

MINUTES

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

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By DICK SIMPKINS, CHAIR, on January 19, 1993, at
9:07 a.m.

ROLL CALL

Members Present:

Rep. Dick Simpkins, Chair (R)
Rep. Wilbur Spring, Vice Chair (R)
Rep. Ervin Davis, Vice Chair (D)
Rep. Beverly Barnhart (D)
Rep. Pat Galvin (D)
Rep. Bob Gervais (D)
Rep. Harriet Hayne (R)
Rep. Gary Mason (R)
Rep. Brad Molnar (R)
Rep. Bill Rehbein (R)
Rep. Sheila Rice (D)
Rep. Sam Rose (R)
Rep. Dore Schwinden (D)
Rep. Carolyn Squires (D)
Rep. Jay Stovall (R)
Rep. Norm Wallin (R)

Members Excused: None.

Members Absent: None.

Staff Present: Sheri Heffelfinger, Legislative Council
Dorothy Poulsen, Committee Secretary

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

Committee Business Summary:

Hearing: HB 162
Executive Action: HB 162; HB 99; HB 134

HEARING ON HB 162

Opening Statement by Sponsor:

REP. BOB GERVAIS, House District 9, Browning, introduced HB 162
which changes the name of the Montana-Western Canadian Provinces
Boundary Advisory Committee to the Montana-Alberta Boundary

Advisory Committee and provides for the substitution of committee members.

Proponents' Testimony:

Pat Owen, International Affairs Coordinator, Governor's Office, provided written testimony describing the background of the Montana-Western Canadian Provinces Boundary Committee and the purpose of HB 162. Mr. Owen explained that the Legislative Council deleted funding for the Committee in August, 1992. According to Mr. Owen, however, both the current administration and the current Alberta government have found the Committee an essential forum for cross-border issues such as joint vehicle inspections, joint tourism projects, cross-border movement of tribal artifacts, and so forth. Thus, Mr. Owen, presented HB 162 as a way of preserving this international forum by reducing the scope of the committee and funding only two meetings per biennium, one each in Alberta and Montana. EXHIBIT 1

Opponents' Testimony: None.

Informational Testimony: None.

Questions From Committee Members and Responses:

REP. ROSE asked REP. GERVAIS how the committee members were chosen. REP. GERVAIS answered that of the nine members, the Legislative Council selects four members, two each from the House and Senate, and the Governor's Office selects four members. The Governor, or a designee, acts as presiding officer. The members selected by the governor change, depending upon the issues to be discussed.

REP. ROSE asked REP. GERVAIS whether the committee would involve duplication of services. REP. GERVAIS replied he did not believe so; the committee is a legislative entity.

REP. ROSE commented that he is a member of a tourism committee in Great Falls which does a great deal of work with Canada; and that if the Committee would expedite their efforts, he would be very supportive of HB 162. REP. GERVAIS responded that he thought the committee was a very good vehicle for such assistance.

REP. GALVIN asked Mr. Owen whether liquid sulfur was currently transported via truck on Interstate 15 between Sweetgrass and Shelby. Mr. Owen responded he did not know specifically about liquid sulfur, but he was aware that truck traffic to Shelby had increased. REP. GALVIN asked whether the trucks were allowed to overload. Mr. Owen said overloading was permitted, as allowed by the U. S. Federal Highway Standards. REP. GALVIN asked whether the highway department had checked for highway wear. Mr. Owen responded that the National Highway Act called for a test period for monitoring highways.

REP. MOLNAR asked **Mr. Owen** the reason for excluding Saskatchewan and British Columbia from the proposed committee title. **Mr. Owen** explained that because the Legislative Council had deleted funding, the scope of the committee needed to be reduced. Since Saskatchewan and British Columbia had only attended one meeting since 1985, they were not included.

REP. HAYNE stated that she considered this committee very important; she had served on the committee and said that they had discussed many issues of concern to both Montana and Canada.

REP. SCHWINDEN said that, as a representative of Roosevelt County and the Fort Peck tribes, he was concerned about continued discussion with Saskatchewan representatives. **Mr. Owen** reassured **REP. SCHWINDEN** that Saskatchewan members would continue to be invited when the issues pertained to them. **Mr. Owen** suggested that the Canadian provinces also encountered funding difficulties and limited their participation to discussions of relevant issues.

REP. REHBEIN asked **Mr. Owen** whether HB 162 pertained only to changing the name of the committee. **Mr. Owen** answered affirmatively. **REP. REHBEIN** asked **Mr. Owen** whether the committee would disband if the bill did not pass. **Mr. Owen** explained that because **SEN. GAGE** wanted to eliminate the committee, HB 162 was an attempt to overcome his opposition by reducing its scope and funding.

REP. SIMPKINS asked **Mr. Owen** whether Governor Racicot supported HB 162; **Mr. Owen** said that yes, he does. **REP. SIMPKINS** expressed his feeling that excluding the names of two provinces from the name of the committee might communicate a message that Montana was no longer interested in them and be a detrimental decision for the future. He asked whether consideration had been made of retaining the current name and focusing the funding on meetings with one province. **Mr. Owen** responded that the main consideration was to retain the committee. He repeated that British Columbia and Saskatchewan had shown little interest in the committee, and he was unsure whether or not they would be offended by their exclusion.

Closing by Sponsor:

REP. GERVAIS explained that Saskatchewan and British Columbia belonged to another committee which discussed economic issues in the northwest. He further explained that there were other meetings with Alberta, not state-funded, which discussed various issues of concern. **REP. GERVAIS** introduced **Karen Howard, Montana Trade Office, Calgary**, and **Moe Wosepka, Director of International Trade, State of Montana** who were observing the hearing. **REP. GERVAIS** concluded that the cost of the committee would be \$3,410 for two years.

EXECUTIVE ACTION ON HB 162

Motion: REP. DAVIS MOVED HB 162 DO PASS.

Discussion:

REP. SPRING asked REP. GERVAIS whether the proposed changes in the committee would result in less spending. REP. GERVAIS responded that the cost would be reduced by about half.

REP. SIMPKINS asked REP. GERVAIS whether the funds for the committee were already included in the budget. REP. GERVAIS said that REP. MENAHAN had assured him that the funds were in the budget, but that he would check again with REP. MENAHAN.

REP. SQUIRES suggested that the Legislative Council had probably included the funding for the committee in their budget and therefore no fiscal note was necessary for the bill.

REP. RICE stated that she considered it short-sighted to exclude Saskatchewan and British Columbia for \$3,000 in savings. REP. GERVAIS stated that the concern was that the entire committee would be lost without the proposed changes because SEN. GAGE wanted to eliminate the committee. REP. GERVAIS insisted that no one would be excluded; the issues discussed by the committee were issues of importance to Alberta and Montana.

REP. REHBEIN asked how \$3,000 was being saved. REP. GERVAIS explained that the committee expenses were reduced by half by meeting only twice in Alberta and Montana. REP. REHBEIN asked whether the committee could simply change its requirements for meeting locations rather than change its name. REP. GERVAIS still considered changing the name critical to retaining the committee.

REP. MOLNAR suggested to REP. GERVAIS that the funding for the committee could be reduced and still meet with several provinces for priority issues. REP. GERVAIS responded that the committee's purpose is to breed understanding between Montana and Alberta.

REP. SIMPKINS reminded the committee that Governor Racicot endorses HB 162, and it is Governor Racicot's responsibility to maintain relations with the Canadian provinces. REP. SIMPKINS asserted that HB 162 simply defines the priorities of the Montana-Alberta Boundary Advisory Committee; coordination and activities with other provinces would be directed by the governor's office.

REP. SQUIRES stated that continued dialogue with Alberta was imperative for economic development because Montana was part of the northern corridor between Alberta and states to the south. She asserted that HB 162 was vital for economic development in Montana.

REP. DAVIS stated that HB 162 was a concession to SEN. GAGE and must be passed to preserve the committee.

Vote: HB 162 DO PASS. Motion carried unanimously.

REP. SIMPKINS asked committee members whether they wanted HB 162 placed on the consent calendar. REP. SPRING dissented, stating that HB 162 was an important bill pertaining to an important issue which deserved discussion on the House floor.

EXECUTIVE ACTION ON HB 99

Motion: REP. RICE MOVED HB 99 DO PASS.

Motion/Vote: REP. RICE moved to amend HB 99 changing "provided" to "administered" on Page 4, line 15. EXHIBIT 2 Motion carried unanimously.

Motion: REP. MOLNAR moved to amend HB 99. EXHIBIT 3

Discussion:

REP. MOLNAR explained that his amendment changes HB 99 so that the Office of Public Instruction is not exempted from review of purchases of computer hardware and software by the Department of Administration. REP. MOLNAR contended that HB 99 would not affect the purchase of computer equipment by school districts; and therefore he considered OPI's argument that they should be exempt in order to work with the school districts as weak and insufficient.

REP. SCHWINDEN asked Gregg Groepper, Office of Public Instruction, to describe the effects of the proposed amendment on the operation of OPI. Mr. Groepper recounted that in 1989, OPI was not compatible with the state computer system. Since 1989, however, OPI has acquired computer equipment to become compatible with the statewide system. Mr. Groepper differentiated between the function of OPI as a state agency interacting with other state agencies and the function of OPI in working with the state's school districts. He agreed that OPI should be, and is, compatible with the state computer system for functions related to interacting with state agencies. Mr. Groepper contended, however, that OPI required the flexibility to acquire other computer systems used by school districts in their educational curricula. He asserted that the proposed amendment to HB 99 would restrict OPI's ability to communicate with school districts.

REP. ROSE expressed his frustration at the contradictions of OPI's position. Mr. Groepper replied that OPI tried to make the system work as well as possible. He pointed out, however, that many school districts have Apple IIe computers and software whereas the state operates in an IBM environment. The issue for

OPI is to work well in both computer environments. **Mr. Groepper** reiterated that administratively, OPI is compatible with the state computer system.

REP. SQUIRES noted that OPI could not dictate to the school districts which computers to buy since that prerogative resided with the local school boards. She asked **Mr. Groepper** whether OPI could influence the school districts in their computer purchases. **Mr. Groepper** concurred that OPI could not dictate to school boards which computers to buy. He stated that OPI has informed the school districts that OPI uses IBM computer equipment. **Mr. Groepper** also stated that OPI does help school districts by developing state contracts for computer purchases in order that school districts can acquire equipment more cheaply.

REP. MOLNAR asked **Mr. Groepper** whether a time would come when OPI would not ask to be exempted from review because of school district computer systems. **Mr. Groepper** said he hoped that through the Montana Education Telecommunications Network process, school acquisitions would become standardized. In the meantime, he repeated his contention that OPI would not be able to function effectively with school districts if all acquisitions were required to have the approval of the Department of Administration.

REP. SIMPKINS asserted that HB 99 only affects the relationship between OPI and the state. He asked **Mr. Groepper** how the amendment to HB 99 would affect OPI's relationship with the school districts. **Mr. Groepper** responded that the intent of the amendment seems to be to remove OPI's flexibility in reviewing non-IBM computer hardware and software for school districts. He interprets the amendment as demanding that OPI have Department of Administration approval for purchases by OPI for school districts. **Mr. Groepper** further contended that the Department of Administration does not want the authority to review purchases of educational technology, nor does OPI consider that the Department of Administration has the expertise to review educational software.

REP. SIMPKINS stated that he had asked the legislative council staff member, **Sheri Heffelfinger**, whether HB 99 affected school districts, and that in her opinion it did not. **REP. SIMPKINS** maintained that when OPI helped school districts buy computers, OPI was acting in an advisory capacity only and therefore would not be required to have the Department of Administration review the purchase. **Mr. Groepper** responded that, currently, OPI helps school districts buy IBM computers by using the state term contract. Since the state does not have a contract for Apple computers, OPI has developed an Apple term contract for school district purchases. **Mr. Groepper** contended that OPI would be precluded from using the Apple term contract because the state does not purchase Apple computer equipment with the result that the cost to school districts would increase.

Sheri Heffelfinger clarified that HB 99 would appear to affect only OPI's relationship with the state-wide data processing system. She said, however, that she would have to investigate further before she could categorically conclude that school districts would not be affected.

REP. SIMPKINS asked **Mr. Trevor, Administrator, Information Services Division, Department of Administration**, to react to the issue. **Mr. Trevor** responded that considerable discussion with OPI had occurred prior to deciding on the language in HB 99. He said that compared to the current situation, HB 99 substantially increases the Department of Administration's authority to review and approve computer hardware, software, and term contracts. **Mr. Trevor** concluded that OPI's exemption in HB 99 is limited to cases when OPI is not affecting the statewide data processing central services. Based on that limitation, **Mr. Trevor** stated that he considered the concerns of the committee covered by the language of HB 99.

REP. RICE thanked **REP. MOLNAR** for attempting to achieve computer compatibility between the state and school districts. She said, however, that she would vote against the amendment because she felt the bill had been drafted by the Computer Planning Committee who were much more knowledgeable about the issues.

Vote: **REP. MOLNAR'S** motion to amend HB 99 failed 2 to 14 with **REPS. MOLNAR AND SIMPKINS** voting aye and **REP. DAVIS** voting no by proxy. **EXHIBIT 4**

Motion/Vote: **REP. GALVIN MOVED HB 99 DO PASS AS AMENDED.** Motion passed unanimously with **REP. DAVIS** voting aye by proxy. **EXHIBIT 4**

EXECUTIVE ACTION ON HB 134

Motion: **REP. ROSE MOVED HB 134 DO PASS.**

Discussion:

REP. GERVAIS asked whether a statement of intent was needed since HB 134 gave the Crime Control Board rule-making authority.

Sheri Heffelfinger stated that, as a general rule of thumb, statements of intent were required if rule-making authority is extended to an agency. She continued, however, that the statements of intent did not have the force of law; such statements are published with the law, but they are not codified. **Ms. Heffelfinger** stated that it was up to the committee's discretion whether or not to request a statement of intent.

REP. GALVIN asked **Ms. Heffelfinger** whether federal law existed which pertained to Page 7, lines 16-19, the portion of HB 134 giving the Crime Control Board the authority to develop

procedures for revoking or suspending certification of peace officers. **Ms. Heffelfinger** responded she did not know.

REP. SIMPKINS returned to the question of whether or not a statement of intent was needed to clarify the intent of the legislation.

REP. ROSE withdrew his motion.


Ms. Heffelfinger clarified that executive agencies have rule-making authority and publish administrative rules (ARM) which have the force of law. The Board of Crime Control provides guidance and direction to the Department of Justice and does not make administrative rules. The Board of Crime Control would not be making administrative rules under HB 134; and therefore, a statement of intent would not be required.

REP. SIMPKINS explained further that the Board of Crime Control would be setting internal policies and procedures rather than making administrative rules. He asked committee members whether they considered the intent of the legislation in HB 134 clear.


Motion/Vote: **REP. GERVAIS MOVED HB 134 DO PASS.** The motion carried unanimously with **REP. DAVIS** voting by proxy. **EXHIBIT 4**

ADJOURNMENT

Adjournment: 10:29 a.m.



DICK SIMPKINS, Chair



DOROTHY POULSEN, Secretary

DS/DP

HOUSE OF REPRESENTATIVES
STATE ADMINISTRATION

COMMITTEE

ROLL CALL

DATE

11/19/93


NAME	PRESENT	ABSENT	EXCUSED
REP. DICK SIMPKINS, CHAIR	✓		
REP. WILBUR SPRING, VICE CHAIR	✓		
REP. ERVIN DAVIS, VICE CHAIR	✓		
REP. BEVERLY BARNHART	✓		
REP. PAT GALVIN	✓		
REP. BOB GERVAIS	✓		
REP. HARRIET HAYNE	✓		
REP. GARY MASON	✓		
REP. BRAD MOLNAR	✓		
REP. BILL REHBEIN	✓		
REP. SHEILA RICE	✓		
REP. SAM ROSE	✓		
REP. DORE SCHWINDEN	✓		
REP. CAROLYN SQUIRES	✓		
REP. JAY STOVALL	✓		
REP. NORM WALLIN	✓		

HOUSE STANDING COMMITTEE REPORT

January 19, 1993

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Bill 99 (first reading copy -- white) do pass as amended .

Signed: 
Dick Simpkins, Chair

And, that such amendments read:

1. Page 4, line 15.
Following: "software"
Strike: "provided"
Insert: "administered"

HOUSE STANDING COMMITTEE REPORT

January 19, 1993

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Bill 134 (first reading copy -- white) do pass .


Signed: 
Dick Simpkins, Chair

HOUSE STANDING COMMITTEE REPORT

January 19, 1993

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Bill 162 (first reading copy -- white) do pass .

Signed: 
Dick Simpkins, Chair

Montana - Western Canadian Provinces
Boundary Advisory Committee

PROBLEM - The funding for the Montana-Western Canadian Provinces Boundary Committee was deleted by the Legislative Council in August of this year. It is further understood that the a bill will be introduced in the next session to repeal the legislation creating the committee.

BACKGROUND - The commission, created by the 1985 legislature, and more commonly referred to as the Montana - Alberta Boundary Advisory Committee (MABAC), has served as an excellent forum for cross border issues. It is viewed by both the present administration and the current Alberta government as an extremely valuable asset in each government's pursuit of broader international trade and relationships. In the past two years myriad subjects have been discussed and acted upon with beneficial results for Montana. Some examples are:

- Joint vehicle inspection station at Coutts/Sweetgrass - Historic agreement that combines the vehicle inspection stations of Montana and Alberta. By cutting time at the border, this action is estimated to have \$500,000 savings per year to the Montana and Alberta trucking industries. It has also increased truck safety by providing 24 hour, bi-directional, all weather inspection, none of which Montana had before with the old facility at Shelby.
- Initially staffed through the MABAC, a pilot demonstration project provided for in the 1992 National Transportation Act, allows the heavier Canadian configured trucks on I-15 between Sweetgrass and the trans-loading facility at Shelby. This has increased the Canadian truck traffic into the port, and by extension having a positive economic impact for Shelby. As part of on-going negotiations with Alberta, discussions continue to allow the Montana configured trucks on Alberta's highways. Both of these efforts, if proven to be viable, could lead to the opening up of the highways throughout the west.
- Cross Border Movement of Tribal Artifacts - This issue is of growing concern to all native Americans, but was of particular interest to Representative Gervais of the Blackfeet nation. As a result of the discussion, MABAC directed the Indian Affairs Coordinator for Montana to call a meeting of all agencies, federal and state, and of concerned native Americans, to discuss and resolve the issues. The first meeting was held in October in Helena, with another scheduled for January in Canada.
- Joint Tourism Projects - A trend in the tourism promotion

business is to sell a region as opposed to a specific destination. Under the guidance of the MABAC, projects such as the "Trail of the Great Bear" have been encouraged.

- Preferential Bidding Practices - Montana maintains in-state preferential bidding practices which give an edge to certain Montana industries bidding on Montana projects. Alberta has none. Initially a point of contention between the two governments, Alberta now has an understanding as to the political realities in repealing those laws.

- Reciprocal Tuition agreements - In an effort to expand availability at state and provincial universities, without expansion of programs, reciprocal tuition agreements have been discussed at the last two meetings. While some progress has been made, no resolution has been offered.

- Milk River - Water from this river rises in Glacier Park, crosses the Blackfeet nation, enters Canada, and re-enters Montana. The MABAC has provided an informational forum for all parties to air their views and inform both state and provincial officials of problems and progress on adjudication and future projects along this river.

- Media Link - a working group that reports to the MABAC, this group consisting of public and private sector, are working to have a cable tv feed to Calgary from Great Falls, instead of Spokane.

- Air link - a working group that reports to the MABAC, this group is working with Delta, Horizon, and Big Sky airlines to reestablish a direct route from Calgary to a major airport in Montana.

- Pacific Northwest Economic Region (PNWER) - Alberta is a strong advocate of this group, and as such keeps MABAC members apprised of significant actions taken or proposed by PNWER members.

- Rocky Mountain Trade Corridor (RMTTC) - Membership of the RMTTC consists of the three western Canadian provinces, and the states of Montana, Wyoming, Colorado, Utah, and Idaho. This group is in the formulation stage, hopes to create a public private partnership to create or enhance the natural trade corridor between Edmonton and Calgary on the north, and Salt Lake City and Denver on the south. While MABAC has no jurisdiction over this group, it has provided a forum to review the progress of this body.

Since this committee was created in 1985, Montana has opened four international offices, including one in Calgary. Since 1987, the state's value added exports have doubled to a 1991 total of \$89 million. The importance of the free flow of goods and services across our northern border cannot be stressed enough. As evidenced

EXHIBIT 1

DATE 1/19/93

HB 162

by the above examples, this committee has provided an essential forum for cross borders issues that directly affect Montana and Alberta.

PROPOSED SOLUTION

The committee should be renamed the Montana-Alberta Boundary Advisory Committee, thereby reducing the scope of committee, provide funding for two meetings per biennium, and the legislation enacting the committee should amended as per the attached marked bill. The meetings should be planned for one each in Alberta and Montana. (See attached sheet for funding)

Montana-Alberta Boundary
Advisory Committee

Salary	Montana meeting - 4 days	
	Alberta meeting - 12 days	
	Total	16 @ \$57.062.....\$ 913
Per Diem	Montana meeting - 4 days @ \$46.78..	\$ 187
	Calgary meeting - 8 days @ \$130....	\$1040
Travel	Montana meeting - 200m x 4 x \$.275	
	Calgary meeting - 500m x 4 x \$.275.	\$ 770
Miscellaneous for hosting lunch/dinner at Montana meeting; secretarial help, etc.		<u>\$ 500</u>
Total required.....		\$3410

Amendments to House Bill No. 99
First Reading Copy

Requested by Rep. Simpkins
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
January 16, 1993

1. Page 4, line 15.
Following: "software"
Strike: "provided"
Insert: "administered"

EXHIBIT 2
DATE 1/19/93
HE 99

Amendments to House Bill No. 99
First Reading Copy

Requested by Rep. Brian Molnar
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
January 13, 1993

1. Page 2, lines 23 and 24.
Following: "~~the~~" on line 23
Strike: "or" on line 23 through "instruction" on line 24
2. Page 2, line 25 through page 3, line 26.
Following: "~~is~~" on page 2, line 25
Strike: "and" through "are" on page 3, line 26
Insert: "is"
3. Page 3, lines 4 and 5.
Following: "~~impacts~~" on line 4
Strike: "or" through "instruction" on line 5
4. Page 3, line 8.
Following: line 7
Strike: "or" through "instruction"
5. Page 3, line 11.
Following: "activity, the"
Strike: "agency"
Insert: "university system"
6. Page 3, lines 22 and 23.
Following: "system" on line 22
Strike: "or" through "instruction" on line 23
7. Page 4, lines 1 and 2.
Following: "system" on line 1
Strike: "and" through "instruction" on line 2
8. Page 4, lines 3 and 4.
Following: "system" on line 3
Strike: "and" through "districts" on line 4

EXHIBIT 3
DATE 1/19/93
HB 99

EXHIBIT 4

DATE 1/19/93

HB 99; 134

I Relinquish my
proxy votes - to
Carolyn Squires
on all bills &
amendments in
expectation action.

taken 1/19/93

I hereby cast my
proxy votes.

Erin Davis

H.B. 99-
Amendment - no

Bill Complete ^{H.B.} 99
yes -

H.B. - 134 - yes -

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

State Administration COMMITTEE

BILL NO. HB162

DATE 1/19/93

SPONSOR(S) Rep. Gervais

PLEASE PRINT

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PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
PAT OWEN	Dept of Commerce	✓	
Karen Howard	Montreal Trade Office - Canada	✓	
Moe Wosenta, Director	International Trade Inst of Makers	✓	
SPENCER	OPI		
Mike Trevor	DOA/ISD		
	amendment H399		

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