From a statewide perspective, budgeting activities in state special revenue instead of the general fund: 1) restricts flexibility in reacting to changing budgetary circumstances; 2) makes budgeting

and accounting for programs more complex; and 3) can prevent the general fund from receiving the revenue recouped in excess of program costs.

**FUNDING FOR CYCLICAL JUDGES' CERTIFICATION**—Rules adopted by the Supreme Court require that judges of limited courts of jurisdiction be certified every four years (Title 3 Chapter 1, Part 15, MCA). The LFA current level includes \$10,000 general fund in fiscal 1995 to fund certification testing. This amount equals the estimated fiscal 1991 cost and is funded as approved by the 1989 Legislature. The Executive Budget includes \$17,000 state special revenue for the testing, funding the expenditure from fees charged to judges seeking certification. The legislature may wish to consider whether to fund the required testing from the general fund or collect fees from judges being certified.

EXHIBIT 18  
DATE 1/12/93  
HB

GEN. GOV. & HWYS. SUBCOMMITTEE DATE 1/12/93

DIVISION

**PLEASE PRINT**

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