

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

#### FREE CONFERENCE COMMITTEE ON HB 15

**Call to Order:** By SENATOR ETHEL HARDING, on April 12, 1995, at 8:00 a.m.

#### ROLL CALL

**Members Present:**

Sen. Ethel M. Harding, Chairman (R)  
Rep. Ernest Bergsagel (R)  
Sen. Tom Beck (R)  
Sen. B. F. "Chris" Christiaens (D)  
Rep. Matt McCann (D)  
Rep. Betty Lou Kasten (R)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Nan LeFebvre, Office of the Legislative Fiscal Analyst  
Jane Hamman, Office of Budget & Program Planning  
Tracy Bartosik, Committee Secretary

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

**CHAIRMAN ETHEL HARDING** explained that the House rejected the amendments to HB 15 (**EXHIBIT 1**) from the Senate regarding the Job Service in Havre and the Psychology/Pharmacy Building.

**Motion:** REP. ERNEST BERGSAGEL moved to approve an amendment removing the authorization and bonding authority for the Job Service Office in Havre, Montana. **EXHIBIT 2**

**Discussion:** REP. BERGSAGEL said there is an opportunity for the Job Service to rent facilities in that community.

**SEN. CHRIS CHRISTIAENS** said he believed the building that the Job Service is currently operating from is owned, and asked what would become of the current building should they find lease space. **REP. BERGSAGEL** stated that the building is federal property, so it would become federal surplus property.

REP. MATT McCANN asked if the state pays the maintenance on that building. REP. BERGSAGEL answered that the federal government does.

REP. McCANN stated he did not support this motion.

Vote: Motion failed with REP. BETTY LOU KASTEN and REP. BERGSAGEL voting yes.

Motion: REP. McCANN moved to approve an amendment removing the Pharmacy/Psychology Building Addition at the University of Montana - Missoula, and the corresponding appropriation and bonding authority for \$2,000,000 from HB 15. EXHIBIT 3

Discussion: SEN. TOM BECK said he didn't understand why, when \$8 million of the \$10 million project would be funded with private funds, the state of Montana shouldn't take advantage of that ability to leverage funds. REP. BERGSAGEL replied that when the project was first proposed by the Governor it was a \$4 million project, and when it went before the Long-Range Planning Subcommittee it was a \$10 million project. Architecture and Engineering has not had a chance to review and approve it as a \$10 million project. REP. BERGSAGEL said postponement would also give the University the chance to raise more private funds.

SEN. CHRISTIAENS said he doesn't support the amendment because he feels the state needs to make more of a commitment to education. He also said the state's financial situation is good right now and can afford the \$2 million in bonding.

Vote: Motion failed with SEN. BECK and SEN. CHRISTIAENS voting no.

Motion: SEN. CHRISTIAENS moved to approve an amendment providing the entire amount of spending authority originally proposed for the Capitol Restoration Project, including bonding authority to fund historical restoration. EXHIBIT 4

Discussion: REP. BERGSAGEL said he is not in support of these monies going to historical restoration because he feels the Capitol Building is in good shape compared to other buildings around the state.

SEN. CHRISTIAENS said the staff responsible for the Capitol Building are not fundraisers and it is difficult for them to raise money to do this sort of needed work.

Vote: Motion failed with SEN. CHRISTIAENS voting yes.

Motion: SEN. CHRISTIAENS moved to approve an amendment to HB 15 which would increase bonding authority for the Capitol Restoration Project. This additional funding would be used to purchase artifacts that have been removed from the Capitol.

EXHIBIT 5

**Discussion:** REP. KASTEN asked if this amendment would increase the bonding authority in HB 15. Nan LeFebvre, Office of the Legislative Fiscal Analyst (LFA), said yes, it would increase it by \$1 million.

{Tape: 1; Side: B;}

REP. KASTEN said she feels this is an inappropriate way for the legislature to go about obtaining these artifacts.

Debra Fulton, Department of Administration, said there is approximately \$250,000 worth of artifacts in Nevada City relating to the Capitol Building. This amendment would pay for some of the installation of those items as well as their purchase. SEN. CHRISTIAENS commented that it would be a shame if those items were lost.

**Vote:** Motion failed with SEN. CHRISTIAENS voting yes.

**Motion:** SEN. CHRISTIAENS moved to approve an amendment to HB 15 allowing for the purchase of Nevada City and funding for the Lewis and Clark Interpretive Center, totalling \$4 million.

**Discussion:** SEN. CHRISTIAENS said this amendment would be funded through general obligation bonds, and repaid from the accommodations tax proceeds. He also said one of the main reasons for this amendment is that the items in Nevada City are about to go on the auction block, meaning they could be removed from the state. He said the amendment covers the repayment plan, the insurance, and also the state's obligations.

In response to a question from REP. KASTEN, Jane Hamman, Office of Budget and Program Planning (OBPP), said the 4% from the accommodations tax would pay off both the interest and the principal over a 20-year period of time.

{Tape: 2; Side: A;}

SEN. BECK indicated he is in support of this amendment, but wants to be sure it includes the Lewis and Clark Interpretive Center.

SEN. CHRISTIAENS said he was not opposed to working on this amendment and making necessary changes that would help ensure that it passes.

In answer to a question raised by REP. BERGSAGEL, SEN. CHRISTIAENS said that of the \$4 million in bonding, \$1 million would go to the Lewis and Clark Interpretive Center as a grant. He also said the \$4 million would be paid back from the accommodations tax monies and a non-profit organization would operate Nevada City. That organization would pay operations and maintenance costs.

Vote: Motion failed with REP. BERGSAGEL and REP. KASTEN voting no.

Motion/Vote: REP. BERGSAGEL moved to close the free conference committee on HB 15. Motion failed on a tie.

*(Committee took an extended break.)*

REP. BERGSAGEL stated the House of Representatives has decided to accept HB 15 as originally amended by the Senate.

HOUSE LONG-RANGE PLANNING SUBCOMMITTEE

April 12, 1995

Page 5 of 5

ADJOURNMENT

Adjournment: 1:15 p.m.

  
\_\_\_\_\_  
SEN. ETHEL HARDING, Chairman

\_\_\_\_\_  
TRACY BARTOSIK, Secretary

EH/tb



## FREE CONFERENCE COMMITTEE

on House Bill 15

Report No. 1, April 12, 1995

Page 1 of 1

Mr. Speaker and Mr. President:

We, your Free Conference Committee met and considered House Bill 15 and recommend as follows:

1. We recommend that the Free Conference Committee Report to House Bill 15 be adopted.

And this FREE Conference Committee report be adopted.

For the House:

Bergsagel

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Chair

McCann

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Kasten

For the Senate:

Harding

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Chair

Christiaens

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Beck

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ADOPT

REJECT

841704CC.Hbk

EXHIBIT 1  
DATE 4-12-95  
SS 15  
HB

## HOUSE BILL NO. 15

INTRODUCED BY BERGSAGEL

BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE CREATION OF STATE DEBT THROUGH THE  
ISSUANCE OF GENERAL OBLIGATION BONDS; APPROPRIATING THE PROCEEDS OF THE BONDS FOR  
CAPITAL PROJECTS FOR THE BIENNIUM ENDING JUNE 30, 1997; PROVIDING FOR MATTERS RELATING  
TO THE APPROPRIATIONS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

**NEW SECTION. Section 1. Definitions.** For the purposes of [sections 1 through 6 7], unless  
otherwise stated, the following definitions apply:

(1) "Capital project" means the acquisition of land or improvements or the planning, capital  
construction, renovation, furnishing, or major repair projects authorized in [sections 1 through 6 7].

(2) "CPF" means the capital projects fund.

(3) "Other funding sources" means money other than CPF money, including special revenue fund  
money, that accrues to an agency under the provisions of the law.

**NEW SECTION. Section 2. Appropriation of bond proceeds and other funds.** The following money  
is appropriated from the CPF and other funding sources to the department of administration for the capital  
projects described in this section, contingent upon the respective authorization of general obligation  
long-range building program bonds by the 54th legislature and the sale of the bonds by the board of  
examiners:

<u>Agency/Project</u>	<u>CPF</u>	<u>Other Appropriated Funds</u>
DEPARTMENT OF ADMINISTRATION		
Capitol Restoration,		
Capitol Complex	\$17,911,000	
	\$12,559,240	
DEPARTMENT OF CORRECTIONS AND HUMAN SERVICES		

1	Montana State Prison Expansion	4,300,000
2	<del>Regional Correctional Facilities</del>	<del>9,000,000</del>
3	<del>Montana State Hospital,</del>	
4	<del>Redesign/Construction</del>	<del>18,000,000</del>
5	DEPARTMENT OF JUSTICE	
6	<del>Law Enforcement Complex,</del>	
7	<del>Helena</del>	<del>7,000,000</del>
8	MONTANA UNIVERSITY SYSTEM	
9	Central Heating Plant,	
10	Phase II, MSU - Bozeman	3,000,000
11		<u>3,120,000</u>
12	Chemistry Building Renovation	
13	UM - Montana Tech	4,536,000
14	Underground Utilities Expansion	
15	MSU - Bozeman	6,000,000
16	<del>Pharmacy Addition/Renovation,</del>	
17	<del>UM - Missoula</del>	<del>2,000,000</del>
18	<u>PHARMACY/PSYCHOLOGY BUILDING ADDITION</u>	
19	<u>UM - MISSOULA</u>	<u>2,000,000</u>
20	<u>DEPARTMENT OF LABOR AND INDUSTRY</u>	
21	<u>JOB SERVICE OFFICE, HAVRE</u>	<u>350,000</u>

22

23 NEW SECTION. Section 3. Authorization of bonds. (1) The board of examiners is authorized to

24 issue and sell general obligation long-range building program bonds in an amount not exceeding

25 ~~\$71,747,000~~ ~~\$30,515,240~~ \$32,865,240 for the projects described in [section 2] over and above the

26 amount of general obligation long-range building program bonds outstanding on January 1, 1995, to be

27 issued in accordance with the terms and in the manner required by Title 17, chapter 5, part 8. The

28 authority granted to the board by this section is in addition to any other authorization to the board to issue

29 and sell general obligation long-range building program bonds.

30 (2) IT IS THE INTENT OF THE 54TH LEGISLATURE THAT DEBT SERVICE PAYMENTS FOR THE



1 HAVRE JOB SERVICE OFFICE BE PAID WITH FEDERAL FUNDS. IF FEDERAL FUNDS BECOME  
2 UNAVAILABLE, HOWEVER, THE DEPARTMENT OF LABOR AND INDUSTRY IS DIRECTED TO REDUCE  
3 OPERATING OR PERSONAL SERVICES COSTS IN ORDER TO SERVICE THE DEBT. THE DEBT SERVICE  
4 PAYMENTS FOR THE JOB SERVICE OFFICE ARE NOT TO BE PAID WITH GENERAL FUND MONEY. THE  
5 DEPARTMENT IS ALSO ENCOURAGED TO PURSUE THE PURCHASE OF AN EXISTING BUILDING IN HAVRE  
6 AS AN ALTERNATIVE TO NEW CONSTRUCTION.

7  
8 NEW SECTION. SECTION 4. AGREEMENT WITH DEPARTMENT OF LABOR AND INDUSTRY. FOR  
9 THE PROCEEDS OF THE BONDS AND NOTES AUTHORIZED AND APPROPRIATED BY [SECTIONS 2 AND  
10 3] FOR THE EXPANSION AND RENOVATION OF THE JOB SERVICE OFFICE, HAVRE, THE BOARD OF  
11 EXAMINERS AND THE DEPARTMENT OF LABOR AND INDUSTRY MAY ENTER INTO AN AGREEMENT  
12 UNDER WHICH THE DEPARTMENT SHALL PAY THE STATE TREASURER, FOR DEPOSIT IN ACCORDANCE  
13 WITH 17-2-101 THROUGH 17-2-107, AN AMOUNT, AS DETERMINED BY THE STATE TREASURER, THAT  
14 IS SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST DUE ON THE BONDS AND NOTES FROM WHICH  
15 THE APPROPRIATION WAS MADE AND THAT IS SUFFICIENT TO ACCOMMODATE AND MAINTAIN  
16 RESERVES REQUIRED UNDER THE BONDS AND NOTES. THE AGREEMENT MUST FURTHER PROVIDE  
17 THAT INCOME FROM THE INVESTMENT OF BOND PROCEEDS, UNUSED PRINCIPAL, AND THE RESERVES  
18 NOT REQUIRED FOR CONSTRUCTION AND RENOVATION COSTS MAY BE CREDITED AGAINST THE  
19 DEPARTMENT'S PAYMENT OBLIGATION. THE AGREEMENT MUST ALSO ALLOW FOR THE  
20 ACCUMULATION OF RESERVES DURING THE FIRST YEAR THAT THE BONDS ARE OUTSTANDING.  
21 PAYMENT BY THE DEPARTMENT MUST BE MADE FROM FUNDS AVAILABLE THEREFOR.

22  
23 NEW SECTION. Section 5. Planning and design. The department of administration may proceed  
24 with the planning and design of capital projects prior to the receipt of other funding sources. The  
25 department may use interaccount loans in accordance with 17-2-107 to pay planning and design costs  
26 incurred prior to the receipt of other funding sources.

27  
28 NEW SECTION. Section 6. Capital projects -- contingent funds. If a capital project is financed in  
29 whole or in part with appropriations contingent upon the receipt of other funding sources, the department  
30 of administration may not let the projects for bid until the agency has submitted a financial plan for approval

1 by the director of the department of administration. A financial plan may not be approved by the director  
2 if:

3 (1) the level of funding provided under the financial plan deviates substantially from the funding  
4 level provided in [section 2] for that project; or

5 (2) the scope of the project is substantially altered or revised from the preliminary plans presented  
6 for that project in the 1996-97 long-range building program presented to the 54th legislature.

7  
8 NEW SECTION. Section 7. Legislative consent. The appropriations authorized in [section 2]  
9 constitute legislative consent for the capital projects contained in [section 2] within the meaning of  
10 18-2-102.

11  
12 NEW SECTION. SECTION 8. COORDINATION INSTRUCTION. IF [THIS ACT] AND HOUSE BILL  
13 NO. 5 ARE BOTH PASSED AND APPROVED AND IF BOTH CONTAIN AUTHORIZATION FOR THE  
14 PHARMACY/PSYCHOLOGY BUILDING ADDITION PROJECT AT THE UNIVERSITY OF  
15 MONTANA-MISSOULA, THEN THE AMOUNT OF AUTHORIZATION FOR FEDERAL AND PRIVATE FUNDING  
16 FOR THAT PROJECT IN HOUSE BILL NO. 5 IS REDUCED BY \$2 MILLION.

17  
18 NEW SECTION. Section 9. Requirements for approval of state debt. Because [section 3]  
19 authorizes the creation of a state debt, a vote of two-thirds of the members of each house is required for  
20 enactment of [section 3]. If [section 3] is not approved by the required vote, [this act] is void..

21  
22 NEW SECTION. Section 10. Severability. If a part of [this act] is invalid, all valid parts that are  
23 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its  
24 applications, the part remains in effect in all valid applications that are severable from the invalid  
25 applications.

26  
27 NEW SECTION. Section 11. Effective date. [This act] is effective on passage and approval.

28 -END-

Amendments to House Bill No. 15  
Reference Copy As Amended

EXHIBIT 2  
DATE 4/12/95  
HB 15

Requested by Rep. Bergsagel  
For the Free Conference Committee

Prepared by Nan LeFebvre  
April 10, 1995

1. Page 1, lines 12 and 15.

Strike: "7"

Insert: "6"

2. Page 2, lines 20 and 21.

Strike: Lines 20 and 21 in their entirety.

3. Page 2, line 23.

Strike: "(1)"

4. Page 2, line 30 through Page 3, line 6.

Strike: Subsection (2) in its entirety.

5. Page 3, lines 8 through 21.

Strike: Section 4 in its entirety

Renumber: subsequent sections.

The total amount of the bill will be adjusted by the Office of the Legislative Fiscal Analyst.

The purpose of this amendment is to remove the authorization and bonding authority for the Job Service Office in Havre, due to the uncertainty of the availability of federal funds for payment of the debt service.

Amendments to House Bill No. 15  
Reference Copy As Amended

EXHIBIT 3  
DATE 4-12-95  
HB 15

Requested by Rep. Bergsagel  
For the Free Conference Committee

Prepared by Nan LeFebvre  
April 8, 1995

1. Page 2, lines 18 and 19.  
Strike: Lines 18 and 19 in their entirety.

2. Page 4, lines 12 through 16.  
Strike: Section 8 in its entirety.

Renumber: subsequent sections.

The total amount of the bill will be adjusted by the Office of the Legislative Fiscal Analyst.

This amendment removes from House Bill No. 15 the Pharmacy/Psychology Building Addition at the University of Montana - Missoula, and the corresponding appropriation and bonding authority for \$2,000,000. The authorization for this project and the use of \$10,400,000 in federal and private funding provided for in House Bill No. 5 are not impacted by this amendment.

Amendments to House Bill No. 15  
Reference Copy As Amended

Requested by Senator Christiaens  
For the Free Conference Committee

Prepared by Nan LeFebvre  
April 11, 1995

EXHIBIT 4  
DATE 4-12-95  
~~Free~~ Conference Committee  
on HB 15

1. Page 1, line 29.

Strike: "\$12,559,240"

Insert: "\$17,239,600"

2. Page 4, following line 12.

Insert: "NEW SECTION. **Section 8. Coordination Instruction.** If [this act] and House Bill No. 5 are both passed and approved, the amount of authority for donations in House Bill No. 5 is to be reduced so that the entire spending authorization for the capitol restoration project as provided for in [this act] and House Bill No. 5 is not to exceed \$20 million. House Bill No. 5 is amended to read:

Page 2, line 2.

Strike: "5,385,640"

Insert: "1,100,000"

Page 5, line 29.

Strike: "\$5,385,640"

Insert: "\$1,100,000"

This amendment increases the bonding authority for the Capitol Restoration Project to the Governor's original recommendation, and would provide the funding necessary for historical and infrastructure projects. With this increase in bonding authority, together with other federal special revenue (CTEP), proprietary funds, capitol land grant revenue, and long-range building program account funding, an additional \$1.1 million would need to be raised from individuals and private sources. House Bill 5 would need to be amended (see coordinating instruction) in order to limit the total spending authority for the project to \$20 million.

EXHIBIT 4  
4-12-95  
CONF. COM. 0  
HB 15

If this amendment passes, funding for the Capitol Restoration Project would be as follows:

HB 5	\$	275,400	LRBP (HB 5 Conf. Committee)
		696,000	Federal Special Revenue (CTEP)
		1,100,000	Donations
		439,000	Proprietary (ISD and GSD)
		<u>250,000</u>	Capitol Land Grant Revenue
	\$	2,760,400	SUBTOTAL

HB 15      \$17,239,600

\$20,000,000 TOTAL

{Office of Legislative Fiscal Analyst

444-2986}

EXHIBIT 5  
DATE 4/12/95  
SB 11B 15

Amendments to House Bill No. 15  
Reference Copy As Amended

Requested by Senator Christiaens  
For the Free Conference Committee

Prepared by Nan LeFebvre  
April 11, 1995

1. Page 1, line 29.  
Strike: "\$12,559,240"  
Insert: "\$13,559,240"

2. Page 4, following line 12.  
Insert: "NEW SECTION. Section 8. Coordination instruction." If [this act] and House Bill No. 5 are both passed and approved, the amount of authority for donations in House Bill No. 5 is to be reduced by \$1 million. House Bill No. 5 is amended to read:

Page 2, line 2.  
Strike: "5,385,640"  
Insert: "4,385,640"

Page 5, line 29.  
Strike: "\$5,385,640"  
Insert: "\$4,385,640"

This amendment increases the bonding authority for the Capitol Restoration Project by \$1 million to provide funding for the recovery of historic Capitol items in Nevada City. The spending authority for private donations in House Bill No. 5 is correspondingly reduced by \$1 million.

If this amendment passes, funding for the Capitol Restoration Project would be as follows:

HB 5	\$	275,400 LRBP (HB 5 Conf. Committee)
		696,000 Federal Special Revenue (CTEP)
		4,385,640 Donations
		439,000 Proprietary (ISD and GSD)
		<u>250,000</u> Capitol Land Grant Revenue
	\$	6,046,040 SUBTOTAL

HB 15	<u>\$13,559,240</u>
	\$19,605,280 TOTAL

Amendments to House Bill No. 15  
Reference Reading Copy

Requested by Senator Christiaens  
For the Free Conference Committee

Prepared by Greg Petesch  
April 12, 1995

EXHIBIT ~~40~~  
DATE 4-12-95  
~~Free~~ Conference Comm  
on HB 15

1. Title, line 8.

Following: " ; "

Insert: "PROVIDING FOR USE OF ACCOMMODATION TAX REVENUE FOR DEBT  
SERVICE; AMENDING SECTION 15-65-121, MCA; "

2. Page 1.

Following: line 29

Insert: "Nevada City - Lewis and Clark Center 4,000,000" (CPF)

3. Page 2, line 25.

Strike: "\$32,865,240"

Insert: "\$36,865,240"

4. Page 3, line 7.

Insert: "(3) The department of administration shall use the bond  
proceeds allocated to it for acquisition of Nevada City for  
an amount not to exceed the appraised value or \$3 million,  
whichever is lower, and for a \$1 million grant to the Great  
Falls convention and visitors bureau for the Lewis and Clark  
national historic trail interpretive center."

5. Page 4, line 11.

Insert: "NEW SECTION. Section 8. Acquisition of Nevada City --  
use of property and artifacts -- sale. (1) The department of  
administration is authorized to take title of Nevada City  
and shall, subject to subsection (2), oversee the  
administration of the property, including all of the  
buildings, facilities, and artifacts. The department shall  
use any property or artifacts purchased as part of the  
capitol restoration project authorized in [section 2].

(2) After using the property and artifacts provided.  
for in subsection (1), the department shall offer Nevada City for  
sale based on an appraisal of the property. Proceeds of the sale  
must be used to retire bonds issued for the purchase.

(3) Pending sale, the department shall authorize the  
Montana historical society to enter into a contract with a local  
nonprofit corporation agreeing to assume full responsibility for  
the management, maintenance, and operational costs of Nevada City  
and associated personal property and agreeing that major changes  
or modifications to the property will be done only upon approval  
by the department.

Section 9. Section 15-65-121, MCA, is amended to read:

"15-65-121. Distribution of tax proceeds -- general fund



loan authority. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 15-1-501(6), be deposited in an account in the state special revenue fund to the credit of the department of revenue. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 15-1-501(6) and as provided in subsections (1)(a) through (1)(d) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the general fund. The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation or deposited in the general fund is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use, subject to 23-1-131; and

(d) an amount equal to the service on \$4 million of general obligations bonds to be transferred to the capital projects fund;

~~(d)(e)~~ the balance of the proceeds as follows:

(i) 75% to be used directly by the department of commerce;

(ii) except as provided in subsection ~~(1)(d)(iii)~~

(1)(e)(iii), 25% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(iii) if 25% of the proceeds collected annually within the limits of a city or consolidated city-county exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city or consolidated city-county is located is to be distributed to the nonprofit convention and visitors bureau in that city or consolidated city-county.

(2) If a city or consolidated city-county qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city or consolidated city-county is located.

(3) If a regional nonprofit tourism corporation fails to

submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials.

(4) The department of commerce may use general fund loans for efficient implementation of this section."

Renumber: subsequent sections

6. Page 4, line 12.

Strike: "INSTRUCTION"

Insert: "instructions"

Following: "."

Insert: "(1)"

7. Page 4, line 17.

Insert: "(2) If the purchase of Nevada City and the grant to the Lewis and Clark national historic trail interpretive center are both not approved, then neither project may be funded in [this act]."

# MINUTES

MONTANA SENATE  
54th LEGISLATURE - REGULAR SESSION  
FREE CONFERENCE COMMITTEE ON ~~SENATE~~ <sup>HOUSE</sup> BILL 068

Call to Order: By CHAIRMAN STEVE BENEDICT, on April 7, 1995, at  
11:03 a.m.

## ROLL CALL

### Members Present:

Sen. Steve Benedict (R)  
Sen. Larry L. Baer (R)  
Rep. Paul Sliter (R)  
Rep. Jack R. Herron (R)  
Rep. Dore Schwinden (D)

Members Excused: Sen. Bill Wilson (D)

Members Absent: None

Staff Present: Eddy McClure, Legislative Council  
Jennifer Gaasch, Secretary

### Discussion:

SENATOR BENEDICT said he had SENATOR WILSON'S proxy and he was excused from the meeting. (EXHIBIT #1) He said there was an amendment that was going to be discussed and number 2 and 3 would be struck on the amendment. (EXHIBIT #2) He said that would correct the problem in HB 68.

Eddy McClure said it would be striking at the bottom of page 2, line 30 through page 3, line 1. Following "and". It would strike the remainder of line 30 through "1997," on page 3, line 1. The number 2 and 3 amendments would not be offered.

### Motion:

REPRESENTATIVE SLITER MOVED the amendment.

### Vote:

The MOTION CARRIED UNANIMOUSLY.

### Discussion:

REP. SLITER said he would have liked to have seen a flat agriculture exemption mentioned. He said there was an agricultural class license in HB 68 for those boilers up to 150

pounds and operated for no more that 6 months out of the year. He said he did not want to jeopardize the bill. When commerce starts to make rules regarding these agriculture boilers he would hope and urge that the Department of Commerce would work with the representatives from the mint growers and from the bee keepers in making those rules so they would be compatible for everyone.

SEN. BENEDICT asked if there was someone from the Department of Commerce present.

James F. Brown, representing the Department of Commerce, said they were willing to ensure that they would be included.

REP. SLITER replied that was a main concern of the mint growers. He said that would be sufficient rather than an amendment to the bill.

REP. HERRON asked if they fail the license are they allowed to take it once, twice, or three times?

Lance Melton replied there is not a limit of times they can take the exam.

Eddye McClure said on page 9 she wanted to make sure that she was interpreting it the same as the Department of Commerce. In the new subsection 2. Everything else that talks about the classification by the department. She said that applicant would be found competent by the department.

Lance Melton said that was correct.

REP. SCHWINDEN said it was a good compromise and a step in the right direction.

Motion :

SENATOR BAER MOVED HB 68 AS AMENDED.

Vote:

The MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT

Adjournment: 11:15 a.m.

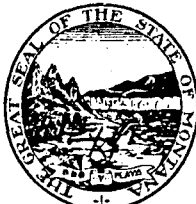


STEVE BENEDICT, Chairman



JENNIFER GAASCH, Secretary

SB/jg



## FREE CONFERENCE COMMITTEE

on House Bill 68

Report No. , April 7, 1995

Page 1 of 1

Mr. Speaker and Mr. President:

We, your Free Conference Committee on **House Bill 68** met and considered House Bill 68 and recommend that **House Bill 68** (reference copy -- salmon) be amended as follows:

1. Page 2, line 30 through page 3, line 1.

Following: "and"

Strike: remainder of line 30 through "1997," on page 3, line 1.

We recommend that the amendment considered above to House Bill 68 be acceded to by senate.

And this Free Conference Committee report be adopted.

For the House:

Herron

Handwritten signature of Jack Herron.

Chair

Shter

Handwritten signature of Paul Shter.

Schwinden

Handwritten signature of Paul Schwinden.

For the Senate:

Benedict

Handwritten signature of Ben Benedict.

Chair

Baer

Handwritten signature of John Baer.

Wilson

Handwritten signature of Bill Wilson.

ADOPT

REJECT

801125CC.Hbk

4-6-95



## MONTANA STATE SENATE

Senator Benedict may vote me  
on the conference committee  
report for House Bill 68.

Senator Bill  
Wilson

I have the utmost respect  
for, and total confidence  
in, the "Chairman"

This note not to be  
used for campaign  
purposes!

EXHIBIT 1  
DATE 4-7-95  
SB 68

EXHIBIT 2  
DATE 4-7-95  
SB 68

Amendments to House Bill No. 68  
Reference Reading Copy

*Free*  
Requested by 1 Conference Committee

Prepared by Eddye McClure  
April 5, 1995

1. Page 2, line 30 through page 3, line 1.

Following: "and"

Strike: remainder of line 30 through "1997." on page 3, line 1.

2. Page 3, line 4.

Strike: "for"

3. Page 3, line 5.

Strike: "INSPECTION OF BOILERS"