Senate Bill 273

In The Senate

January 26, 1981 Introduced and referred to Committee on State Administration. February 18, 1981 Committee recommend bill do pass as amended. February 19, 1981 Bill printed and placed on members' desks. February 20, 1981 Second reading do pass. February 23, 1981 Correctly engrossed. February 24, 1981 Third reading passed. In The House Introduced and referred March 2, 1981 to Committee on State Administration. Committee recommend bill March 16, 1981 concurred. March 19, 1981 Second reading concurred. March 28, 1981 Third reading concurred. In The Senate Returned from House March 30, 1981 concurred. Sent to enrolling. March 31, 1981 Correctly enrolled. Signed by President. Governor's Office Delivered to Governor. April 3, 1981 April 9, 1981 Vetoed.

LC 2018/01

INTRODUCED BY Hould be Tunnage Stor 1 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE 4 ADMINISTRATIVE CODE COMMITTEE TO TEMPORARILY SUSPEND AGENCY 5 RULES: AMENDING SECTION 2-4-412, MCA. 6 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 8 NEW SECTION. Section 1. Temporary suspension of rules 9 by the committee. (1) The committee may suspend any rule or 10 portion of a rule by the affirmative vote of at least 11 two-thirds of its members. A rule or portion thereof may be 12 suspended only on the basis of testimony in relation to that 13 rule or portion thereaf received at a public hearing and 14 15 only for one or more of the following reasons: 16 (a) an absence of statutory authority; 17 (b) an emergency relating to public health, safety, or 18 welfare; 19 (c) failure to comply with legislative intent; 20 (d) being contrary to state law; or 21 (e) being arbitrary and capricious or imposing an 22 undue hardship. (2) Suspension is effective upon the transmission of 23 notice of the committee's action to the agency and until the 24 25 end of the 20th day of the next regular session of the

## 1 legislature.

2 Section 2. Section 2-4-412, MCA, is amended to read: "2-4-412. Legislative review of rules. (1) The 3 legislature may, by joint resolution, repeal any rule in ARM. If a rule is repealed, the legislature shall in the 5 ٨ joint resolution state its objections to the repealed rule. 7 If an agency adopts a new rule to replace the repealed rule, the agency shall adopt the new rule in accordance with the 8 Q objections stated by the legislature in the joint 10 resolution. If the legislature does not repeal a rule filed 11 with it before the adjournment of that regular session, the 12 rule remains valid.

13 (2) The legislature may also, by joint resolution, 14 direct a change to be made in any rule in ARN or direct the 15 adoption of an additional rule. If a change in any rule or 16 the adoption of an additional rule is directed to be made, 17 the legislature shall in the joint resolution state the nature of the change or the additional rule to be made and 18 19 its reasons therefor. The agency shall, in the manner 20 provided in the Montana Administrative Procedure Act, adopt 21 a new rule in accordance with the legislative direction.

22 13) The legislature shall. by joint resolution. at the 23 next\_regular\_session\_following\_an\_action\_of\_the 24 administrative code committee taken on any rule under the 25

provisions of [section 1]; either approve or reverse the

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action. If the legislature fails to act under this 1 2 subsection. the action of the committee is considered 3 reversed. If the action of the committee is reversed, a rule 4 previously suspended again becomes effective and any 5 rulemaking proceedings previously suspended may be continued. subject to the provisions of this chapter. If the 6 7 action of the committee is approved, the rule is rescinded 8 and the agency may not again propose or adopt any rule 9 substantially the same as the disaparoved rule. 10 (3)(4) Rules made by agencies and changes in rules

11 directed by the legislature under subsection (2) of this
12 section shall conform and be pursuant to statutory
13 authority."

Section 3. Codification instruction. Section 1 is
intended to be codified as an integral part of Title 2.
chapter 4. and the provisions of Title 2. chapter 4. apply
to section 1.

-End-

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## Approved by Committee on State Administration

1	SENATE BILL NO. 273
z	INTRUDUCED BY HAZELBAKER+ TURNAGE+ STORY
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4	A BILL FUR AN ACT ENTITLED: "AN ACT TO ALLOW THE
5	ADMINISTRATIVE CODE COMMITTEE TO TEMPORARILY SUSPEND AGENCY
6	RULES; AMENDING SECTION 2-4-412. MCA."
7	
8	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
9	<u>NEW_SECTION.</u> Section 1. Temporary suspension of rules
10	by the committee. (1) The committee may suspend any rule or
11	portion of a rule by the affirmative vote of at least
12	two-thirds of its members. A rule or portion thereof may be
13	suspended only on the basis of testimony in relation to that
14	rule or portion thereof received at a public hearing and
15	only for one or more of the following reasons:
16	(a) an absence of statutory authority;
17	(b) an emergency relating to public health, safety, or
18	welfare;
19	(c) failure to comply with legislative intent;
20	(d) being contrary to state law; or
21	(e) being arbitrary and capricious or imposing an
22	undue hardship.
Z 3	(2) Suspension is effective upon the transmission of
24	notice of the committee's action to the agency and until the

end-of-the-20th-day-of--the--next--regular--session--of--the

1 tegistature COMMITTEE CERTIFIES THE RESULT OF A POLL OF ALL 2 MEMBERS OF THE LEGISLATURE. THE COMMITTEE SHALL CONDUCT THE 3 POLL UNDER THE PROVISIONS OF 2-4-403 AND THIS SUBSECTION 4 WITHIN 2 WEEKS OF ITS ACTION. 5 Section 2. Section 2-4-412, MCA, is amended to read: 6 "2-4-412. Legislative review of rules. (1) The 7 legislature may, by joint resolution, repeal any rule in ARM. If a rule is repealed, the legislature shall in the 8 9 joint resolution state its objections to the repealed rule. 10 If an agency adopts a new rule to replace the repealed rule. 11 the agency shall adopt the new rule in accurdance with the 12 objections stated by the legislature in the joint 13 resolution. If the legislature does not repeal a rule filed 14 with it before the adjournment of that regular session, the 15 rule remains valid. 16 (2) The legislature may also, by joint resolution. direct a change to be made in any rule in ARM or direct the

17 18 adoption of an additional rule. If a change in any rule or 19 the adoption of an additional rule is directed to be made. 20 the legislature shall in the joint resolution state the 21 nature of the change or the additional rule to be made and 22 its reasons therefor. The agency shall, in the manner 23 provided in the Montana Administrative Procedure Act, adopt 24 a new rule in accordance with the legislative direction.

## (3) The legislature shall, by-joint-resolution,-at-the

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58 273 SECOND READING

1	nextrinegularing following an action of the
2	<u>administrative code committee taken on any rule under the</u>
3	provisions of [section 1], VOIE BY MAIL BALLOT _ PURSUANT _ TO
4	<u>2-4-403 TO either approve or reverse the action. If the</u>
5	<u>legislature_fails_to_act_under_this_subsectionytheaction</u>
6	of the committee is considered reversed If the action of
7	the committee is reversed; a rule previously suspended again
8	becomes_effective_and_any_rulemaking_proceedings_previously
9	suspended may be continued, subject to the provisions of
10	this chapter. If the action of the committee is approved,
11	the rule is rescinded and the agency may not again propose
12	or adopt any rule substantially the same as the disapproved
13	UNAPPROVED rule UNLESS A SUBSEQUENT LEGISLATURE GRANTS
14	AUTHORITY TO ADUPT THE RULE.
15	<del>(3)[4]</del> Rules made by agencies and changes in rules

16 directed by the legislature under subsection (2) of this 17 section shall conform and be pursuant to statutory 18 authority."

Section 3. Codification instruction. Section 1 is
 intended to be codified as an integral part of Title 2.
 chapter 4. and the provisions of Title 2. chapter 4. apply
 to section L.

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1 Pegistatures COMMITTEE CERTIFIES THE RESULT OF A POLL OF ALL SENATE BILL NO. 273 1 2 MEMBERS OF THE LEGISLATURE. THE COMMITTEE SHALL CONDUCT THE Z INTRUDUCED BY HAZELBAKER, TURNAGE, STORY 3 POLL UNDER THE PROVISIONS OF 2-4-403 AND THIS SUBSECTION 3 WITHIN 2 WEEKS OF ITS ACTION. 4 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE Section 2. Section 2-4-412, MCA, is amended to read: 5 5 ADMINISTRATIVE CODE COMMITTEE TO TEMPORARILY SUSPEND AGENCY 6 "2-4-412. Legislative review of rules. (1) The RULES: AMENDING SECTION 2-4-412. MCA." 6 7 legislature may, by joint resolution, repeal any rule in 7 8 ARM. If a rule is repealed, the legislature shall in the 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 joint resolution state its objections to the repealed rule. 9 NEW SECTION. Section 1. Temporary suspension of rules If an agency adopts a new rule to replace the repealed rule, 10 by the committee. (1) The committee may suspend any rule or 10 11 the agency shall adopt the new rule in accordance with the 11 portion of a rule by the affirmative vote of at least 12 objections stated by the legislature in the joint 12 two-thirds of its members. A rule or portion thereof may be 13 resolution. If the legislature does not repeal a rule filed suspended only on the basis of testimony in relation to that 13 14 with it before the adjournment of that regular session, the 14 rule or portion thereof received at a public hearing and 15 rule remains valid. 15 only for one or more of the following reasons: (2) The legislature may also, by joint resolution, 16 16 (a) an absence of statutory authority; direct a change to be made in any rule in ARM or direct the 17 17 (b) an emergency relating to public health, safety, or adoption of an additional rule. If a change in any rule or 18 18 welfare: 19 the adoption of an additional rule is directed to be made, (c) failure to comply with legislative intent: 19 the legislature shall in the joint resolution state the 20 20 (d) being contrary to state law; or nature of the change or the additional rule to be made and 21 21 (e) being arbitrary and capricious or imposing an 22 its reasons therefor. The agency shall, in the manner 22 undue hardship. 23 provided in the Montana Administrative Procedure Act, adopt 23 [2] Suspension is effective upon the transmission of 24 a new rule in accordance with the legislative direction. 24 notice of the committee's action to the agency and until the 25 end-of-the-20th-day-of--the--next--regular--session--of--the 25 (3) The legislature shall, by-joint-resolutiony-at-the

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THIRD READING

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1 next--requirer--session following an action of the Z administrative code committee taken on any rule under the 3 provisions of [section 1], VOTE BY MAIL BALLOT PURSUANT TO 4 2-4-403 TO either approve or reverse the action. If-the 5 tegistaturg-faits-to-act-under-this-subsection--the--action 6 of-\_the\_\_committee-\_is-considered-reversed. If the action of 7 the committee is reversed, a rule previously suspended again 8 becomes effective and any rulemaking proceedings previously 9 suspended may be continued, subject to the provisions of 10 this chapter. If the action of the committee is approved, 11 the rule is rescinded and the agency may not again propose 12 or adopt any rule substantially the same as the disapproved 13 UNAPPROVED FULE UNLESS A SUBSEQUENT LEGISLATURE GRANTS AUTHORITY TO ADOPT THE RULE. 14

15 (3)(4) Rules made by agencies and changes in rules
16 directed by the legislature under subsection (2) of this
17 section shall conform and be pursuant to statutory
18 authority."

Section 3. Codification instruction. Section 1 is
 intended to be codified as an integral part of Title 2.
 chapter 4. and the provisions of Title 2. chapter 4. apply
 to section 1.

-End-

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SB 0273/02

ı	SENATE RILL NO. 273	1	tegistature. COMMITTEE CERTIFIES THE RESULT OF A POLL OF ALL
2	INTRODUCED BY HAZELBAKER, TURNAGE, STORY	2	MEMBERS OF THE LEGISLATURE. THE COMMITTEE SHALL CONDUCT THE
3		3	POLL UNDER THE PROVISIONS OF 2-4-403 AND THIS SUBSECTION
4	A BILL FOR AN ACT ENTITLED: MAN ACT TO ALLOW THE	4	WITHIN 2 WEEKS OF ITS ACTION.
5	ADMINISTRATIVE CODE COMMITTEE TO TEMPORARILY SUSPEND AGENCY	5	Section 2. Section 2~4-412, MCA, is amended to read:
6	RULES; AMENDING SECTION 2-4-412, MCA."	6	"2-4-412. Legislative review of rules. [1] The
7		7	legislature may, by joint resolution, repeal any rule in
8	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	8	ARM. If a rule is repealed, the legislature shall in the
9	NEW SECTION. Section 1. Temporary suspension of rules	- 9	joint resolution state its objections to the repealed rule.
10	by the committee. (1) The committee may suspend any rule or	10	If an agency adopts a new rule to replace the repealed rule.
11	portion of a rule by the affirmative vote of at least	11	the agency shall adopt the new rule in accordance with the
12	two-thirds of its members. A rule or portion thereof may be	12	objections stated by the legislature in the joint
13	suspended only on the basis of testimony in relation to that	13	resolution. If the legislature does not repeal a rule filed
14	rule or portion thereof received at a public hearing and	14	with it before the adjournment of that regular session, the
15	only for one or more of the following reasons:	15	rule remains valid.
16	(a) an absence of statutory authority;	16	(2) The legislature may also, by joint resolution,
17	(b) an emergency relating to public health, safety, or	17	direct a change to be made in any rule in ARM or direct the
18	welfare;	18	adoption of an additional rule. If a change in any rule or
19	(c) failure to comply with legislative intent;	19	the adoption of an additional rule is directed to be made.
20	(d) being contrary to state law; or	20	the legislature shall in the joint resolution state the
21	(e) being arbitrary and capricious or imposing an	21	nature of the change or the additional rule to be made and
22	undue hardship.	22	its reasons therefor. The agency shall, in the manner
23	(2) Suspension is effective upon the transmission of	23	provided in the Montana Administrative Procedure Act, adopt
24	notice of the committee's action to the agency and until the	24	a new rule in accordance with the legislative direction.
25	end-of-the-20th-day-ofthenextregularsessionofthe	25	[3] The legislature shall, by-joint-resolutiony-st-the

SB 273

REFERENCE BILL

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1	mextregutorsession following an action of the
2	administrative code committee taken on any rule under the
3	provisions of [section 1], YOTE BY MAIL BALLOT PURSUANT TO
4	<u>2-4-403 TO either approve or reverse the action. If the</u>
5	<del>legislature-fails-to-act-under-this-subsectionytheaction</del>
6	ofthecommitteeis-considered-reverseds If the action of
7	the committee is reversed; a rule previously suspended again
8	becomes effective and any rulemaking proceedings previously
9	suspended may be continued, subject to the provisions of
10	this chapter. If the action of the committee is approved,
11	the rule is rescinded and the agency may not again propose
12	or adopt any rule substantially the same as the disapproved
13	UNAPPROVED TUTE UNLESS A SUBSEQUENT LEGISLATURE GRANTS
14	AUTHORITY TO ADOPT THE RULE.
15	<del>[3][<u>4]</u> Rules made by agencies and changes in rules</del>
16	directed by the legislature under subsection (2) of this
17	section shall conform and be pursuant to statutory

18 authority."

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Section 3. Codification instruction. Section 1 is
 intended to be codified as an integral part of Title 2.
 chapter 4. and the provisions of Title 2. chapter 4. apply
 to section 1.

-End-

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State of Montana Office of the Governor Helena 39620

TED SCHWINDEN GOVERNOR

April 8, 1981

The Honorable Robert L. Marks Speaker of the House State Capitol Helena, Montana 59620

The Honorable Jean Turnage President of the Senate State Capitol Helena, Montana 59620

Dear Representative Marks and Senator Turnage:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby veto Senate Bill No. 273, "AN ACT TO ALLOW THE AD-MINISTRATIVE CODE COMMITTEE TO TEMPORARILY SUSPEND AGENCY RULES; AMENDING SECTION 2-4-412, MCA," for the following reasons.

Senate Bill No. 273 as passed, raises a number of questions. Section 1 of the bill grants the Administrative Code Committee of the Legislature the power to temporarily suspend an agency rule. Under Judge v. Legislative Finance Committee, 168 Mont. 470, 543 P.2d 1317 (1975) this legislative grant of power appears to constitute an unlawful delegation of legislative authority to a committee of the Legislature. The temporary nature of the suspension does not alter the fact that the grant of power at issue here lies with the entire Legislature.

In addition, the criteria set forth in Section 1, which serve as the basis upon which the committee may suspend an agency rule, are so overly broad and so vague, they provide the committee with a "carte blanche" ticket for interference with the executive branch's constitutional duty to responsibly execute and administer the laws of Montana. The guarantee of "Separation of Powers" provided in Article III, Section 1 of the Montana Constitution may be violated by the exercise of this legislative committee power. Representative Marks and Senator Turnage April 8, 1981 Page Two

Section 1 of the bill also provides that a suspension of a rule is effective until the committee certifies the results of a legislative poll, and that a poll be conducted within 2 weeks after the suspension. Section 2 of the bill provides for a "vote by mail ballot." Article V, Section 6 of the Montana Constitution, states in pertinent part, that the Legislature shall "meet" each odd-numbered year in regular "session" of not more than 90 legislative days and may be "convened" in special sessions by the Governor or at the written request of a majority of its members. Since the Constitution also requires that the seat of government be in Helena (Article III, Section 2) it appears that 'legislating by mail' is not constitutionally sanctioned. When the Legislature acts collectively to set public policy without being in session, without public participation, and without legislative deliberation, the legislative process is stripped of its essential elements and the citizens denied their fundamental rights. Fundamental democratic principles must not be summarily dismissed. If the Legislature is dissatisfied with agency rules, it should restrict the rulemaking authority it grants to the agencies.

Assurances of reasonable committee and legislative action under SB 273 do not diminish the seriousness of the constitutional questions raised. If the Legislature desires more control over the executive branch, let the record show that I urge and support annual sessions.

For these reasons, I hereby veto SB 273.

Sincerely, Selwinder

TED SCHWINDEN Governor