

MINUTES

MONTANA SENATE 54th LEGISLATURE - REGULAR SESSION COMMITTEE ON STATE ADMINISTRATION

Call to Order: By **CHAIRMAN ETHEL HARDING**, on January 9, 1995,
at 10:00 AM

ROLL CALL

Members Present:

Sen. Ethel M. Harding, Chairman (R)
Sen. Kenneth "Ken" Mesaros, Vice Chairman (R)
Sen. Mack Cole (R)
Sen. Don Hargrove (R)
Sen. Vivian M. Brooke (D)
Sen. Bob Pipinich (D)
Sen. Jeff Weldon (D)

Members Excused: Sen. Mike Foster (R)

Members Absent: N/A

Staff Present: David Niss, Legislative Council
Gail Moser, Committee Secretary

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

Committee Business Summary:

Hearing: SB4
Executive Action: SB4 DO PASS
SB25 DO PASS AS AMENDED

HEARING ON SB4

Opening Statement by Sponsor:

SEN. JEFF WELDON, Senate District 35, Arlee, stated that SB4 is one of the conclusions from the Governor's Task Force to reform State government. The Task Force looked at the State government, the Executive Branch of the state government, part of the Legislative Branch, Education, and Local Government. SB4 addresses the office of the State Coordinator of Indian Affairs. The Coordinator's office coordinates communications between the state's tribes and reservations and the state government. The Coordinator also addresses federal issues as they relate to Montana's tribes and also focuses on education for the Indian population, economic development on the reservation, etc.

Currently, the Coordinator's office is associated with the Department of Commerce for administrative purposes which only means that that's where the Coordinator's budget ends up within the Executive budget. SB4 moves the Coordinator's office, administratively, from the Department of Commerce and places it with the Governor's office. The Coordinator's office is located in the same branch of the Capitol building as the Governor's office, and the Coordinator works very closely with the Governor's office, so it makes sense that it should be associated with the Governor's office for administrative purposes. The fiscal note shows no fiscal impact as the budget is simply transferred as well.

Proponents' Testimony:

Kathleen Fleury, Coordinator for Indian Affairs, handed out an overview of the responsibilities of the Office of Indian Affairs (EXHIBIT 1). **Ms. Fleury** stated that she also sent this overview to all tribal chairmen in the state and, that as far as she knows, there isn't any objection and that the tribal chairmen would support moving the Office of Indian Affairs administratively to the Governor's office. SB4 just provides housekeeping in terms of the transfer of budget and personnel.

Leo Giacometto, representing the Governor's office, stated that SB4 is really just a clean-up bill, and the Governor supports it.

REP. GEORGE HEAVY RUNNER, stated he believes it is simply an administrative shuffle. **REP. HEAVY RUNNER** stated he is a member of the Blackfeet Tribe and works closely with the Governor and the Office of Indian Affairs.

Opponents' Testimony: None

Questions From Committee Members and Responses:

SEN. BOB PIPINICH asked Rep. Heavy Runner if all tribal councils have been notified of this change. **REP. HEAVY RUNNER** said he is not on the Tribal Council and believes the interaction that Ms. Fleury has is with the tribal governmental leadership and usually on minor issues such as this. She notifies the tribal leadership, and if there are any objections or concerns, she receives immediate feedback, and there was no feedback in this matter.

SEN. MACK COLE asked Ms. Fleury if SB4 would cause any deletion or addition of responsibilities to the Indian Affairs Coordinator. **Ms. Fleury** stated that she is an appointee of the Governor, and the Office of Indian Affairs serves as a resource for all issues that affect the relationship between tribes and state government. **Ms. Fleury** said she doesn't see the move as increasing the responsibility other than what is currently being done, unless the Governor sets other priorities. **SEN. COLE** asked Ms. Fleury if a response was requested of the tribal leadership

when the information was sent out to the tribes regarding the move. **Ms. Fleury** stated she has talked with all tribal leaders since the information was sent out and discussed the issue of a formal response. She stated that there are several tribes who will be sending letters supporting SB4, and that she would be happy to get resolutions from the tribes stating their support of this move. **SEN. COLE** said a written response would be desirable.

SEN. KEN MESAROS asked Ms. Fleury if there was any administrative staff transfer between the Department of Commerce and Governor's office. **Ms. Fleury** answered no, and said that she and her administrative assistant are the only two positions that are under General Fund. **Ms. Fleury** stated that they do have a secretary, but that position is under a contract with the Department of Transportation.

CHAIRMAN ETHEL HARDING asked Senator Weldon about the change on page 1, line 15 striking "shall" and adding "must" concerning the coordinator "must" be appointed by the governor. **SEN. WELDON** stated this is consistent with editing changes that are made any time a section is opened.

Closing by Sponsor:

SEN. WELDON stated that with SB4, what you see is what you get. The Coordinator's office truly does function with the Governor's office.

EXECUTIVE ACTION ON SB4

Motion: **SEN. PIPINICH** moved that SB4 DO PASS.

Discussion: **SEN. VIVIAN BROOKE** agrees with Senator Pipinich about the expediency of going ahead with this bill, but it should be held for Senator Foster's vote. **SEN. PIPINICH** stated that it would be held for Senator Foster's vote. **CHAIRMAN HARDING** stated that written votes could be left with the Secretary if the bill number, vote, and signature are included.

Vote: The MOTION CARRIED UNANIMOUSLY on oral vote.

Discussion on SB25

David Niss handed out amendments to SB25 (EXHIBIT 2). **Mr. Niss** stated that these amendments came out of the discussion this Committee had on 01/05/95, concerning the absence of the Statement of Intent in SB25. Paragraph two of the amendments is the insertion of the Statement of Intent itself. The second paragraph of the Statement of Intent is referring, generally, to the personnel policies that already exist and were adopted under *implied* rather than *express* rule-making authority. So while it seems an anomaly to include a statement of intent for rules that *already* exist, it's required in this instance because state statutes and joint rules say that whenever a bill grants new rule-making authority, a statement of legislative intent is to be included. The third paragraph of the Statement of Intent concerning payroll deductions deals with that portion of the bill which the Department of Administration was *originally* after, which is rules concerning the centralized payroll system.

Paragraph three of the amendments strikes the reference to *chapter* contained on page 2, line 6, and substitutes the word "*part*" -- in other words, part 1 of chapter 18, with the exception of section 111. Section 111 deals with hiring preferences for residents of the Indian reservations for state jobs. The reason why section 111 is to be excepted from the rule-making authority which would be granted by SB25 for the Department of Administration is that section 111 is administered pursuant the language in the section itself by the Commissioner of Labor & Industry. Therefore, the Department of Administration really has no business adopting rules governing the duties of another state agency.

Paragraph 4 of the amendments is the section that is being added to the bill concerning the state payroll system. And the final section is being renumbered.

SEN. VIVIAN BROOKE asked **Mr. Niss** to clarify Paragraph 3 of the amendments. She stated that, from the previous discussion on the amendments, she understood parts 9 and 10 would be exempt from this grant of rule-making authority. **Mr. Niss** responded that he had further discussion with Mark Cress, the Administrator of the Personnel Division of the Department of Administration, and the Department has decided at this time, in this session, it's only parts one and four that they need this new grant of rule-making authority for.

SEN. BOB PIPINICH asked **Mr. Niss** if the amendments to SB25 dated January 3, 1995, would simply become void since there was no vote on them. **Mr. Niss** said that's correct.

SEN. JEFF WELDON asked **Mr. Niss** if the list of personnel issues in paragraph two of the Statement of Intent would preclude the Department from taking on other rule-making authority in

personnel issues. **Mr. Niss** responded that he would not interpret it that way because a list which included these items but additional items as well, would still comply with the second paragraph. **SEN. WELDON** commented that this Statement of Intent would not be codified in the MCA because it appears above the "Shall be enacted" section.

EXECUTIVE ACTION ON SB25

Motion/Vote: **SEN. BROOKE** moved to **ACCEPT THE AMENDMENTS TO SB25**.
The **MOTION CARRIED UNANIMOUSLY** on oral vote.

Motion/Vote: **SEN. PIPINICH** moved that **SB25 DO PASS AS AMENDED**.
The **MOTION CARRIED UNANIMOUSLY** on oral vote.

Discussion on Voting by Committee members

The Committee discussed the ability of absent members to "leave" a vote. It was decided that the record of a committee meeting at which a vote is taken would be held open until the next committee meeting to allow absent members to vote.

ADJOURNMENT

Adjournment: 11:10 AM

On 01/10/95, **SEN. MIKE FOSTER** notified the Secretary that his votes should be counted as follows:

SB 4 - DO PASS

Aye

SB25 - DO PASS AS AMENDED

Aye


ETHEL M. HARDING, Chairman


GAIL MOSER, Secretary

EMH/gem

MONTANA SENATE
1995 LEGISLATURE
STATE ADMINISTRATION COMMITTEE

ROLL CALL

DATE _____

1/9/95

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SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 10, 1995

MR. PRESIDENT:

We, your committee on State Administration having had under consideration SB4 (first reading copy -- white), respectfully report that SB4, do pass.

Signed. Ethel M. Harding
Senator Ethel M. Harding, Chair

SA Amd. Coord.
SA Sec. of Senate

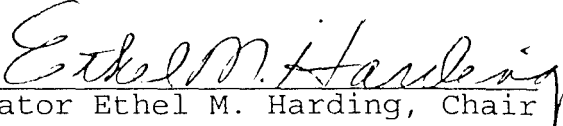
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SENATE STANDING COMMITTEE REPORT

Page 1 of 2
January 10, 1995

MR. PRESIDENT:

We, your committee on State Administration having had under consideration SB25 (first reading copy -- white), respectfully report that SB25, be amended as follows and as so amended do pass.

Signed: 
Senator Ethel M. Harding, Chair

That such amendments read:

1. Title, line 10.
Following: "2-18-102"
Insert: "2-18-401,"

2. Page 1.
Following: line 11.
Insert: "STATEMENT OF INTENT


A statement of intent is required for this bill because 2-18-102 requires the department of administration to adopt administrative rules containing personnel policies and 2-18-401 authorizes the department to adopt rules regarding the operation of the state central payroll system.

The legislature intends that rules containing personnel policies should address employee records, performance appraisals, grievances, discipline, reductions in force, recruitment, selection, and training.

The legislature intends that rules concerning payroll deductions should address the payroll deduction process and should set criteria for the kinds of payments that can be made through payroll deductions. Examples of types of payroll deductions that should be addressed by the rules are payment of insurance premiums, bank and credit union payments, charitable contributions, and wage garnishments."

3. Page 2, line 6.
Strike: "chapter"
Insert: "part, except 2-18-111"

4. Page 2.
Following: line 10
Insert: "Section 2. Section 2-18-401, MCA, is amended to read:
"2-18-401. Central payroll system -- department to provide for inclusion of agencies. The department of administration shall install and operate a uniform state central payroll system for

 Amd. Coord.
STA Sec. of Senate

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all state agencies, including units of the Montana university system and the vocational-technical centers. The department may provide for the orderly inclusion of state agencies into the system and may make exceptions from the operation of the system for periods it determines necessary. The department shall adopt rules to implement the state central payroll system."

Renumber: subsequent sections

-END-

OFFICE OF INDIAN AFFAIRS

MAY 1993

OVERVIEW:

Current census figures (1990) indicate that the Native American population of Montana is 47,679, or 5.97% of the state's total population of 799,065. The number of Native Americans that actually reside within the boundaries of the seven reservations is 30,026 (63% of the Native American population). For varying reasons, one of which is the mostly isolated geographic location of the reservations, the economic and social conditions for the Native Americans residing on the reservations are in a critical state. The manifold efforts by individuals and governments (Tribal, State and Federal) that seek solutions to the problems faced by Native Americans in Montana are hampered by a severe lack of coordination or a unified approach.

As a way to battle the existing problems and serve the best interests of the Native Americans of Montana, the State Legislature established the office of Coordinator of Indian Affairs. The office and accompanying statutory policy were set up to foster a plan that provides the Native American citizens of Montana the opportunity to take their rightful place in this society and in this state.

The resulting mandate of the Coordinator of Indian Affairs is to serve as liaison between the several governments (Tribal, State and Federal) and the Native American peoples of Montana for purposes of enabling them to achieve, individually and collectively, economic and social well-being.

PRIMARY RESPONSIBILITIES:

The office of the Coordinator of Indian Affairs shall:

- (a) have a thorough and updated knowledge of the problems facing Native Americans and problems facing the state of Montana with regards to Native Americans;
- (b) advise and respond to the executive and legislative branches of state government on Native American issues;
- (c) advise and respond to tribal governments and individual Native Americans on state and federal issues;
- (d) advise and respond to Montana's Congressional delegation on Native American issues;

- (e) serve as advocate for all Native Americans and Native American groups, both public and private; and
- (f) promote cooperation and good relations between Native Americans and all non- Native American individuals, organizations and governments.

GOAL STATEMENT:

Provide all services possible that promote positive economic progress, cooperation and governmental agreements for the Native Americans of Montana.

Coordinator
Program Officer
Program Officer II
Secretary

Kathleen M. Fleury
Lori McGowan
Gary W. Addington
Evelyn Martin

Room 202, State Capitol Building
Helena, Montana 59620

Telephone: (406)444-3702

Fax: (406)444-1350

Amendments to Senate Bill No. 25
First Reading Copy

Requested by Committee on State Administration

Prepared by David S. Niss
January 6, 1995

1-9-95

1. Title, line 10.
Following: "2-18-102"
Insert: "2-18-401,"

2. Page 1.
Following: line 11.
Insert: "STATEMENT OF INTENT"

A statement of intent is required for this bill because 2-18-102 requires the department of administration to adopt administrative rules containing personnel policies and 2-18-401 authorizes the department to adopt rules regarding the operation of the state central payroll system.

The legislature intends that rules containing personnel policies should address employee records, performance appraisals, grievances, discipline, reductions in force, recruitment, selection, and training.

The legislature intends that rules concerning payroll deductions should address the payroll deduction process and should set criteria for the kinds of payments that can be made through payroll deductions. Examples of types of payroll deductions that should be addressed by the rules are payment of insurance premiums, bank and credit union payments, charitable contributions, and wage garnishments."

3. Page 2, line 6.
Strike: "chapter"
Insert: "part, except (2-18-111)"

administration
of Robert J. ...

4. Page 2.
Following: line 10
Insert: "Section 2. Section 2-18-401, MCA, is amended to read:
"2-18-401. Central payroll system -- department to provide for inclusion of agencies. The department of administration shall install and operate a uniform state central payroll system for all state agencies, including units of the Montana university system and the vocational-technical centers. The department may provide for the orderly inclusion of state agencies into the system and may make exceptions from the operation of the system for periods it determines necessary. The department shall adopt rules to implement the state central payroll system."

{ Internal References to 2-18-401: None. }

Renumber: subsequent sections

Page 9-10

Shall

DATE 1/9/95

SENATE COMMITTEE ON State Administration

BILLS BEING HEARD TODAY: SB 4

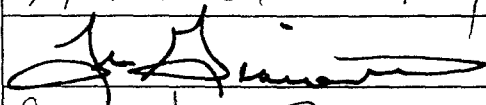
Sen. Jeff Ingham

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PLEASE PRINT

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Check One

Name	Representing	Bill No.	Support	Oppose
Kathleen Fleury	GOVERNOR'S OFFICE	4	X	
	Governors Office	4	X	
George Henry Brown	H.D. 85 > Rep.	4	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY