

1 House BILL NO. 710  
2 INTRODUCED BY Menahan

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A STATE  
5 APPEALS BOARD TO EXERCISE THE FUNCTIONS OF THE BOARD OF  
6 SOCIAL AND REHABILITATION APPEALS AND THE STATE TAX APPEALS  
7 BOARD; AMENDING SECTIONS 82A-1906 AND 84-701, R.C.M. 1947;  
8 REPEALING SECTIONS 84-702 AND 84-703, R.C.M. 1947; AND  
9 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10  
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. There is a new R.C.M. section that reads as  
13 follows:

14 State appeals board created. (1) There is a state  
15 appeals board.

16 (2) The board is allocated to the department of  
17 administration for administrative purposes only as provided  
18 in 82A-108.

19 (3) The board is a quasi-judicial board for purposes  
20 of 82A-112.

21 (4) The board consists of five members appointed by  
22 the governor as follows: a chairman, who is a full-time  
23 employee under the state classification and pay plan, and  
24 four associate members under the state classification and  
25 pay plan, whose annual compensation shall be determined as

1 if they were employed by the state for 20 hours each week.  
2 However, an associate member may work 40 hours in a week  
3 and be compensated accordingly whenever the work of the  
4 board so requires; he may work no hours in a week whenever  
5 the work of the board does not require his services. The  
6 chairman shall schedule the working hours of the associate  
7 members.

8 (5) The functions of the state tax appeals board and  
9 the board of social and rehabilitation appeals shall be  
10 exercised by the state appeals board.

11 Section 2. There is a new R.C.M. section that reads as  
12 follows:

13 State appeals board -- hearing panels -- rehearing or  
14 reconsideration. The chairman of the state appeals board  
15 shall designate two or more hearing panels, consisting of  
16 himself and two associate members, to hear and decide  
17 contested cases before the board. A final order must be  
18 concurred in by at least two of the members. The board shall  
19 provide, in its rules of practice, procedures for rehearing  
20 or reconsideration of final orders of hearing panels before  
21 the full board.

22 Section 3. Section 82A-1906, R.C.M. 1947, is amended  
23 to read as follows:

24 "82A-1906. Board of social and rehabilitation appeals  
25 -- creation -- allocation -- composition -- functions --

1 designation. (1) There is created a board of social and  
2 rehabilitation appeals.

3 ~~(2) The board is allocated to the department for~~  
4 ~~administrative purposes only as prescribed in section~~  
5 ~~82A-108 of this act.~~

6 ~~(3)(2) The board consists of three (3) members~~  
7 ~~appointed by the governor as prescribed in section 82A-112~~  
8 ~~of this act, as follows:~~

9 ~~(a) The director of the department, who shall act as~~  
10 ~~chairman of the board. The director does not have a vote on~~  
11 ~~the board as a board member, but shall serve at the pleasure~~  
12 ~~of the governor.~~

13 ~~(b) Two members of the general public, the members of~~  
14 ~~the state appeals board.~~

15 ~~(4)(3) The board is designated as a quasi-judicial~~  
16 ~~board for purposes of section 82A-112 of this act. For~~  
17 ~~purposes of that section, a majority shall be considered as~~  
18 ~~one (1)."~~

19 Section 4. Section 84-701, R.C.M. 1947, is amended to  
20 read as follows:

21 "84-701. State tax appeal board -- appointment of  
22 members -- term of office. ~~The members of the state board of~~  
23 ~~equalization shall constitute the first members of the state~~  
24 ~~tax appeal board as provided in this section. On the~~  
25 ~~effective date of this act, there shall be created there is~~

1 a state tax appeal board which shall be composed of three  
2 members to be appointed by the governor for staggered terms  
3 by and with the advice and consent of the senate provided  
4 however, a member so appointed may serve until the next  
5 regular session of the legislature without such advice and  
6 consent. Each succeeding member shall hold his office for a  
7 term of six years, and until his successor shall be  
8 appointed and shall have qualified. Any vacancy shall be  
9 filled by the governor subject to confirmation by the senate  
10 during the next legislative session. Succeeding  
11 appointments, except when made to fill a vacancy, shall be  
12 made on or before the last day of January during the session  
13 of the legislative assembly next preceding the commencement  
14 of the term for which the appointment is made, consists of  
15 the members of the state appeals board."

16 Section 5. Repealer. Sections 84-702 and 84-703,  
17 R.C.M. 1947, are repealed.

18 Section 6. Effective date. This act is effective on  
19 its passage and approval.

-End-

## STATE OF MONTANA

REQUEST NO. 396-77

## FISCAL NOTE

Form BD-15

compliance with a written request received February 8, 19 77, there is hereby submitted a Fiscal Note  
 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.  
 Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members  
 of the Legislature upon request.

## DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 710 creates a State Appeals Board to exercise the functions of the Board of Social and Rehabilitation Appeals  
 and the State Tax Appeal Board.

## ASSUMPTIONS:

- Additional board members paid at the same rate as present board salaries.
- Added responsibility would require one additional FTE (Secretarial).
- Only the chairman is a full-time employee; the other board members will work half-time.
- No change will occur in current level personal services budget for Board members in FY 78 and FY 79.

## FISCAL IMPACT:

	<u>FY 78</u>	<u>FY 79</u>
Estimated expenditure increase		
Personal services	\$ 8,336	\$ 8,533
Operating expenses	<u>3,000</u>	<u>3,000</u>
Total	11,336	11,533
Less cost of operating current board in SRS	<u>2,000</u>	<u>2,000</u>
Total expenditure increase	<u>\$ 9,336</u>	<u>\$ 9,533</u>

*Richard D. Zangor*  
 BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-14-77