

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
54th LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON GENERAL GOVERNMENT & TRANSPORTATION

Call to Order: By CHAIRMAN ED GRADY, on January 13, 1995, at
9:45 A.M.

ROLL CALL

Members Present:

Rep. Edward J. "Ed" Grady, Chairman (R)
Sen. Thomas A. "Tom" Beck, Vice Chairman (R)
Rep. Gary Feland (R)
Sen. Eve Franklin (D)
Rep. Joe Quilici (D)

Members Excused: None

Members Absent: None

Staff Present: Terri Perrigo, Legislative Fiscal Analyst
Dan Gengler, Office of Budget & Program Planning
John Patrick, Office of Budget & Program Planning
Rosa Fields, Committee Secretary

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

Committee Business Summary:

Hearing: Montana Supreme Court
Executive Action: Department of Revenue
Montana Supreme Court

HEARING ON MONTANA SUPREME COURT

Tape No. 1:A

Informational Testimony:

Pat Chenovick, Montana Supreme Court, distributed a handout and briefed the subcommittee members on the programs within the Supreme Court. The Supreme Court Operations program includes the Court Administrator's Office and the Supreme Court Justices and their staff. Mr. Chenovick said they are asking for two FTE and \$1 million each year of the biennium to help complete the Court's automation process. **EXHIBIT 1**

Questions, Responses, and Discussion:

CHAIRMAN GRADY asked **Mr. Chenovick** if the subcommittee doesn't place any FTE in the program automation will there be money left. **Mr. Chenovick** replied that presently they have zero FTE and zero dollars from any of the programs to continue the automation in the 1997 biennium.

Informational Testimony:

Pat Chenovick continued with the list of programs. The Foster Care Study new proposal would use state and federal funds (from the Federal Family Preservation Grant Program) to assess the whole state system for foster care and adoption placements to determine problems and make recommendations on how to improve the system. This is a five-year grant. The first year is supported through a \$75,000 federal grant, while the second through the fifth year requires a 25% match from the state. (Budget Analysis 1997 Biennium, Vol II, Page D-4.)

The next program reviewed was Boards and Commissions. That program administers the judicial discipline, rules, admissions to the bar, training and investigations. (Page D-7)

The next program was the Law Library. **Judy Meadows** said funds are needed to purchase the Montana Code Annotated (MCA) to exchange with other law libraries. Without funds to purchase the MCA to trade for other states' codes, it will cost the state a lot more to purchase those codes. As an example, she reminded the subcommittee that the MCA costs \$250 while the California code costs \$3,500. If Montana doesn't have the code to exchange, it would cost \$3,250 more than it would for the exchange. She said the law library is the only place in Montana that has the codes for every other state.

CHAIRMAN GRADY asked **Ms. Meadows** why the funds were not in the base budget. She said it is usually a biennial appropriation and should have been in the base. She also said that law book inflation is usually part of the law library budget, but it was not applied this time, and asked for the true inflation rate for law books which is higher than the general inflation included in the executive budget.

Pat Chenovick addressed the Water Court Supervision program and asked for funds to keep the 1.0 FTE that has been training for the last two years. **Mr. Chenovick** said the Water Court oversees the four water divisions in the state, and adjudicates the claims of existing water rights in Montana.

Questions, Responses, and Discussion:

CHAIRMAN GRADY informed the committee they would now address some of the issues for the Montana Supreme Court. He asked **Ms. Perrigo** to discuss the issues.

Ms. Perrigo addressed the sunset of the two additional justices in 1995. She said the executive budget includes funding for the two justices in the 1997 biennium, which is contingent upon passage of another bill. According to the ground rules established by the joint committee, funds should not be included in HB 2 for items contingent on the passage of other bills. Based on that rule, the budget in the 1997 biennium should be reduced by approximately \$153,000 and 2.0 FTE.

SEN. TOM BECK commented that the funds should stay in the budget because the bill **Ms. Perrigo** talked about passed the Senate floor on second reading and was a unanimous vote.

Ms. Perrigo addressed **Mr. Chenovick's** presentation. She said there is currently \$42,000 of court automation money remaining in the present law adjustments that were approved by the subcommittee. She said the reason it's still there is because there was a "court automation package" included in the present law adjustments, which totalled \$122,890 per year. The subcommittee did not approve adding 2.0 FTE (through a present law adjustment) and approximately \$80,000 per year for court automation. That leaves approximately \$42,000 in the budget-- which is not necessary now that the court automation FTE have been eliminated.

Ms. Perrigo addressed the investigation costs for the Boards and Commissions. Based on the actions taken by the subcommittee, \$21,000 is added each year for investigations in the present law adjustment. The total for the investigations in the budget is \$31,000 per year. **Ms. Perrigo** referred to page D-7 of the Budget Analysis Vol. II.

Ms. Perrigo informed the members that the code exchange for the law library was not included in the executive budget.

CHAIRMAN GRADY asked **Mr. Chenovick** what he could do if the \$42,000 is left in the budget. **Mr. Chenovick** replied nothing, if the FTE to actually do the automation aren't funded.

Mr. Chenovick addressed the \$5 surcharge user fee bill for the court which is going to be introduced by **REP. BISHOP**. He said if the bill passes it will provide funds for court automation.

EXECUTIVE ACTION ON MONTANA SUPREME COURT

Tape 1:A:580

BUDGET ITEM: Law Clerk Pay Parity

Motion: **REP. QUILICI** moved to adopt \$86,102 per year to increase the salaries for the 14 law clerks.

SEN. BECK questioned giving the clerks the full amount. He would amend the motion to adopt \$86,102 for the biennium, or \$43,051 each year.

REP. QUILICI addressed the \$25,000 for security locks at the building, and asked if the Department of Administration (DofA) could handle this. If the DofA could, it would make funds available to be used towards the increase in pay for the law clerks.

Motion/Vote: SEN. BECK made a substitute motion to adopt \$86,102 for the biennium. The motion carried 5 to 1 with REP. QUILICI voting no.

BUDGET ITEM: 1.0 FTE Personnel and Training Officer

The subcommittee discussed the fact that there was \$42,000 per year in the budget for court automation that was no longer needed because the 2.0 FTE were eliminated.

Motion: SEN. BECK moved to use the \$42,000 per year to fund 1.0 FTE Personnel and Training Officer.

Ms. Perrigo said there is actually \$42,709 in FY96 and \$42,503 in FY97.

Vote: The motion carried unanimously.

BUDGET ITEM: \$25,000 for the Security Locks

Motion/Vote: SEN. BECK moved to reconsider previous action. He stated he wanted to move that the \$25,000 the subcommittee added yesterday for security be eliminated. He also stated that his intent is to ask the Department of Administration (during its hearing before the subcommittee) to do the security, and then he would add the funds back in using DofA money.

Vote: The motion carried 5 to 1 with SEN. FRANKLIN voting no.

BUDGET ITEM: Federal Family Foster Care Services

Mr. Chenovick informed the subcommittee that if the department starts the federal foster care study grant, and cannot continue due to lack of funds, they will be able to discontinue the program at anytime during the five-year grant period.

Motion/Vote: REP. QUILICI moved to approve the foster care study new proposal. The motion carried unanimously.

BUDGET ITEM: Code Exchange for the Law Library

Motion/Vote: SEN. BECK moved to place the \$9,000 for the code exchange back into the budget for FY 1996. SEN. BECK also made a motion to place publications and inflation for both years of FY 1996 and FY 1997 to \$19,096 and \$27,540 respectively. The motion carried 5 to 1.

BUDGET ITEM: Water Court

Motion: SEN. BECK made a motion to change the present law adjustment to the base budget FY 1994.

Motion/Vote: SEN. FRANKLIN made a substitute motion to reconsider the subcommittee's previous actions and re-insert the base budget from FY 1994, and not use the present base law. The motion carried unanimously.

Discussion: SEN. BECK felt these actions would reflect more accurately what the Water Court started with. The present law proposal drops the total to \$509,842, and the existing budget is \$541,156.

Motion: SEN. BECK moved to establish the base budget FY 1994 as the starting point for the Water Courts. The amount is \$541,156.

Discussion: Ms. Perrigo informed the subcommittee when they did the initial Judiciary executive action on the base budget they adopted the base budget as the starting point for the agency. It is her understanding if the members reconsider their actions from the previous executive action and do not take the present law adjustments the committee is automatically back at the base budget.

CHAIRMAN GRADY asked Ms. Perrigo what the subcommittee had added in previous executive action in present law adjustments. Ms. Perrigo said they reduced the base budget by approximately \$10,000 in FY 1996 and \$5,300 in FY 1997.

Vote: The motion carried 5 to 1.

Tape 1:B

Discussion: The members discussed the 5% vacancy savings for the Judiciary.

Discussion: Ms. Perrigo said when the Judiciary actually receives its appropriation, the vacancy savings and personal services reduction will be on one line--not separated by program as it is in the executive budget. She said the Judiciary will be able to allocate the vacancy savings wherever they wish, except for the vacancy savings applied to water court. Because water court is the only state special revenue funded program in the

Judiciary, there is no other program that can generate any portion of that \$21,000 per year vacancy savings.

BUDGET ITEM: Vacancy Savings for the Montana Supreme Court

Motion: SEN. BECK made the motion to accept the executive proposal on vacancy savings for the Judiciary System.

Vote: The motion carried 5 to 1.

Discussion on previous motion/vote: CHAIRMAN GRADY asked the subcommittee members to reconsider their action to take the \$25,000 back out. The members unanimously agreed.

Mr. Chenovick informed the subcommittee members that the executive action they took on the Water Court for vacancy savings of \$21,000 per year will probably result in the laying off of one of the water masters according to Judge Loble. SEN. BECK informed Mr. Chenovick by going back to the FY 1994 base, which is higher than the executive budget, will allow Judiciary more flexibility.

EXECUTIVE ACTION ON DEPARTMENT OF REVENUE

Tape No. 1:B:240

Motion: REP. QUILICI made the motion to adopt the base plus the present law adjustments for FY 1996 and 1997. (Budget Analysis 1997 Biennium, Volume I)

Discussion: SEN. BECK said the present law adjustments of \$210,284 and \$104,987 in '97 will be added to the \$1,011,042 base budget. If the new proposal is accepted, it will decrease by \$70,000.

Ms. Perrigo addressed two things included in the present law adjustments. The table on page A-113 shows an adjustment for contracted services of \$42,109 in '96 and \$46,859 in '97. Part of that increase (\$23,000/year) is for contracted secretarial services. The agency stated in its budget request that there are no FTE available in the department for this position. However, as part of the personal services reduction, an FTE is eliminated. The subcommittee could save \$23,000 by funding the secretarial position with a portion of the personal services reduction, using the FTE included in the personal services reduction, and not adding any money into contracted services. She said this would reduce the personal services new proposal.

The second issue is a request to add \$20,000 per year for expert witness fees, which is also included in the contracted services present law adjustment. Ms. Perrigo said if the legislature wants to make \$20,000 per year available for expert witness fees, it could restrict the use of the \$20,000 to that purpose. That

would ensure that the funds revert to the general fund if they were not used for expert witness fees.

Discussion: CHAIRMAN GRADY asked Mr. Robinson his feelings on using a FTE instead of contracted services for secretarial services. Mr. Robinson said a permanent person is preferred over contracted services.

Vote: The motion carried unanimously.

BUDGET ITEM: New proposals for Directors office FY 96 and FY 97

Motion/Vote: SEN. BECK moved to approve the executive proposal for FY 96 and FY 97. The motion carried 4 to 1 with REP. QUILICI voting no.

BUDGET ITEM: Operations Division Present Law Adjustment

Motion: REP. QUILICI moved to approve the base budget plus present law adjustments for FY 1996 and FY 1997.

Ms. Perrigo informed the committee if this motion is approved the starting point for the Operations Division will be \$2.3 million spent in FY 1994. The present law adjustments, which total \$233,265 in FY 96 and \$237,506 in FY 96, are identified on Page A-116.

Vote: The motion carried unanimously.

BUDGET ITEM: Operations Division - Mailroom/Cashiering

Mr. Robinson addressed the mailroom/cashiering automation new proposal shown on page A-116. He said the amount in the executive budget needs to be increased by \$94,830 due to new cost estimates on the equipment and the \$175,000 automation machine will more than pay for itself the first year with interest income.

REP. FELAND asked Mr. Robinson if approval of this will have an effect on the FTE. Mr. Robinson said this equipment will take the burden off of the FTE load.

Dan Gengler, OBPP, said the executive office will support the additional money for this cost-effective equipment.

Motion: CHAIRMAN GRADY moved to approve the Personal Services/Reduction New Proposal.

Discussion: SEN. BECK said the proposal will save \$107,650 in FY 1996 and \$108,520 in FY 1997.

SEN. BECK requested that the mailroom equipment be a line item expenditure. Ms. Perrigo stated it would be, as it would be a biennial appropriation restricted to the purchase of this equipment.

REP. QUILICI asked Mr. Robinson how long it will take to get this equipment in place. Mr. Robinson replied they hoped to have the equipment in place as early in FY 1996 as possible.

BUDGET ITEM: Mailroom/Cashiering Automation

Motion: REP. QUILICI moved to approve the Mailroom/Cashiering Automation New Proposal for \$224,830 in FY 1996, and \$20,200 for on-going maintenance fees in FY 1997.

Motion: SEN. BECK moved to reduce the fiscal 1996 maintenance amount by half (as the agency won't have the equipment in place until mid-way through the year) and that this automation be a one-time line item.

Discussion: SEN. QUILICI said if the department can get on-line sooner the department will have to find the maintenance fees elsewhere.

Don Gengler, Office of Budget and Program Planning, said the interest income to be realized from the automation is not included in the executive budget. He said through getting checks in the bank faster, the department can increase interest income by approximately \$105,000 over the biennium through approval of this new proposal.


Vote: The motion to approve the personal services reduction carried unanimously.

Motion: REP. QUILICI moved to approve the mailroom/cashiering automation new proposal for a one-time/biennial/restricted appropriation of \$204,630 in fiscal 1996, and \$10,100 in fiscal 1996 and \$20,200 in fiscal 1997 for on-going maintenance.

Vote: The motion carried 4 to 1 with CHAIRMAN GRADY voting no.

ADJOURNMENT

Adjournment: 11:55 a.m.



Ed Grady, Chairman



Rosa Fields, Secretary

EG/rf

GENERAL GOVERNMENT

Joint Appropriations Subcommittee

ROLL CALL

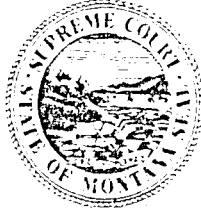
DATE 1-13-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Ed Grady, Chairman	✓		
Rep. Gary Feland	✓		
Rep. Joe Quilici	✓		
Sen. Tom Beck	✓		
Sen. Eve Franklin	✓		
	✓		

The Supreme Court of Montana
Office of the Court Administrator

EXHIBIT 1
DATE 1-13-95
HB Montana Supreme Court

PATRICK A. CHENOVICK
Court Administrator



JUSTICE BUILDING—ROOM 315
215 NORTH SANDERS
PO BOX 203002
HELENA, MONTANA 59620-3002
TELEPHONE (406) 444-2621

October 17, 1994

John Patrick
Office of Budget and Program Planning
Governors Office
Helena, Montana

Dear Mr. Patrick:

As you are aware, the Judiciary has been very active in moving the branch into the use of information technology. The past six years the Legislature has provided minimal appropriation to automate the 182 courts in the state. This support has allowed the Judiciary to have:

- 1) Resources to install and assist in the purchase of computer's in 15 district court clerks offices statewide,
- 2) Resources to evaluate currently available court technology nationwide,
- 3) Resources to develop the Montana Judicial Case Management System (MJCMS) for district courts and Limited Judicial Case Management System (LJCMS) for Justice of the peace, city, and municipal courts,
- 4) Resources to be able to offer staff support to approximately 300 Judicial Branch user's statewide, this support takes the form of installation, instruction, development, and problem resolution for wordprocessing, spreadsheet, MJCMS & LJCMS, and all other aspects of information technology.

The results of the legislative support is that the Judiciary is moving forward and needs to continue. I would like to amend the Judiciary's FY 96-97 budget request to allow future planning and the ability to be an active partner with the other branches of Montana government.

Amendment:

Program 08 Automation Program budget request needs to be;

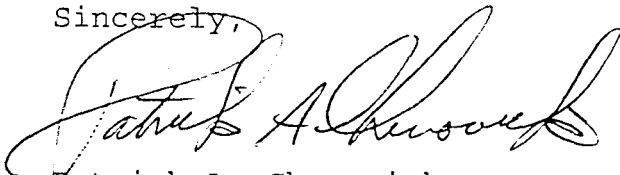
FTE	10	<i>no P. 1031</i>
Salaries and Benefits	\$355,360	
Operating expenses	175,000	
Equipment (for county courts)	469,640	
Total	FY 96	\$1,000,000
Total	FY 97	\$1,000,000

2000-01-14 10:00 AM

Please add the above amounts to the Judiciary's request in the proper control variables and send a copy to me.

I appreciate your efforts on this request.

Sincerely,



Patrick A. Chenovick

cc: Chief Justice Turnage
LFA Terry Perrigo

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

General Committee

SUB-COMMITTEE

DATE 1-13-95

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NAME AND ADDRESS	REPRESENTING	Support	Oppose
PATRICK A. CHENOVICK	MONTANA SUPREME COURT	✓	

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

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