

## **MINUTES**

### **MONTANA SENATE 53rd LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON FINANCE & CLAIMS**

**Call to Order:** By Senator Judy Jacobson, Chair, on March 18, 1993, at 8:00 a.m., Room 108.

#### **ROLL CALL**

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

Sen. Judy Jacobson, Chair (D)  
Sen. Eve Franklin, Vice Chair (D)  
Sen. Gary Aklestad (R)  
Sen. Tom Beck (R)  
Sen. Don Bianchi (D)  
Sen. Chris Christiaens (D)  
Sen. Gerry Devlin (R)  
Sen. Gary Forrester (D)  
Sen. Harry Fritz (D)  
Sen. Ethel Harding (R)  
Sen. Bob Hockett (D)  
Sen. Greg Jergeson (D)  
Sen. J.D. Lynch (D)  
Sen. Chuck Swysgood (R)  
Sen. Daryl Toews (R)  
Sen. Larry Tveit (R)  
Sen. Eleanor Vaughn (D)  
Sen. Mignon Waterman (D)

**Members Excused:** Senator Keating, Senator Weeding

**Members Absent:** None

**Staff Present:** Terry Cohea, Legislative Fiscal Analyst  
Lynn Staley, Committee Secretary

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

##### **Committee Business Summary:**

Hearing: None  
Executive Action: SB 271, HB 23

#### **EXECUTIVE ACTION ON HOUSE BILL 23**

**Discussion:** Jim Haubein, Office of Legislative Fiscal Analyst, stated HB 23 exempts private funds from the budget amendment in the appropriations process based on a legal opinion by the

Legislative Council. It changes the budget amendment laws and makes the budget amendment process much more efficient.

Mr. Haubein distributed an amendment to the committee. (Exhibit 1) He said the Historical Society needs a mechanism to print more books depending on demand volume. The additional revenue would be deposited in funds other than the general fund from the sale of fuel for the agencies participating in the Montana public fueling program. The program sets up different fuel depots where gasoline can be purchased in bulk which saves money.

Senator Aklestad questioned if the groups would have to come before the Finance Committee for authority if they were not amended from the bill.

Mr. Haubein said yes, for a budget amendment.

Senator Aklestad said the finance committee meets every 90 days, therefore there would only be that time frame where a problem would exist in that regard.

Mr. Haubein said that was correct, if this language is not in the bill they would not be able to come for a budget amendment; they would need a supplemental.

Senator Devlin questioned if there were any difficulties with the program for fueling depots.

Mr. Haubein said he was not aware of any difficulties with the program.

**Motion:/Vote:** Senator Lynch moved the amendment (Exhibit 1). Motion CARRIED UNANIMOUSLY.

**Motion:** Senator Swysgood moved to amend page 1, line 23, strike the figure "\$500" and insert "\$5,000".

Senator Swysgood said if they received a gift or donation of \$5,000 or more, there could be the potential for some general fund impact and it also would eliminate much paperwork as well as reduce workload. He did not feel the small gifts would have that type of potential impact on the general fund.

**Motion:** Senator Waterman made a substitute motion to strike Section 1 of HB 23.

Senator Jacobson felt that would be doing more than we would want to do. That section sets up the review process for private funds.

**Vote:** Senator Waterman's substitute motion to strike Section 1, HB 23 FAILED on a roll call vote.

Senator Jergeson stated he would support Senator Swysgood's motion. He said there was considerable testimony that gifts in that range might generate a tremendous amount of paperwork on the part of agencies and the university system and added we have been criticizing them for their administrative costs. The \$500 figure would create an additional workload on the LFA office.

**Motion:** Senator Lynch made a substitute motion to amend page 1, line 23, strike "\$500" and insert "\$1,000".

**Vote:** Senator Lynch's substitute motion FAILED on a roll call vote.

**Vote:** Senator Swysgood's substitute motion CARRIED with Senators Tveit, Lynch, Beck, Aklestad and Harding opposed.

**Motion/Vote:** Senator Swysgood moved that HB 23 AS AMENDED BE CONCURRED IN. Motion CARRIED on a roll call vote.

#### EXECUTIVE ACTION ON SENATE BILL 271

##### Discussion:

Senator Jacobson said a concern of the committee was funding for the bill and that issue has been addressed. She asked Terry Cohea to explain to the committee proposed amendments (Exhibit 2)

Ms. Cohea stated that since this is a Senate bill, there cannot be an appropriation in the bill. The proposed amendments (Exhibit 2) were drafted with a contingency provision explaining where the money would come from to fund this. If the appropriation is not put in HB 2 or another appropriation bill, this would be void. There are two funding sources shown in the amendment. First, relating to the general fund, it would be \$633,000 estimated savings to occur in Fiscal Year 1993 from House Bill 427. The second source of funding is money from the district court criminal reimbursement. As of this date the counties had only been billed \$74,000. The general fund that had been put in to make them whole more than accomplished that so the contingency provision would recapture that general fund. Counties would be reimbursed for the cost of criminal cases but would take it out in layers before district court grants.

Senator Christiaens questioned there is that much in general fund savings.

Senator Jacobson said it is her intention to make sure funding is put in SB 271; if something happens, this can be changed at a later date. She acknowledged that up front costs are needed for at least the first year. With regard to the federal government, she noted that they presently are paying 50 percent of the costs with the Iowa program. She added that our program may not require this much money.

**Motion:**

Senator Swysgood moved the amendments (Exhibit 2).

**Discussion:**

Senator Swysgood stated it is a worthwhile program that needs to be explored.

Senator Waterman stated her support even if it means increasing the general fund budget.

Senator Aklestad said while the concept of SB 271 is fine, there are more problems than financing. The way it is structured, we are starting a new program which cannot be afforded. Presently there are boards in the communities which are not functioning properly and there is potential with the boards we presently have to be restructured and put under someone else. He also questioned the involvement of the Supreme Court in the bill. They are limited in time as well as isolation from communities in which this problem is occurring.

Senator Jacobson acknowledged there is a structure out there but it is not functioning. She said the Department of Family Services (DFS) is supportive of the program and would like to try addressing that concern through this type of a program. Regarding the district court involvement, they presently are appointing those people so this would not be changed. It would simply change the makeup of the board to be voluntary citizens boards. She added she has discussed this with Chief Justice Turnage and others on the court and they are willing to work with it because the courts are involved and concerned about the way the system is presently working. The DFS is presently charged with this, and they do not have the time or money to do it; therefore it is not getting done. She concluded SB 271 would give necessary services to the children that need them and make sure these children are treated properly within the system.

Senator Harding questioned Exhibit 2 and asked if county treasurers have been informed about this as to whether it would create a problem for them.

Ms. Cohea said this will not affect the county treasurers as they will handle their duties the same as they presently do. The language is existing law. It shows how money is distributed after it comes to the state.

When questioned by Senator Forrester regarding the funding, Ms. Cohea said the money is used in three tiers. The first tier is district courts that have costs for criminal cases apply to the program and get partially reimbursed or totally reimbursed if


there is enough money in the fund. The second tier is money that is left over, district courts can apply for grants for civil cases they have and the Supreme Court decides if it is appropriate to reimburse. If there is money left over, that money is distributed back to the counties for their general fund. The proposed amendment (Exhibit 2) would ensure that all district court expenses for criminal cases are paid but before the money is used there would be a review process.

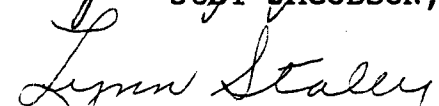
**Vote:** Senator Swysgood's motion to amend (Exhibit 2) CARRIED.

**Motion/Vote:** Senator Swysgood moved that SB 271 AS AMENDED DO PASS. Motion CARRIED with Senator Aklestad and Senator Devlin opposed.

**ADJOURNMENT**

**Adjournment:** 8:40 a.m.

  
JUDY JACOBSON, Chair

  
LYNN STALEY, Secretary

JJ/LS

# ROLL CALL

SENATE COMMITTEE FINANCE AND CLAIMS

DATE 3/18/93

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACOBSON	✓		
SENATOR FRANKLIN	✓		
SENATOR AKLESTAD	✓		
SENATOR BECK	✓		
SENATOR BIANCHI	✓		
SENATOR CHRISTIAENS	✓		
SENATOR DEVLIN	✓		
SENATOR FORRESTER	✓		
SENATOR FRITZ	✓		
SENATOR HARDING	✓		
SENATOR HOCKETT	✓		
SENATOR JERGESON	✓		
SENATOR KEATING			✓
SENATOR LYNCH	✓		
SENATOR TOEWS	✓		
SENATOR SWYSGOOD	✓		
SENATOR TVEIT	✓		
SENATOR VAUGHN	✓		
SENATOR WATERMAN	✓		
SENATOR WEEDING			✓

FC8

Attach to each day's minutes

SENATE STANDING COMMITTEE REPORT

Page 1 of 2  
March 18, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration Senate Bill No. 271 (first reading copy -- white), respectfully report that Senate Bill No. 271 be amended as follows and as so amended do pass.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Page 1, line 6.  
Following: "41-3-1122,"  
Strike: "AND"  
Following: "52-2-112,"  
Insert: "AND 61-3-509,"

2. Page 21.  
Following: line 7  
Insert: "

Section 17. Section 61-3-509, MCA, is amended to read:

"61-3-509. Disposition of taxes. (1) Except as provided in subsection (2), the county treasurer shall, after deducting the district court fee, credit all taxes on motor vehicles and fees in lieu of tax on motor homes, travel trailers, and campers collected under 61-3-504, 61-3-521, and 61-3-537 to a motor vehicle suspense fund, and at some time between March 1 and March 10 of each year and every 60 days thereafter, the county treasurer shall distribute the money in the motor vehicle suspense fund in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed.

(2) The Subject to legislative appropriations to implement [sections 1 through 13], the county treasurer shall deduct as a district court fee 7% of the amount of the 2% tax collected on an automobile or truck having a rated capacity of 1 ton or less. The county treasurer shall credit the fee for district courts to a separate suspense account and shall forward the amount in the account to the state treasurer at the time the county treasurer distributes the motor vehicle suspense fund. The state treasurer shall credit amounts received under this subsection to the general fund to be used for purposes of state funding of the district court expenses as provided in 3-5-901. Any amount forwarded to the state treasurer under this subsection that is not used for district court expenses must be refunded to the counties in the proportion that the amount collected from each county bears to the total amount collected."

NEW SECTION. Section 18. Contingency provision. [This act] is contingent upon the following appropriations being included in House Bill No. 2 or another appropriation bill passed and approved for the 1995 biennium:

(1) There is appropriated to the department of family services \$73,592 in fiscal 1994 and \$73,592 in fiscal 1995 from the general fund for the purposes of implementing [this act]. There is appropriated to the Montana supreme court \$242,908 in fiscal 1994 and \$242,908 in fiscal 1995 from the general fund for the purposes of implementing [this act].

(2) There is appropriated to the Montana supreme court \$325,305 in fiscal 1994 and \$272,908 in fiscal 1995 from the general funds collected pursuant to 61-3-509(2) that are not appropriated for district court expenses, as provided in 3-5-901.

(3) [This act] is void if subsections (1) and (2) are not included in an appropriation bill for the 1995 biennium that is passed and approved."

Renumber: subsequent sections

-END-



SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
March 18, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 23 (first reading copy -- blue), respectfully report that House Bill No. 23 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson  
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Page 1, line 18.  
Strike: "accept or"

2. Page 1, line 23.  
Strike: "\$500"  
Insert: "\$5,000"

3. Page 9, line 24.  
Following: "DEPARTMENT"  
Insert: "or the office of the commissioner of higher education"

4. Page 9, line 25.  
Following: ", "  
Insert: "Montana historical society enterprise revenue resulting from sales to the public, additional revenue deposited in funds, other than the general fund, from the sale of fuel for those agencies participating in the Montana public vehicle fueling program established by Executive Order 22-91,"

-END-

Mc Amd. Coord.  
Sec. of Senate

Senator Jacobson  
Senator Carrying Bill

611119SC.Spm

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. HB 23

DATE 3/18/93

TIME \_\_\_\_\_ A.M. P.M.

NAME

YES NO

SENATOR JACOBSON	✓	
SENATOR JERGESON		✓
SENATOR AKLESTAD	✓	
SENATOR BECK	✓	
SENATOR BIANCHI		✓
SENATOR CHRISTIAENS		✓
SENATOR DEVLIN	✓	
SENATOR FORRESTER		✓
SENATOR FRANKLIN		✓
SENATOR FRITZ		✓
SENATOR HARDING	✓	
SENATOR HOCKETT		✓
SENATOR KEATING		
SENATOR LYNCH	✓	
SENATOR TOEWS		✓
SENATOR SWYSGOOD		✓
SENATOR TVEIT	✓	
SENATOR VAUGHN		✓
SENATOR WATERMAN		✓
SENATOR WEEDING		

Lynn Stally  
SECRETARY

CHAIR

MOTION: Senator Lynch substitute motion  
strike \$500, pg 1, line 23; insert \$1,000 -  
Failed

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. HB 23

DATE 3/18/93

TIME \_\_\_\_\_

A.M. P.M.

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BIANCHI	✓	
SENATOR CHRISTIAENS		✓
SENATOR DEVLIN		✓
SENATOR FORRESTER	✓	
SENATOR FRANKLIN	✓	
SENATOR FRITZ	✓	
SENATOR HARDING		✓
SENATOR HOCKETT		
SENATOR KEATING		
SENATOR LYNCH		✓
SENATOR TOEWS		✓
SENATOR SWYSGOOD		✓
SENATOR TVEIT		✓
SENATOR VAUGHN		✓
SENATOR WATERMAN	✓	
SENATOR WEEDING		

Lynn Staley  
SECRETARY

\_\_\_\_\_  
CHAIR

MOTION: \_\_\_\_\_

Senator Waterman substitute motion, HB 23,  
strike Section 1. Motion failed

# ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. HB 23

DATE March 18, 1993 TIME \_\_\_\_\_ A.M. P.M.

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGESON	✓	
SENATOR AKLESTAD	✓	
SENATOR BECK	✓	
SENATOR BIANCHI		✓
SENATOR CHRISTIAENS	✓	
SENATOR DEVLIN		✓
SENATOR FORRESTER		✓
SENATOR FRANKLIN		✓
SENATOR FRITZ		✓
SENATOR HARDING	✓	
SENATOR HOCKETT	✓	
SENATOR KEATING		
SENATOR LYNCH		✓
SENATOR TOEWS	✓	
SENATOR SWYSGOOD	✓	
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN		✓
SENATOR WEEDING		

Lynn Staley  
SECRETARY

\_\_\_\_\_  
CHAIR

MOTION: Senator Swysgood moved HB 23  
As Amended Be Concurred In.

For Motion Carried

**Amendments to House Bill No. 23  
Third Reading Copy**

**For the Committee on Senate Finance and Claims**

**Prepared by Jim Haubein  
March 4, 1993**

SENATE FINANCE AND CLAIMS  
EXHIBIT NO. 1  
DATE 3/18/93  
BILL NO. HB 23

1. Page 1, line 18.  
Strike: "accept or"

2. Page 9, line 24.  
Following: "DEPARTMENT"  
Insert: "or the office of the commissioner of higher education"

3. Page 9, line 25.  
Following: ","  
Insert: "Montana historical society enterprise revenue resulting from sales to the public, additional revenue deposited in funds other than the general fund from the sale of fuel for those agencies participating in the Montana public vehicle fueling program established by Executive Order 22-91,"

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to Senate Bill No. 271  
Introduced Copy

Requested by Senator Swysgood  
For the Committee on Senate Finance and Claims

Prepared by Teresa Olcott Cohea  
March 17, 1993

1. Page 1, line 6.  
Following: "41-3-1122,"  
Strike: "AND"  
Following: "52-2-112,"  
Insert: "AND 61-3-509,"

SENATE FINANCE AND CLAIMS  
ENRIT NO. 2  
DATE 3/18/93  
BILL NO. SB 271

2. Page 21.  
Following: line 9  
Insert: "

Section 18. Section 61-3-509, MCA, is amended to read:

"61-3-509. Disposition of taxes. (1) Except as provided in subsection (2), the county treasurer shall, after deducting the district court fee, credit all taxes on motor vehicles and fees in lieu of tax on motor homes, travel trailers, and campers collected under 61-3-504, 61-3-521, and 61-3-537 to a motor vehicle suspense fund, and at some time between March 1 and March 10 of each year and every 60 days thereafter, the county treasurer shall distribute the money in the motor vehicle suspense fund in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed.

(2) The Subject to legislative appropriations to implement [sections 1 through 13], the county treasurer shall deduct as a district court fee 7% of the amount of the 2% tax collected on an automobile or truck having a rated capacity of 1 ton or less. The county treasurer shall credit the fee for district courts to a separate suspense account and shall forward the amount in the account to the state treasurer at the time the county treasurer distributes the motor vehicle suspense fund. The state treasurer shall credit amounts received under this subsection to the general fund to be used for purposes of state funding of the district court expenses as provided in 3-5-901. Any amount forwarded to the state treasurer under this subsection that is not used for district court expenses must be refunded to the counties in the proportion that the amount collected from each county bears to the total amount collected."

{Internal References to 61-3-509:  
23-2-616}

NEW SECTION. Section 19. Contingency provision. [This act] is contingent upon the following appropriations being included in House Bill No. 2 or another appropriation bill passed and approved for the 1995 biennium:

(1) There is appropriated to the department of family services \$73,592 in fiscal 1994 and \$73,592 in fiscal 1995 from the general fund for the purposes of implementing [this act]. There is appropriated to the Montana supreme court \$242,908 in fiscal 1994 and \$242,908 in fiscal 1995 from the general fund for the purposes of implementing [this act].

(2) There is appropriated to the Montana supreme court \$325,305 in fiscal 1994 and \$272,908 in fiscal 1995 from the general funds collected pursuant to 61-3-509(2) that are not appropriated for district court expenses, as provided in 3-5-901.

(3) [This act] is void if subsections (1) and (2) are not included in an appropriation bill for the 1995 biennium that is passed and approved."

Renumber: subsequent sections

The general fund appropriation reflects the \$633,000 general fund savings

that is anticipated in fiscal 1993, if House Bill 427 is passed and approved.

The appropriation from the district court reimbursement program reflects:

1) the \$256,000 general fund that was appropriated to the program in fiscal 1993 to offset county costs for court ordered psychiatric tests. As of December 1992, counties had been billed only \$19,763; and 2) the importance of the judicial system in foster care placement decisions.

{Office of Legislative Fiscal Analyst

444-2986}