

MINUTES

**MONTANA SENATE
54th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON FINANCE & CLAIMS

Call to Order: By **SENATOR GARY AKLESTAD, CHAIRMAN**, on Saturday,
January 28, 1995, at 7:30 a.m.

ROLL CALL

Members Present:

Sen. Gary C. Aklestad, Chairman (R)
Sen. Thomas F. Keating, Vice Chairman (R)
Sen. Thomas A. "Tom" Beck (R)
Sen. James H. "Jim" Burnett (R)
Sen. Loren Jenkins (R)
Sen. Ethel M. Harding (R)
Sen. Arnie A. Mohl (R)
Sen. Charles "Chuck" Swysgood (R)
Sen. Daryl Toews (R)
Sen. Larry J. Tveit (R)
Sen. B.F. "Chris" Christiaens (D)
Sen. Eve Franklin (D)
Sen. Judy H. Jacobson (D)
Sen. Greg Jergeson (D)
Sen. John "J.D." Lynch (D)
Sen. Mignon Waterman (D)

Members Excused: Senator Toews

Members Absent: None

Staff Present: Clayton Schenck, Legislative Fiscal Analyst
Lynn Staley, Committee Secretary

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

Committee Business Summary:

Hearing: None
Executive Action: SB 27 - DO PASS
HB 43 - BE CONCURRED IN
SB 83 - AS AMENDED DO PASS

EXECUTIVE ACTION ON SENATE BILL 27

Motion: SENATOR SWYSGOOD MOVED SENATE BILL 27 DO PASS.

Vote: MOTION CARRIED.

EXECUTIVE ACTION ON HOUSE BILL 43

Motion: SENATOR BECK MOVED HOUSE BILL 43 BE CONCURRED IN.

Discussion: SENATOR WATERMAN asked why a budget amendment was needed between now and October.

SENATOR LYNCH said it was easier for the Code Commissioner if they have the normal date.

SENATOR KEATING said the bill facilitates the cash flow for their enterprises; they need to buy goods spontaneously as they never know what their sales are going to be.

SENATOR SWYSGOOD said page 2, line 19 says a budget amendment that is submitted to the legislature for approval during a legislative session may not include authority to spend money beyond the first fiscal year of the next biennium, which is probably why they want it effective on passage and approval. A budget amendment might not include that authority.

SENATOR AKLESTAD said that would be the gap between July and October.

Clayton Schenck said there was a change in the budget amendment law in the last biennium concerning emergency appropriations.

Vote: Motion CARRIED.

EXECUTIVE ACTION ON SENATE BILL 83

SENATOR KEATING said he talked to the Department of Agriculture about the Growth Through Agriculture Act and ascertained they needed money for grain marketing in the department, but they are not interested in the grants from the coal tax. He explained that he does not believe coal tax money should be given to private organizations in the form of grants. There are other funds that businesses can borrow from and other areas of grants to universities.

Motion/Vote: SENATOR KEATING MOVED THAT WE RECONSIDER ACTION ON SENATE BILL 83 FOR PURPOSES OF AMENDMENT. MOTION CARRIED.

Motion: SENATOR KEATING MOVED TO AMEND SENATE BILL 83. EXHIBIT 1

Discussion: SENATOR KEATING said the effect of the amendment would be that no coal tax money would be going to Montana Growth Through Agriculture. The money would return to the general fund, and then a direct appropriation would be made to Agriculture from the general fund if it was needed for marketing, which would be about \$250,000 to \$500,000.

SENATOR WATERMAN said she was against the amendment.

SENATOR SWYSGOOD asked if it would automatically flow to the general fund.

SENATOR KEATING said it would. He also said that on page 9 of the bill the Growth Through Agriculture is struck from the statutory appropriation so that money will automatically go to the general fund.

SENATOR JACOBSON said if it gets appropriated to one of the other programs, it would not. Growth Through Agriculture is still on the books.

SENATOR KEATING said it is not being eliminated, and it is funded out of a different special account. If they want to get rid of the program, it will have to be repealed at some point.

SENATOR JACOBSON asked **SENATOR KEATING** if it was his intention to eliminate the program.

SENATOR KEATING said yes.

SENATOR JACOBSON questioned if the committee should have a bill drafted to do that.

SENATOR KEATING said if the committee was willing, that would be the best procedure.

SENATOR FRANKLIN said she felt additional testimony was needed on this issue.

SENATOR JERGESON resisted the motion. He said although the Department of Agriculture may be willing to give up the Montana Growth Through Agriculture Act, he is not convinced that the farm coalition, made up of all the farm groups in the state of Montana is prepared to give it up. They feel the program hasn't been as effective as it could be because so much of the money has been siphoned off and put into other programs.

SENATOR AKLESTAD said the motion before the committee now is to change the funding mechanism. A special committee bill would be needed to eliminate the program and at that time **SENATOR FRANKLIN'S** concern would be addressed.

SENATOR WATERMAN said this would lower the percentage by 2 percent. She voiced concern that they are not just striking Montana Growth Through Agriculture; they are lowering the percent from 22 to 20 percent.

SENATOR KEATING said on page 9, line 3, **SENATOR GROSFIELD** has added up all of the coal tax money that is being struck from the library, conservation districts, Growth Through Agriculture, etc. They are then lumped together above and given the total of coal

tax money that was appropriated into a lump sum. Because we are taking the 2 percent out, we have reduced the lump from 22 to 20 percent. The others are still dividing the amount of statutory appropriation that they had previously.

Vote: SENATOR KEATING'S motion CARRIED with Senators TVEIT, WATERMAN, JENKINS, JERGESON AND FRANKLIN opposed.

Motion: SENATOR KEATING MOVED SENATE BILL 83, AS AMENDED, DO PASS.

Vote: The motion CARRIED with SENATORS JENKINS, LYNCH, WATERMAN and MOHL OPPOSED.

Motion: SENATOR JACOBSON MOVED THAT THE COMMITTEE ASK FOR A BILL DRAFT REQUEST FOR A REPEAL OF THE GROWTH THROUGH AGRICULTURE PROGRAM.

Discussion: SENATOR AKLESTAD, explaining the motion, said there is statutory language that would take Growth through Agriculture out. A hearing would be held on a bill, which would cover Senator Franklin's concerns. He added that it takes a two-thirds vote for a committee bill.

Vote: SENATOR JACOBSON'S motion CARRIED on a roll call vote. SENATORS JERGESON, FRANKLIN, TVEIT AND JENKINS voting no.

ADJOURNMENT

Adjournment: 8:00 a.m.



SENATOR GARY AKLESTAD, Chairman



LYNN STALEY, Secretary

GA/lis

MONTANA SENATE
1995 LEGISLATURE
FINANCE AND CLAIMS COMMITTEE

ROLL CALL

DATE

1/28/95

NAME	PRESENT	ABSENT	EXCUSED
SWYSGOOD, CHUCK	✓		
BURNETT, JIM	✓		
MOHL, ARNIE	✓		
JERGESON, GREG	✓		
FRANKLIN, EVE	✓		
TVEIT, LARRY	✓		
JENKINS, LOREN	✓		
JACOBSON, JUDY	✓		
LYNCH, J.D.	✓		
HARDING, ETHEL	✓		
TOEWS, DARYL <i>excused</i>			✓
CHRISTIAENS, B.F. "CHRIS"	✓		
WATERMAN, MIGNON	✓		
KEATING, TOM - VICE CHAIRMAN	✓		
BECK, TOM	✓		
AKLESTAD, GARY - CHAIRMAN	✓		

SEN:1995

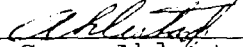
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SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 28, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration SB 27 (first reading copy -- white), respectfully report that SB 27 do pass.

Signed: 
Senator Gary Aklestad, Chair

 Amd. Coord.
Sec. of Senate

240833SC.SRF


SENATE STANDING COMMITTEE REPORT

Page 1 of 1
January 28, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration HB 43 (third reading copy -- blue), respectfully report that HB 43 be concurred in.

Signed: 
Senator Gary Aklestad, Chair

 Amd. Coord.
Sec. of Senate


Senator Carrying Bill

240838SC.SRF

Lynn

SENATE STANDING COMMITTEE REPORT

Page 1 of 6
January 29, 1995

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration SB 83 (first reading copy -- white), respectfully report that SB 83 be amended as follows and as so amended do pass.

Signed: *Gary Aklestad*
Senator Gary Aklestad, Chair

That such amendments read:

1. Title, line 11.

Strike: "44-12-206,"

2. Title, line 12.

Following: "61-4-112,"

Insert: "61-5-121,"

3. Title, line 16.

Strike: "AN"

Strike: "DATE"

Insert: "DATES"

4. Page 2, line 1.

Following: "be"

Strike: "paid by the superintendent of public instruction"

Following: "~~account~~"

Insert: "appropriated to the department from the state general fund"

5. Page 2, line 21.

Following: second "the"

Insert: "expenses listed in subsection (1)(f) and, to the extent that funds remain, the"

6. Page 2, line 25.

Strike: "to" through the second "and"

7. Page 2, line 28.

Following: "~~and~~"

Insert: "the appellate defender commission and the office of appellate defender must be funded first and"

8. Page 7, line 11.

Strike: "22%"

Insert: "20%"

PV
Amd. Coord.
Sec. of Senate

251446SC.SPV

9. Page 7, line 18.
Following: "networking,"
Insert: "and"

10. Page 7, lines 18 and 19.
Page 8, lines 21 and 22
Following: "districts" on lines 18 and 21
Strike: ", and the Montana Growth Through Agriculture Act"

11. Page 8, line 14.
Strike: "22%"
Insert: "20%"

12. Page 8, line 21.
Following: "networking,"
Insert: "and"

13. Page 9, line 11.
Following: "Deposit"
Insert: "and use"

14. Page 9, lines 13 through 16.
Strike: "general" on line 13
Insert: "special revenue"
Strike: "The" on line 13 through "tax." on line 16

15. Page 10, line 20.
Following: "~~section~~."
Insert: "Before allocating the tax proceeds in accordance with the provisions of 15-1-501(6), the department of revenue 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 deposited in the general fund must be deposited in the state special revenue account to be allocated by the legislature for the following:
(1) tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials;
(2) distribution to regional nonprofit tourism corporations;
(3) establishment and maintenance of a Montana travel research program;
(4) maintenance of facilities in state parks;
(5) installation or maintenance of roadside historical signs and historic sites; and

(6) collection of the tax."

16. Page 15, lines 10 and 11.
Following: "appropriated" on line 10
Strike: "the revenue from an account"

17. Page 15, line 11.
Following: "~~31-1-602~~"
Strike: "terminated pursuant to legislative review"
Insert: "revenue from sources de-earmarked by the legislature"

18. Page 15, line 14.
Strike: "pursuant to legislative review"
Insert: "by the legislature"

19. Page 20, line 25.
Following: "~~44-12-206;~~"
Insert: "44-12-206;"

20. Page 20, line 26.
Strike: "75-5-507;"

21. Page 22, line 22.
Page 23, line 19.
Following: "~~foundation~~"
Strike: "BASE aid amount"
Insert: "per-ANB entitlement"

22. Page 29, line 7.
Following: "means"
Strike: "the account in the state special revenue fund that
receives"

23. Page 29, line 8.
Following: "section"
Strike: "plus any legislative appropriation of money from other
sources"

24. Page 32, lines 10 and 11.
Following: "is" on line 10
Strike: remainder of line 10 through "instruction" on line 11

25. Page 32, line 25.
Strike: "The"
Following: "~~the~~"
Strike: "department may use appropriations for enforcement of
this part"

26. Page 32, line 26.

Strike: "."

27. Page 33, line 1.

Strike: "Use"

Insert: "Deposit"

28. Page 33, lines 4 and 5.

Following: "~~the~~" on line 4

Strike: "The department"

Following: "~~only~~" on line 4

Strike: "may use appropriations for snowmobile safety and education."

29. Page 36, lines 11 and 12.

Following: "fund"

Strike: "for distribution as state equalization aid to the public schools of Montana"

30. Page 42, line 1 through page 42, line 30.

Strike: Section 49 in its entirety.

Renumber: subsequent sections

31. Page 46, line 20.

Following: line 19

Insert: "**Section 54.** Section 61-5-121, MCA, is amended to read:

"**61-5-121. Disposition of fees.** (1) The disposition of the fees from driver's licenses provided for in 61-5-111(7)(a), motorcycle endorsements provided for in 61-5-111(7)(b), commercial driver's licenses provided for in 61-5-111(7)(c), and duplicate driver's licenses provided for in 61-5-114 is as follows:

(a) The amount of 25% of each driver's license fee and of each duplicate driver's license fee must be deposited into an account in the state special revenue fund. The department shall transfer the funds from this account to the Montana highway patrol officers' retirement pension trust fund as provided in 19-6-404.

(b) (i) If the fees are collected by a county treasurer or other agent of the department, the amount of 3.75% of each driver's license fee and of each duplicate driver's license fee must be deposited into the county general fund.

(ii) If the fees are collected by the department, the amount provided for in subsection (1)(b)(i) must be deposited into the general fund.

(c) (i) If the fee is collected by a county treasurer or other agent of the department, the amount of 5% of each motorcycle endorsement must be deposited into the county general

fund.

(ii) If the fee is collected by the department, the amount provided for in subsection (1)(c)(i) must be deposited into the general fund.

(d) The amount of ~~8.75%~~ 35% of each driver's license fee and of each duplicate driver's license fee must be deposited into the state traffic education account.

(e) In addition to the amounts deposited pursuant to subsections (1)(b)(ii) and (1)(c)(ii), the amount of ~~62.5%~~ 36.25% of each driver's license fee and of each duplicate driver's license fee must be deposited into the state general fund.

(f) If the fee is collected by the county treasurer or other agent of the department, the amount of 3.75% of each commercial driver's license fee must be deposited into the county general fund, otherwise all of the fee must be deposited in the state general fund.

(g) The amount of 95% of each motorcycle endorsement fee must be deposited into the state traffic education account in the state special revenue fund.

(2) (a) If fees from driver's licenses, commercial driver's licenses, motorcycle endorsements, and duplicate driver's licenses are collected by a county treasurer or other agent of the department, the county treasurer or agent shall deposit the amounts provided for in subsections (1)(b)(i) and (1)(c)(i) into the county general fund. The county treasurer or agent shall then remit to the state treasurer all remaining fees, together with a statement indicating what portion of each fee is to be deposited into the account in the state special revenue fund as provided in subsection (1)(a) and the state general fund. The state treasurer, upon receipt of the fees and statement, shall deposit the fees as provided in subsections (1)(a) and (1)(d) through (1)(g).

(b) If fees from driver's licenses, commercial driver's licenses, motorcycle endorsements, and duplicate driver's licenses are collected by the department, it shall remit all fees to the state treasurer, together with a statement indicating what portion of each fee is to be deposited into the account in the state special revenue fund as provided in subsection (1)(a), the state special revenue fund, and the state general fund. The state treasurer, upon receipt of the fees and statement, shall deposit the fees as provided in subsections (1)(a), (1)(b)(ii), (1)(c)(ii), and (1)(d) through (1)(g)."

Renumber: subsequent sections

32. Page 57, line 29.
Following: Line 28

Insert: "NEW SECTION. Section 79. Coordination. Effective on passage and approval, agencies whose budgets are affected shall submit amendments to House Bill No. 2 to reflect the proper funding of activity."

Renumber: subsequent sections

33. Page 58, line 8.

Strike: "date"

Insert: "dates"

Strike: "[This act] is"

Insert: "(1) [Section 79 and this section] are effective on passage and approval.

(2) [Sections 1 through 78, 80, and 81] are

MONTANA SENATE
1995 LEGISLATURE
FINANCE AND CLAIMS COMMITTEE
ROLL CALL VOTE

DATE 1/28/95 BILL NO. _____ NUMBER _____

MOTION: Senator Jacobson motion - ask for bill
draft request for repeal of Growth through
Agriculture program

NAME	AYE	NO
SWYSGOOD, CHUCK	✓	
BURNETT, JIM	✓	
MOHL, ARNIE	✓	
JERGESON, GREG		✓
FRANKLIN, EVE		✓
TVEIT, LARRY		✓
JENKINS, LOREN		✓
JACOBSON, JUDY	✓	
LYNCH, J.D.	✓	
HARDING, ETHEL	✓	
TOEWS, DARYL <i>excused</i>		
CHRISTIAENS, B.F. "CHRIS"	✓	
WATERMAN, MIGNON	✓	
KEATING, TOM - VICE CHAIRMAN	✓	
BECK, TOM	✓	
AKLESTAD, GARY - CHAIRMAN	✓	

Amendments to Senate Bill No. 83
Introduced Copy

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

Prepared by Roger Lloyd
January 27, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 1
DATE 1/28
BILL NO. SB 83

1. Page 7, line 11.

Strike: "22%"

Insert: "20%"

2. Page 7, line 18.

Following: "networking."

Insert: "and"

3. Page 7, lines 18 and 19.

Following: "districts"

Strike: ", and the Montana Growth Through Agriculture Act"

4. Page 8, line 14.

Strike: "22%"

Insert: "20%"

5. Page 8, line 21.

Following: "networking."

Insert: "and"

6. Page 8, lines 21 and 22.

Following: "districts"

Strike: ", and the Montana Growth Through Agriculture Act"