

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - SPECIAL SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By CHAIRMAN TOM ZOOK, on December 14, 1993, at 8:30 A.M.

ROLL CALL

Members Present:

Rep. Tom Zook, Chairman (R)
Rep. Ed Grady, Vice Chairman (R)
Rep. Francis Bardanoue (D)
Rep. Ernest Bergsagel (R)
Rep. John Cobb (R)
Rep. Roger Debruycker (R)
Rep. Marj Fisher (R)
Rep. John Johnson (D)
Rep. Royal Johnson (R)
Rep. Mike Kadas (D)
Rep. Betty Lou Kasten (R)
Rep. Red Menahan (D)
Rep. Linda Nelson (D)
Rep. Ray Peck (D)
Rep. Mary Lou Peterson (R)
Rep. Joe Quilici (D)
Rep. Dave Wanzenried (D)
Rep. Bill Wiseman (R)

Members Excused: None

Members Absent: None

Staff Present: Clayton Schenck, Legislative Fiscal Analyst
Cathy Kelley, Committee Secretary

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

Committee Business Summary:

Hearing:	HB 83	
	SB 23	
Executive Action:	HB 39	Do Pass As Amended
	HB 44	Tabled
	HB 61	Do Pass As Amended
	HB 71	Do Pass As Amended
	HB 75	Tabled
	HB 83	Do Pass
	SB 23	Be Concurred In

HEARING ON HOUSE BILL 83Opening Statement by Sponsor:

REP. NORM MILLS, House District 90, Billings, opened for sponsor, REP. ELLEN BERGMAN, House District 26, Miles City. He stated that this bill eliminates the regulation of the vitamin and mineral content of flour and bread. Federal requirements are now much more stringent and these regulations serve no purpose. There has never been a prosecution under the statute being repealed.

Proponents' Testimony:

Bob Robinson, Director, Department of Health and Environmental Sciences, said this bill was one of a package of bills proposed by the department after looking at ways to absorb across-the-board reductions, eliminating requirements that didn't need to be on the books. He reiterated that elimination of the present statute posed no threat to public health as Food and Drug Administration requirements were sufficient.

Opponents' Testimony:

None.

Questions from Committee Members and Responses:

REP. WANZENRIED asked if the department would have other like bills before the end of the special session. Mr. Robinson said the department had three other bills: one dealing with elimination of licensing requirements for septic tank pumpers, and one dealing with certificate of need, and one dealing with mattress requirements. He said that these bills were part of an ongoing commitment on the part of the department to come back to the 1995 session with some proposals to streamline the department.

CHAIRMAN ZOOK asked if the septic tank pumper bill was going to be sent to Appropriations. Mr. Robinson said it was.

REP. BARDANOUVE asked what these four bills had to do with balancing the budget. He stated that the salary Mr. Robinson received for sitting waiting to testify was more than these bills saved. Mr. Robinson said that the bills were more symbolism than anything, showing that the department was trying to identify areas where cuts could be made and laws taken off the books. He said that each of the bills probably represented two or three weeks work on somebody's part during the year that would be eliminated with the passage of the bills.

Closing by Sponsor:

REP. MILLS closed by saying that people had often asked him to

cut government and get rid of unneeded laws. He felt this bill was a step in that direction.

HEARING ON SENATE BILL 23

Opening Statement by Sponsor:

REP. JOHN COBB, House District 42, Augusta, opened for sponsor, SEN. CHRIS CHRISTIAENS, Senate District 18, Great Falls. He stated that the fiscal note explains the bill. SEN. CHRISTIAENS said that this bill was merely a clarification, cleaning up some omissions from the regular session, and was extremely important to foster parents.

Proponents' Testimony:

Hank Hudson, Director, Department of Family Services, testified in favor of the bill.

Opponents' Testimony:

None.

Questions from Committee Members and Responses:

None.

EXECUTIVE ACTION ON SENATE BILL 23

Motion/Vote: REP. BERGSAGEL MOVED SB 23 BE CONCURRED IN. Motion carried unanimously.

EXECUTIVE ACTION ON HOUSE BILL 83

Motion/Vote: REP. BERGSAGEL MOVED HB 83 DO PASS. Motion carried unanimously.

EXECUTIVE ACTION ON HOUSE BILL 44

Motion: REP. MENAHAN MOVED HB 44 DO NOT PASS.

Motion: REP. KASTEN MADE A SUBSTITUTE MOTION TO TABLE HB 44. Motion carried 17-1 with REP. KADAS voting no.

EXECUTIVE ACTION ON HOUSE BILL 75

Motion: REP. MENAHAN MOVED TO TABLE HB 75. Motion carried 17-1 with REP. WANZENRIED voting no.

EXECUTIVE ACTION ON HOUSE BILL 71

Motion: REP. KASTEN MOVED TO TAKE HB 71 FROM THE TABLE.

Discussion: REP. KASTEN said she felt one of the chief problems

with the bill was that agencies that were not appropriate would be allowed to have a lump sum appropriation. She stated her intention to offer an amendment that the agencies would be Administration, Transportation, Revenue, and Military Affairs.

REP. BARDANOUVE said he felt the bill should sleep peacefully where it was.

REP. GRADY said he felt the lump sum issue should be discussed on the floor of the House.

Vote: TO TAKE HB 71 FROM THE TABLE. Motion carried 10-8 with REPS. BARDANOUVE, JOHN JOHNSON, KADAS, MENAHAN, NELSON, PECK, QUILICI, and WANZENRIED voting no.

Motion: REP. KASTEN MOVED HB 71 DO PASS AS AMENDED.

Motion: REP. KASTEN MOVED AMENDMENTS EXHIBIT 1.

Discussion: REP. KASTEN asked REP. GRIMES to explain. REP. GRIMES said the first amendment is intended to specify four agencies to be used as somewhat of a pilot program. The second amendment is to include the university system.

REP. BARDANOUVE asked what "agencies identified in HB 2" meant. REP. GRIMES said that language was intended to specify four agencies for pilot projects.

REP. NELSON asked why those particular agencies were selected for this program. Jane Hamman, OBPP, said the agencies were chosen for their diversity.

REP. BARDANOUVE said the Senate wouldn't even look at this bill.

Vote: AMENDMENTS EXHIBIT 1. Motion carried unanimously.

Motion: HB 71 DO PASS AS AMENDED. Motion carried 10-8 with REPS. BARDANOUVE, JOHN JOHNSON, KADAS, MENAHAN, NELSON, PECK, QUILICI, and WANZENRIED voting no.

EXECUTIVE ACTION ON HOUSE BILL 39

Motion: REP. BERGSAGEL MOVED TO TAKE HB 39 OFF THE TABLE.

Discussion: REP. KADAS asked why REP. BERGSAGEL wanted to take the bill off the table. REP. BERGSAGEL said he had amendments that clarified that the sale of the state fleet would not come before entering into a leasing agreement, and required the department to issue a request for proposal.

REP. QUILICI didn't think this bill belonged in the special session and wanted to wait for the results of the Governor's task force.

REP. BERGSAGEL said all that is being asked is for DOT to send out an RFP to determine the cost-effectiveness of this program.

REP. WANZENRIED asked if the department could do what is being proposed without this bill. REP. BERGSAGEL said they had the authority to do that, but needed to be encouraged.

Vote: TO TAKE HB 39 OFF THE TABLE. Motion carried 10-8 with REPS. BARDANOUVE, JOHN JOHNSON, KADAS, MENAHAN, NELSON, PECK, QUILICI, and WANZENRIED voting no.

Motion: REP. COBB MOVED HB 39 DO PASS.

Motion: REP. BERGSAGEL MOVED AMENDMENT hb003901.ash, EXHIBITS 2 and 3.

Discussion: REP. QUILICI said this bill was ill-conceived, ill-drafted, and ill-thought of. He felt this would just take a lot of time in the House, and the Senate would kill it. REP. BERGSAGEL said a lot of time had been spent on the bill, and there was no question it would save money.

REP. MENAHAN wanted to know how the bill would save money and for how long a time. REP. BERGSAGEL said there were a number of options in the bill. The state could provide the gas; the leasing company could provide the gas. Those issues and others will be worked out in the RFP.

REP. PECK called attention to page 3 of the fiscal note which said, "However, the following factors suggest that privatization may be more costly than a state-operated motor pool." He agreed that privatization would be more costly.

REP. BERGSAGEL quoted from the amended bill, EXHIBIT 3, which said, ". . . determine . . . the most cost-effective means . . . to lease passenger vehicles. . . " He said the fiscal note was not accurate.

REP. FISHER said that the state could use its own plates and also self-insure. Each and every item would need to be examined and compared.

REP. WISEMAN said that the Great Falls school system has contracted out school buses for years.

REP. PECK asked if the Great Falls school system had ever run its own buses. REP. WISEMAN didn't know, but REP. PECK said it had never run its own buses. He stated that was the lazy way to do things, and that service cost money.

REP. ROYAL JOHNSON pointed out that the RFP would try to determine all these factors.

Vote: AMENDMENT hb003901.ash EXHIBIT 2. Motion carried 14-4

with REPS. BARDANOUVE, MENAHAN, PECK, and QUILICI voting no.

Motion/Vote: REP. BERGSAGEL MOVED HB 39 DO PASS AS AMENDED.

Motion carried 11-7 with REPS. BARDANOUVE, JOHN JOHNSON, KADAS, MENAHAN, NELSON, PECK, and QUILICI voting no.

EXECUTIVE ACTION ON HOUSE BILL 61

Motion/Vote: REP. COBB MOVED TO TAKE HB 61 FROM THE TABLE.

Motion carried 10-8 with REPS. BARDANOUVE, JOHN JOHNSON, KADAS, MENAHAN, NELSON, PECK, QUILICI, and WANZENRIED voting no.

Motion: REP. COBB MOVED AMENDMENT EXHIBIT 4. Motion carried 17-1, with REP. BARDANOUVE voting no.

Motion/Vote: REP. COBB MOVED HB 61 DO PASS AS AMENDED. Motion carried 11-7 with REPS. BARDANOUVE, JOHN JOHNSON, KADAS, MENAHAN, PECK, QUILICI, and WANZENRIED voting no.

MISCELLANEOUS DISCUSSION

REP. COBB said he didn't think a bill was needed, but he would like to move consideration of certain budget items around in the subcommittees. He would like environmental sciences out of his subcommittee to REP. DEBRUYCKER'S subcommittee. He would like to move some of REP. GRADY'S mental health programs into his Human Services Subcommittee. He said the budgets of Pine Hills and Mountain View in his subcommittee should go to REP. GRADY'S subcommittee.

CHAIRMAN ZOOK said he thought perhaps the Finance Committee should consider those suggestions. REP. PECK said he felt that REP. COBB had put a lot of work in and come up with some good ideas that would be appropriate for the Finance Committee to consider.

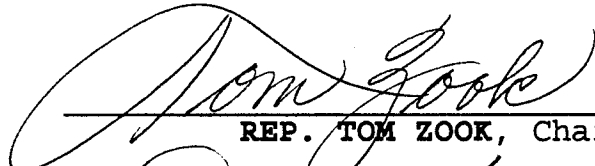
HOUSE APPROPRIATIONS COMMITTEE

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ADJOURNMENT

Adjournment: 10:00 A.M.



REP. TOM ZOOK, Chairman



Cathy Kelley, Secretary

TZ/cek

HOUSE OF REPRESENTATIVES
APPROPRIATIONS COMMITTEE

ROLL CALL

DATE 12/14/93

NAME	PRESENT	ABSENT	EXCUSED
REP. ED GRADY, VICE CHAIRMAN	X		
REP. FRANCIS BARDANOUVE	X		
REP. ERNEST BERGSAGEL	X		
REP. JOHN COBB	X		
REP. ROGER DE BRUYCKER	X		
REP. MARJORIE FISHER	X		
REP. JOHN JOHNSON	X		
REP. ROYAL JOHNSON	X		
REP. MIKE KADAS	X		
REP. BETTY LOU KASTEN	X		
REP. WM. "RED" MENAHAN	X		
REP. LINDA NELSON	X		
REP. RAY PECK	X		
REP. MARY LOU PETERSON	X		
REP. JOE QUILICI	X		
REP. DAVE WANZENRIED	X		
REP. BILL WISEMAN	X		
REP. TOM ZOOK, CHAIRMAN	X		

HR:1993

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CS-09



HOUSE STANDING COMMITTEE REPORT

December 14, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that Senate Bill 23 (third reading copy -- blue) be concurred in.

Signed:

A handwritten signature in cursive script, appearing to read "Tom Zook", written over a horizontal line.

Tom Zook, Chair

Carried by: Rep. Cobb

Committee Vote:
Yes 18, No 0.

141039SC.Hcr

Handwritten:
12-17-93
11:30

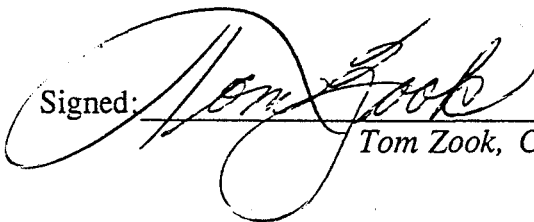


HOUSE STANDING COMMITTEE REPORT

December 14, 1993

Page 1 of 3

Mr. Speaker: We, the committee on Appropriations report that House Bill 39 (first reading copy -- white) do pass as amended.

Signed: 

Tom Zook, Chair

And, that such amendments read:

1. Page 2, line 1:

Following: "establish"

Insert: ", if it is determined to be potentially cost-effective through a request for proposals process,"

2. Page 2, line 2.

Strike: "determine" through "leasing"

Insert: "lease"

Strike: "owning"

Insert: "own"

3. Page 2, lines 6 and 7.

Strike: "negotiate" on line 6 through "packages" on line 7

Insert: "determine, through a formal request for proposals process, the most cost-effective means"

4. Page 2, line 7.

Strike: "lease"

Insert: "provide"

5. Page 2, line 8.

Following: "business."

Insert: "If the department determines that there is a potential for savings by privatizing the state passenger vehicle fleet, the department shall establish the pilot program provided for in [section 3]."

6. Page 2, lines 18 and 19.

Committee Vote:

Yes 11, No 2.

141015SC.Hcr

SL
12-14-93
11:3

December 14, 1993

Page 2 of 3

HB 39

Strike: "governor" on line 18 through "authority," on line 19

Insert: "department of administration shall"

7. Page 2, line 19.

Following: "liquidate"

Insert: ", pursuant to Title 18,"

8. Page 2, line 20 through line 23.

Strike: "and" on line 20 through "business" on line 23

Insert: "determined to be surplus"

9. Page 3, line 1.

Strike: "establish a pilot program"

Insert: "issue a formal request for proposals"

10. Page 3, line 3.

Strike: "and"

11. Page 3, lines 4 and 5.

Strike: "The" on line 4 through "years." on line 5

12. Page 3, line 6 through line 12.

Strike: subsection (2) in its entirety

Insert: "(2) (a) If the results of the request for proposals issued under subsection (1) show that privatization of the state passenger vehicle fleet may be cost-effective for state agencies in the long term, the department of administration shall establish a pilot program to privatize the operation of the state motor pool. The pilot program must continue for at least 3 fiscal years.

(b) The department of transportation is authorized to declare as surplus property any passenger vehicles in its fleet and other assets of the motor pool determined to be excess. Proceeds from the liquidation or privatization of motor pool assets must be deposited in the department of transportation motor pool account. Funds in this account may be used for any of the following purposes:

(i) the reestablishment of the state motor pool;

(ii) the pro rata distribution to state agency accounts that paid replacement costs; or

(iii) the transfer to an account for use by the department of administration to defray the costs of contracts for the lease of passenger vehicles that are required to conduct state business."

13. Page 3, line 13.

Strike: "The"

Insert: "If determined to be cost-effective, the"

141015SC.Hcr

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HB 39

14. Page 3, line 16.

Following: "packages"

Insert: "that will provide required services"

-END-




HOUSE STANDING COMMITTEE REPORT

December 14, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 61 (first reading copy -- white) do pass as amended.

Signed:


Tom Zook, Chair

And, that such amendments read:

1. Title, lines 4 and 5.
Following: "AUTHORIZING"
Strike: "AND REQUIRING"

2. Title, lines 7 and 8.
Following: "PRACTICABLE" on line 7
Strike: "UNLESS" on line 7 through "EMPLOYEES" on line 8

3. Page 2, line 5.
Following: "department"
Strike: "shall"
Insert: "may"

4. Page 2, lines 6 and 7.
Strike: "and" on line 6 through "employees" on line 7

-END-

Committee Vote:
Yes 11, No 7.

141627SC.Hcr




HOUSE STANDING COMMITTEE REPORT

December 14, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Appropriations report that House Bill 71 (first reading copy -- white) do pass as amended.

Signed: 

Tom Zook, Chair

And, that such amendments read:

1. Page 3, line 23.

Following: "agency."

Insert: "An agency that is considered for a lump-sum
appropriation is an agency as defined in 17-7-102."

2. Page 8, line 5.

Following: "(2)"

Strike: "The"

Insert: "Subject to the provisions of subsection (3), the"

3. Page 8, line 6.

Following: "agency"

Insert: ", except the department of public service regulation or
the consumer counsel"

4. Page 8, following line 9.

Insert: "(3) An agency administering a program funded by fees
established to raise the amount appropriated for the program
may not include the appropriations for that program in its
request for a lump-sum appropriation. All appropriations
for such programs must be made separately in accordance with
Title 17, chapter 7."

5. Page 8, line 24.

Following: "responsibilities."

Insert: "The legislature shall give priority to those agencies
recommended for lump-sum appropriations in the governor's
office section of the general appropriations act of 1993."

Committee Vote:

Yes 10, No 8.

141138SC.Hcr

SL
12/14/93
3:10




HOUSE STANDING COMMITTEE REPORT

December 14, 1993

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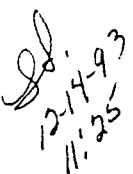
Mr. Speaker: We, the committee on Appropriations report that House Bill 83 (first reading copy -- white) do pass.

Signed:


Tom Zook, Chair

Committee Vote:
Yes 18, No 0.

141038SC.Hcr


12-14-93
11:25

HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE
ROLL CALL VOTE

DATE 12/14/93

BILL NO. HB 71

NUMBER 1

MOTION: REP. KASTEN MOVED TO TAKE HB 71 FROM THE TABLE.

NAME	AYE	NO
REP. ED GRADY, VICE CHAIRMAN	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGEL	X	
REP. JOHN COBB	X	
REP. ROGER DE BRUYCKER	X	
REP. MARJORIE FISHER	X	
REP. JOHN JOHNSON		X
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS		X
REP. BETTY LOU KASTEN	X	
REP. WM. "RED" MENAHAN		X
REP. LINDA NELSON		X
REP. RAY PECK		X
REP. MARY LOU PETERSON	X	
REP. JOE QUILICI		X
REP. DAVE WANZENRIED		X
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIRMAN	X	

HR:1993

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CS-11

HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE ROLL CALL VOTE

DATE 12/14/93

BILL NO. HB 71

NUMBER 2

MOTION: REP. KASTEN MOVED HB 71 DO PASS AS AMENDED.

NAME	AYE	NO
REP. ED GRADY, VICE CHAIRMAN	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGEL	X	
REP. JOHN COBB	X	
REP. ROGER DE BRUYCKER	X	
REP. MARJORIE FISHER	X	
REP. JOHN JOHNSON		X
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS		X
REP. BETTY LOU KASTEN	X	
REP. WM. "RED" MENAHAN		X
REP. LINDA NELSON		X
REP. RAY PECK		X
REP. MARY LOU PETERSON	X	
REP. JOE QUILICI		X
REP. DAVE WANZENRIED		X
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIRMAN	X	

HR:1993

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CS-11

HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE
ROLL CALL VOTE

DATE 12/14/93

BILL NO. HB 39

NUMBER 3

MOTION: REP. BERGSAGEL MOVED TO TAKE HB 39 OFF THE TABLE.

NAME	AYE	NO
REP. ED GRADY, VICE CHAIRMAN	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGEL	X	
REP. JOHN COBB	X	
REP. ROGER DE BRUYCKER	X	
REP. MARJORIE FISHER	X	
REP. JOHN JOHNSON		X
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS		X
REP. BETTY LOU KASTEN	X	
REP. WM. "RED" MENAHAN		X
REP. LINDA NELSON		X
REP. RAY PECK		X
REP. MARY LOU PETERSON	X	
REP. JOE QUILICI		X
REP. DAVE WANZENRIED		X
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIRMAN	X	

HR:1993

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HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE ROLL CALL VOTE

DATE 12/14/93

BILL NO. HB 39

NUMBER 4

MOTION: REP. BERGSAGEL MOVED AMENDMENT hb003901.ash, EXHIBITS 2 and 3.

NAME	AYE	NO
REP. ED GRADY, VICE CHAIRMAN	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGEL	X	
REP. JOHN COBB	X	
REP. ROGER DE BRUYCKER	X	
REP. MARJORIE FISHER	X	
REP. JOHN JOHNSON	X	
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS	X	
REP. BETTY LOU KASTEN	X	
REP. WM. "RED" MENAHAN		X
REP. LINDA NELSON	X	
REP. RAY PECK		X
REP. MARY LOU PETERSON	X	
REP. JOE QUILICI		X
REP. DAVE WANZENRIED	X	
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIRMAN	X	

HR:1993

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HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE
ROLL CALL VOTE

DATE 12/14/93

BILL NO. HB 39

NUMBER 5

MOTION: REP. BERGSAGEL MOVED HB 39 DO PASS AS AMENDED.

NAME	AYE	NO
REP. ED GRADY, VICE CHAIRMAN	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGEL	X	
REP. JOHN COBB	X	
REP. ROGER DE BRUYCKER	X	
REP. MARJORIE FISHER	X	
REP. JOHN JOHNSON		X
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS		X
REP. BETTY LOU KASTEN	X	
REP. WM. "RED" MENAHAN		X
REP. LINDA NELSON		X
REP. RAY PECK		X
REP. MARY LOU PETERSON	X	
REP. JOE QUILICI		X
REP. DAVE WANZENRIED	X	
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIRMAN	X	

HR:1993

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HOUSE OF REPRESENTATIVES

APPROPRIATIONS COMMITTEE
ROLL CALL VOTE

DATE 12/14/93

BILL NO. HB 61

NUMBER 6

MOTION: REP. COBB MOVED HB 61 DO PASS AS AMENDED.

NAME	AYE	NO
REP. ED GRADY, VICE CHAIRMAN	X	
REP. FRANCIS BARDANOUVE		X
REP. ERNEST BERGSAGEL	X	
REP. JOHN COBB	X	
REP. ROGER DE BRUYCKER	X	
REP. MARJORIE FISHER	X	
REP. JOHN JOHNSON		X
REP. ROYAL JOHNSON	X	
REP. MIKE KADAS		X
REP. BETTY LOU KASTEN	X	
REP. WM. "RED" MENAHAN		X
REP. LINDA NELSON	X	
REP. RAY PECK		X
REP. MARY LOU PETERSON	X	
REP. JOE QUILICI		X
REP. DAVE WANZENRIED		X
REP. BILL WISEMAN	X	
REP. TOM ZOOK, CHAIRMAN	X	

HR:1993

wp:rlclvote.man

CS-11

EXHIBIT 1
DATE 12/14/93
HB 71

PROPOSED AMENDMENTS
House Bill 71

- #1** This would be included in either Statement of Intent Language or in the body of the bill:

"The legislature will give priority to those agencies previously identified in HB 2, from the General Appropriations Act of 1993, Governor's Office Section."

Note: Those agencies identified in HB 2 are Administration, Transportation, Revenue, and Military Affairs.

- #2** Include the following:

"Agency as used in this bill is defined in 17-7-102."

pass

Kaotn #1

EXHIBIT 2
DATE 12/14/93
HB 39

Amendments to House Bill No. 39
First Reading Copy

Requested by Rep. Scott Orr
For the Committee on House Appropriations

Prepared by Sheri S. Heffelfinger
December 8, 1993

1. Page 2, line 1.
Following: "establish"
Insert: ", if it is determined to be potentially cost-effective
through a request for proposals process,"
2. Page 2, line 2.
Strike: "determine" through "leasing"
Insert: "lease"
Strike: "owning"
Insert: "own"
3. Page 2, lines 6 and 7.
Strike: "negotiate" on line 6 through "packages" on line 7
Insert: "determine, through a formal request for proposals
process, the most cost-effective means"
4. Page 2, line 8.
Following: "business."
Insert: "If the department determines that there is a potential
for savings by privatizing the state passenger vehicle
fleet, the department shall establish the pilot program
provided for in [section 3]."
5. Page 2, lines 18 and 19.
Strike: "governor" on line 18 through "authority," on line 19
Insert: "department of administration shall"
6. Page 2, line 19.
Following: "liquidate"
Insert: ", pursuant to Title 18,"
7. Page 2, line 20 through line 23.
Strike: "and" on line 20 through "business" on line 23
Insert: "determined to be surplus"
8. Page 3, line 1.
Strike: "establish a pilot program"
Insert: "issue a formal request for proposals"
9. Page 3, line 3.
Strike: "and"
10. Page 3, lines 4 and 5.
Strike: "The" on line 4 through "years." on line 5

pass

11. Page 3, line 6 through line 12.

Strike: subsection (2) in its entirety

Insert: "(2) (a) If the results of the request for proposals issued under subsection (1) show that privatization of the state passenger vehicle fleet may be cost-effective for state agencies in the long term, the department of administration shall establish a pilot program to privatize the operation of the state motor pool. The pilot program must continue for at least 3 fiscal years.

(b) The department of transportation is authorized to declare as surplus property any passenger vehicles in its fleet and other assets of the motor pool determined to be excess. Proceeds from the liquidation or privatization of motor pool assets must be deposited in the department of transportation motor pool account. Funds in this account may be used for any of the following purposes:

- (i) the reestablishment of the state motor pool;
- (ii) the pro rata distribution to state agency accounts that paid replacement costs; or
- (iii) the transfer to an account for use by the department of administration to defray the costs of contracts for the lease of passenger vehicles that are required to conduct state business."

12. Page 3, line 13.

Strike: "The"

Insert: "If determined to be cost-effective, the"

13. Page 3, line 16.

Following: "packages"

Insert: "that will provide required services"

INTRODUCED BY House BILL NO. 39
ORR

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A PILOT PROGRAM TO LEASE FROM THE PRIVATE SECTOR PASSENGER VEHICLES THAT ARE REQUIRED TO CONDUCT STATE BUSINESS; PROVIDING THAT THE GOVERNOR MAY TERMINATE OR EXPAND THE PILOT PROGRAM; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

STATEMENT OF INTENT

A statement of intent is required for this bill because [section 5] gives the departments of administration and transportation rulemaking authority to implement the provisions of [sections 1 through 5]. It is the intent of the legislature to establish a pilot program that could lead to the state leasing rather than owning passenger vehicles if leasing proves to be in the state's best financial interest. Legislative intent is further set forth in [section 2].

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

NEW SECTION. Section 1. Short title. [Sections 1 through 5] may be cited as the "State Motor Vehicle Privatization Act".

NEW SECTION. Section 2. Purpose. (1) The purpose of

EXHIBIT

DATE 12/14/93

HB 39

if it is determined to be potentially cost-effective, a request for a pilot program to lease passenger vehicles that are required to conduct state business.

(2) It is the intent of the legislature that the department of administration negotiate the best possible contract packages for the state to lease passenger vehicles that are required to conduct state business. If... cost-effect means

(3) It is further the intent of the legislature that if the pilot program established in [section 3] fails to indicate a potential for savings from privatizing the state's passenger vehicles, then further privatization of state vehicles will not be pursued and the state will reestablish the state motor pool.

(4) If, however, results of the pilot program established in [section 3] indicate a potential for savings from privatization, it is the intent of the legislature that the department of administration shall, pursuant to Title 18, authority, liquidate a portion or all of the state's remaining inventory of passenger vehicles and direct the department of administration to negotiate lease agreements with private contractors for passenger vehicles that are required to conduct state business, determined to be such

NEW SECTION. Section 3. Privatization of state-owned vehicles -- pilot program -- report. (1) The department of

issue a formal request for proposals

8. (1) administration shall ~~establish a pilot program~~ to privatize
 2 the state-owned vehicles currently in the state motor pool
 3 and that are used primarily to carry passengers or that have
 4 a rated capacity of 1 ton or less. ~~The pilot program must~~
 5 ~~continue for at least 3 fiscal years.~~

10 (2) ~~Unless otherwise provided by law, the department of~~
 11 transportation shall liquidate its current inventory of
 12 state-owned passenger vehicles in the state motor pool.
 13 Proceeds from the liquidation must be deposited in an
 14 account in the state treasury to be used by the department
 15 of administration for contracts for the lease of passenger
 16 vehicles that are required to conduct state business.

17 (3) ~~the~~ department of administration shall negotiate
 18 appropriate vehicle lease agreements with one or more
 19 private contractors who offer the most competitive contract
 20 package or packages. *that will provide required services*

21 (4) Six months after the contract award, the department
 22 of administration shall prepare a report for the governor
 23 and the appropriate senate and house committees on the
 24 progress of the pilot program and the advantages and
 25 disadvantages of the state pursuing the further liquidation
 of state passenger vehicle inventories in favor of leasing
 agreements with private contractors.

NEW SECTION. Section 4. Governor's authority. At any
 time, based on the progress or results of the pilot program

1 established in [section 3], the governor may:

2 (1) subject to [section 3], terminate the pilot program
 3 if the governor is satisfied that privatizing state-owned
 4 passenger vehicles is not in the best financial interest of
 5 the state; or

6 (2) further liquidate a portion or all of the state's
 7 remaining inventory of passenger vehicles and direct the
 8 department of administration to negotiate lease agreements
 9 with private contractors for passenger vehicles that are
 10 required to conduct state business.

11 NEW SECTION. Section 5. Rulemaking authority. The
 12 departments of administration and transportation may adopt
 13 rules to implement the provisions of [sections 1 through 5].

14 NEW SECTION. Section 6. Codification instruction.
 15 [Sections 1 through 5] are intended to be codified as an
 16 integral part of Title 2, chapter 17, and the provisions of
 17 Title 2, chapter 17, apply to [sections 1 through 5].

18 NEW SECTION. Section 7. Effective date. [This act] is
 19 effective on passage and approval.

-End-

Amendments to House Bill No. 61
First Reading Copy

Requested by Rep. Rehbein
For the Committee on Appropriations

Prepared by John MacMaster
December 13, 1993

EXHIBIT 4
DATE 12/14/93
BY 61

1. Title, line 7.
Following: "DEMONSTRATED"
Insert: "BY THE DEPARTMENT"

2. Page 2, line 6.
Following: "demonstrated"
Insert: "by the department"

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