

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 55th LEGISLATURE - REGULAR SESSION

#### JOINT SUBCOMMITTEE ON LONG-RANGE PLANNING

**Call to Order:** By **CHAIRMAN ERNEST BERGSAGEL**, on February 4, 1997, at 8:00 a.m., in Room 317 of the State Capitol.

#### ROLL CALL

**Members Present:**

Rep. Ernest Bergsagel, Chairman (R)  
Sen. Thomas A. "Tom" Beck, Vice-Chairman (R)  
Sen. John "J.D." Lynch (D)  
Rep. Matt McCann (D)  
Rep. Tom Zook (R)

**Members Excused:** none

**Members Absent:** none

**Staff Present:** Nan LeFebvre, Legislative Fiscal Division (LFD)  
Debbie Rostocki, Committee Secretary

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: **HB 188**, Continued from 2/3/97  
Executive Action: none

#### HEARING ON HOUSE BILL 188

**Ms. Mary Bryson**, Director, Department of Revenue (DOR), gave an overview of the Department's proposed integrated tax systems.

**EXHIBIT 1**

**{Tape: 1; Side: a; Approx. Time Count: 0.0 - Tape 1:b:11.3}**

Questions were asked.

**{Tape: 1; Side: b; Approx. Time Count: 11.4-17.0}**

**Mr. Jeff Miller**, Dept. of Revenue Income Tax Division Administrator, reviewed the subject of electronic data transfer (EDI, EFT) reporting and electronic tax filing. In response to **REP. MCCANN**, **Mr. Miller** and **Mr. David Owen**, Montana Chamber of Commerce, discussed the projected \$13 million in cost savings within the "PRISM" component of the proposed changes. **Ms. Bryson** commented that the savings to state government would be six to fourteen full-time equivalents (FTE).

**{Tape: 1; Side: b; Approx. Time Count: 17.1-25.7}**

**Ms. Judy Jones**, Dept. of Revenue Operations Division Administrator, addressed the planning process.

**{Tape: 1; Side: b; Approx. Time Count: 26.4-28.0}**

Contracted services budgeting for consolidating information planning and reengineering was discussed by **Ms. Bryson** and she agreed to provide more information on several questions including information on past system maintenance costs and projected efficiency savings.

**{Tape: 1; Side: b; Approx. Time Count: 28.1-42.0}**

**Mr. Joe Shevlin**, an accountant with Junkermier, Clark, Campanella and Stevens, rose in support of the bill.

**{Tape: 2; Side: a; Approx. Time Count: 0.0-3.1}**

**Mr. Bill Baldis**, Gallatin County Data Processing Manager, gave a local government perspective on the proposal.

**{Tape: 2; Side: a; Approx. Time Count: 3.4-5.9}**

**Mr. L. Harold Blattie**, Stillwater County Commissioner, rose in support of the bill. **EXHIBIT 2**

**{Tape: 2; Side: A; Approx. Time Count: 7.8-16.4}**

**Ms. Karen Hruska**, Lewis & Clark County Information Services Manager, addressed the issues the local governments have with the property tax system.

**{Tape: 2; Side: a; Approx. Time Count: 16.7-18.0}**

**Mr. John Shontz**, as Chairman of the Department of Natural Resources and Conservation Water Right Transfer Task Force and the Montana Association of Realtors, rose in support of the continued upgrade of the "CAMAS" database system.

**{Tape: 2; Side: a; Approx. Time Count: 18.3-22.7}**

**Ms. Pat Haffey**, Commissioner of Labor and Industry, addressed the unemployment contributions portion of the bill.

**{Tape: 2; Side: a; Approx. Time Count: 23.2-24.4}**

**Ms. Mary Bryson** provided additional information regarding the UI/DOR process.

**{Tape: 2; Side: a; Approx. Time Count: 24.5-28.0}**

**Ms. Pat Haffey** discussed the Unemployment Insurance Benefits System provisions in the bill.

**{Tape: 2; Side: a; Approx. Time Count: 28.3-33.1}**

**Mr. Denny Zeiler**, Unemployment Insurance Division Administrator, Dept. of Labor and Industry, explained the proposal in detail.

**EXHIBITS 3, 4**

**{Tape: 2; Side: A; Approx. Time Count: 33.2-Tape 2:b:29.3}**

Questions were asked; **Mr. Zeiler** addressed unemployment projections and contracted services costs/federal funding availability.

*{Tape: 2; Side: b; Approx. Time Count: 29.4-35.8}*

Mr. Richard Crofts, Commissioner of Higher Education, testified regarding the University System project portion of the bill.

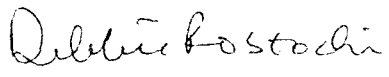
*{Tape: 2; Side: b; Approx. Time Count: 36.9-Tape 3:a:10.0}*

CHAIRMAN BERGSAGEL announced the hearing would continue the following morning.

ADJOURNMENT

Adjournment: 11:50 a.m.

  
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REP. ERNEST BERGSAGEN, Chairman

  
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DEBBIE ROSTOCKI, Secretary

EB/DR

This meeting was recorded on three 90-minute audiocassette tapes.