

1 *Mills* House BILL NO. *593* *Martinez Fisher* *Argue*
 2 INTRODUCED BY *DENNY Burnett* *GRINDE* *Mc* *Ahnor* *Rahbein*
 3 *Keenan Anderson* *Sliter* *Faber* *Jaylo* *Bergman* *Bainard* *Barnett*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REDUCING THE PUBLIC SERVICE COMMISSION FROM FIVE
 5 MEMBERS TO THREE MEMBERS; REVISING PUBLIC SERVICE COMMISSION DISTRICTS; REQUIRING
 6 ELECTION OF COMMISSIONERS ON A *NONPARTISAN* BASIS; IMPLEMENTING THE ELECTION OF THE
 7 REVISED COMMISSION TO STAGGERED TERMS; IMPLEMENTING THE FUNDING FOR THE REVISED
 8 COMMISSION; AND AMENDING SECTIONS 69-1-103, 69-1-104, 69-1-105, AND 69-1-224, MCA.
 9 *Wm E Boharski* *Wells* *Clark* *Whitney* *L. Smith* *Estrella*
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 69-1-103, MCA, is amended to read:

"69-1-103. Composition of commission. The commission ~~shall consist~~ consists of ~~five~~ three members, who ~~shall~~ must be qualified electors of the district from which they are elected, with each such member elected from a separate district of the state."

Section 2. Section 69-1-104, MCA, is amended to read:

"69-1-104. Public service commission districts. In this state there are ~~five~~ three public service commission districts, with one commissioner elected on a nonpartisan basis from each district, distributed as follows:

(1) first district: Big Horn, Blaine, Carbon, Carter, Chouteau, Custer, Daniels, Dawson, Fallon, Fergus, Garfield, Glacier, Golden Valley, Hill, Judith Basin, Liberty, McCone, Musselshell, Petroleum, Phillips, Pondera, Powder River, Prairie, Richland, Roosevelt, Rosebud, Sheridan, Stillwater, Teton, Treasure, Valley, and Wheatland, Wibaux, and Yellowstone Counties;

(2) second district: Big Horn, Carbon, Carter, Custer, Fallon, Powder River, Rosebud, Stillwater, Beaverhead, Broadwater, Cascade, Chouteau, Deer Lodge, Gallatin, Jefferson, Lewis and Clark, Madison, Meagher, Park, Silver Bow, and Sweet Grass, Treasure, and Yellowstone Counties;

(3) third district: Broadwater, Cascade, Jefferson, Judith Basin, Lewis and Clark, Meagher, Teton, and Wheatland Counties;

(4) fourth district: Beaverhead, Deer Lodge, Gallatin, Flathead, Glacier, Granite, Madison, Park, Hill,



1 Lake, Liberty, Lincoln, Mineral, Missoula, Pondera, Powell, Ravalli, Sanders, Teton, and Silver Bow Toole
 2 Counties;

3 ~~(6) fifth district: Flathead, Lake, Lincoln, Mineral, Missoula, and Sanders Counties."~~

4
 5 **Section 3.** Section 69-1-105, MCA, is amended to read:

6 **"69-1-105. Term of office.** (1) ~~Every~~ Subject to [section 5], a term ~~shall be~~ is for a period of 4 6
 7 years. ~~Said~~ The commissioners when elected ~~will~~ shall qualify at the time and in the manner provided by
 8 law for other state officers and shall take office on the first Monday of January, ~~next~~ after their election.

9 (2) Each of ~~said~~ the members of ~~said~~ the commission, ~~so elected,~~ shall serve until ~~his~~ a successor
 10 is elected and qualified."

11
 12 **Section 4.** Section 69-1-224, MCA, is amended to read:

13 **"69-1-224. Determination of fee.** (1) On or before August 31 of each year, the department of
 14 revenue shall:

15 (a) determine the total gross operating revenue generated by all regulated activities within this state
 16 for all regulated companies for the previous fiscal year;

17 (b) compute the percentage, subject to revision as provided in subsection (2), of the amount
 18 determined in subsection (1)(a) that will produce an amount equal to the current appropriation to the office
 19 of the consumer counsel, except that a regulated company owned and operated by any municipal
 20 corporation within this state may not be required to pay a sum in excess of .06 of 1% of its gross operating
 21 revenue;

22 (c) adjust the percentage multiplier computed in subsection (1)(b) to ensure that sufficient funds
 23 are generated to meet the appropriation and that excess funds are not generated or retained by:

24 (i) determining the appropriation to the office of the consumer counsel for the previous fiscal year
 25 and comparing it to the fees collected from the previous fiscal year;

26 (ii) reducing or increasing the percentage determined in subsection (1)(b) for the current year in
 27 order to account for any difference determined in subsection (1)(c)(i); and

28 (iii) if necessary, reducing the revenue to be collected for the current year by any funds remaining
 29 unspent at the close of the prior fiscal year; and

30 (d) give notice by mail to each regulated company of the percentage to be applied to the gross

1 operating revenue reported under 69-1-223(2) to determine the amount of the fee to be paid.

2 (2) (a) The department of revenue shall adjust the percentage multiplier if the department considers
3 a change necessary to meet or to not exceed the amount to be raised by the fee because of:

4 (i) fluctuations in the actual gross operating revenue subject to the fee; or

5 (ii) submission and approval of a budget amendment authorizing the spending of money from a
6 contingency appropriation included in the appropriation measure for the office of the consumer counsel and
7 authorized to be raised by means of the fee.

8 (b) Adjustments of the percentage multiplier are subject to the exception provided in subsection
9 (1)(b) for municipally owned and operated regulated companies.

10 (c) Regulated companies must be given at least 30 days' notice of any change in the percentage
11 multiplier.

12 (d) Any change in the percentage multiplier is effective at the beginning of the next calendar
13 quarter.

14 (3) In the event the fee charged in ~~one~~ a year is in excess of the amount actually expended in that
15 year, the excess ~~shall~~ must be deducted from the amount required to be raised by the fee for the next year
16 before the determination required by subsection (1) is made. Money remaining unspent at the close of the
17 fiscal year ~~shall~~ must be used to reduce the percentage calculated in 69-1-224 in the subsequent fiscal
18 year.

19 (4) The fee calculated under this section in August 1997 must take into account the provisions of
20 69-1-103."

21
22 **NEW SECTION. Section 5. Transition.** In order to implement the transition to a three-member
23 commission with staggered terms, the terms of office of all current commissioners terminate on January
24 1, 1997. In November 1996, the third district shall elect a commissioner to a full 6-year term, the second
25 district shall elect a commissioner to a 4-year term, and the first district shall elect a commissioner to a
26 2-year term. All subsequent terms are for a full 6 years.

27
28 **NEW SECTION. Section 6. Applicability.** [Sections 2 through 5] apply to the filing of candidates
29 and the election of commissioners for the November 1996 election.

1 **NEW SECTION. Section 7. Severability.** If a part of [this act] is invalid, all valid parts that are
2 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its
3 applications, the part remains in effect in all valid applications that are severable from the invalid
4 applications.

5

6 **NEW SECTION. Section 8. Coordination instruction.** If [this act] and House Bill No. 467 are both
7 passed and approved, the term limit in House Bill No. 467 is changed from "8 or more years in a 16-year
8 period" to "12 or more years in a 24-year period".

9

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0593, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act reducing the Public Service Commission from five members to three members; revising Public Service Commission districts; requiring election of commissioners on a nonpartisan basis; implementing the election of the revised commission to a staggered terms; and implementing the funding for the revised commission.

ASSUMPTIONS:

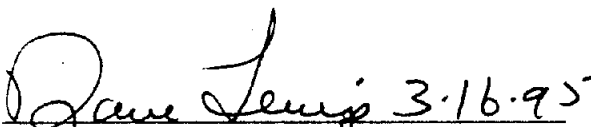
1. The number of commissioners will be reduced from five to three.
2. There will be three public service commission districts, with one commissioner elected on a nonpartisan basis from each district.
3. The implementation of the transition to a three member commission will include the termination of all current commissioners on January 1, 1997. In the November 1996 election one commissioner will be elected to a six-year term, one to a four-year term, and one to a two-year term.
4. The fiscal impact in personal services is prorated for the last six months of FY97.

FISCAL IMPACT:

	<u>FY96</u>	<u>FY97</u>
	<u>Difference</u>	<u>Difference</u>
<u>Expenditures:</u>		
FTE	0	(1.00)
Personal Services	0	(49,344)
<u>Funding:</u>		
State Special (02)	0	(49,344)

Long-Range Effects of Proposed Legislation:

Savings in the 1997 biennium will be for only one-half of a fiscal year. Annual personal service savings in the future will be about \$100,000 plus related operating expense.


DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning


MATT DENNY, PRIMARY SPONSOR DATE

Fiscal Note for HB0593, as introduced

HB 593

1 HOUSE BILL NO. 593

2 INTRODUCED BY DENNY, BURNETT, GRINDE, MCKEE, AHNER, REHBEIN, MILLS, MARTINEZ, FISHER,
3 HARGROVE, KEENAN, ANDERSON, TVEIT, SLITER, FORBES, MESAROS, TAYLOR, BERGMAN,
4 BRAINARD, GREEN, BARNETT, SIMPKINS, HAYNE, HARP, MASOLO, STOVALL, S. SMITH,
5 SWYSGOOD, DEVLIN, CRIPPEN, GROSFIELD, CRISMORE, MOHL, KEATING, BISHOP, EMERSON,
6 JENKINS, BAER, HERTEL, JABS, SPRAGUE, BROWN, HARDING, WISEMAN, SOMERVILLE, BOHARSKI,
7 WELLS, CLARK, DEBRUYCKER, L. SMITH, ESTRADA, DEVANEY

8
9 A BILL FOR AN ACT ENTITLED: "AN ACT REDUCING THE PUBLIC SERVICE COMMISSION FROM FIVE
10 MEMBERS TO THREE MEMBERS; EXTENDING TERMS FROM 4 YEARS TO 6 YEARS; REVISING PUBLIC
11 SERVICE COMMISSION DISTRICTS; REQUIRING ELECTION APPOINTMENT OF COMMISSIONERS ~~ON A~~
12 ~~NONPARTISAN BASIS~~; IMPLEMENTING THE ELECTION APPOINTMENT OF THE REVISED COMMISSION
13 TO STAGGERED TERMS; IMPLEMENTING THE FUNDING FOR THE REVISED COMMISSION; AND
14 AMENDING SECTIONS 5-7-102, 13-12-207, 13-37-216, 13-37-226, 69-1-103, 69-1-104, 69-1-105,
15 69-1-106, 69-1-107, AND ~~69-1-224~~ 69-1-403, MCA."

16
17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

18
19 SECTION 1. SECTION 5-7-102, MCA, IS AMENDED TO READ:

20 "5-7-102. **Definitions.** The following definitions apply in this chapter:

21 (1) "Business" means:

22 (a) a holding or interest whose fair market value is greater than \$1,000, in a corporation,
23 partnership, sole proprietorship, firm, enterprise, franchise, association, self-employed person, holding
24 company, joint stock company, receivership, trust, or other entity or property held in anticipation of profit,
25 but does not include nonprofit organizations; and

26 (b) present or past employment from which benefits, including retirement allowances, are received.

27 (2) "Commissioner" means the commissioner of political practices.

28 (3) "Docket" means the register of lobbyists and principals maintained by the commissioner
29 pursuant to 5-7-201.

30 (4) "Elected official" means a public official holding a state office filled by a statewide vote of all

1 the electors of Montana or a state district office, including but not limited to legislators, ~~public service~~
2 ~~commissioners~~, and district court judges. The term "official-elect" also applies to the offices.

3 (5) "Individual" means a human being.

4 (6) "Lobbying" means:

5 (a) the practice of promoting or opposing the introduction or enactment of legislation before the
6 legislature or the members of the legislature by a person other than a member of the legislature or a public
7 official; and

8 (b) the practice of promoting or opposing official action by any public official.

9 (7) "Lobbying for hire" includes activities of the officers, agents, attorneys, or employees of a
10 principal who are paid, reimbursed, or retained by the principal and whose duties include lobbying. If an
11 individual is reimbursed only for his personal living and travel expenses, which together are less than
12 \$1,000 per calendar year, that individual is not considered to be lobbying for hire.

13 (8) (a) "Lobbyist" means a person who engages in the practice of lobbying for hire.

14 (b) Lobbyist does not include:

15 (i) an individual acting solely on his own behalf; or

16 (ii) an individual working for the same principal as a licensed lobbyist if the individual does not have
17 personal contact involving lobbying with a public official on behalf of his principal.

18 (c) Nothing in this section deprives an individual not lobbying for hire of the constitutional right to
19 communicate with public officials.

20 (9) "Payment" means distribution, transfer, loan, advance, deposit, gift, or other rendering made
21 or to be made of money, property, or anything of value.

22 (10) "Payment to influence official action" means any of the following types of payment:

23 (a) direct or indirect payment to a lobbyist by a principal, such as salary, fee, compensation, or
24 reimbursement for expenses, excluding personal living expenses; or

25 (b) payment in support of or assistance to a lobbyist or a lobbying activity, including but not limited
26 to the direct payment of expenses incurred at the request or suggestion of the lobbyist.

27 (11) "Person" means an individual, corporation, association, firm, partnership, state or local
28 government or subdivision of state or local government, or other organization or group of persons.

29 (12) "Principal" means a person who employs a lobbyist.

30 (13) "Public official" means an individual, elected or appointed, acting in ~~his~~ an official capacity

1 for the state government. The term does not include those acting in a judicial or quasi-judicial capacity or
2 performing ministerial acts.

3 (14) "Unprofessional conduct" means:

4 (a) violating any of the provisions of this chapter;

5 (b) instigating action by a public official for the purpose of obtaining employment;

6 (c) attempting to influence the action of a public official on a measure pending or to be proposed

7 by:

8 (i) promising financial support; or

9 (ii) making public any unsubstantiated charges of improper conduct on the part of a lobbyist, a
10 principal, or a legislator; or

11 (d) attempting to knowingly deceive a public official with regard to the pertinent facts of an official
12 matter or attempting to knowingly misrepresent pertinent facts of an official matter to a public official."

13

14 **SECTION 2. SECTION 13-12-207, MCA, IS AMENDED TO READ:**

15 **"13-12-207. Order of placement.** (1) The order on the ballot for state and national offices ~~shall~~
16 must be as follows:

17 (a) If the election is in a year in which a president of the United States is to be elected, in spaces
18 separated from the balance of the party tickets by a heavy black line ~~shall~~ must be the names and spaces
19 for voting for candidates for president and vice president. The names of candidates for president and vice
20 president for each political party ~~shall~~ must be grouped together.

21 (b) United States senator;

22 (c) United States representative;

23 (d) Governor and lieutenant governor;

24 (e) Secretary of state;

25 (f) Attorney general;

26 (g) State auditor;

27 ~~(h) Public service commissioners;~~

28 ~~##~~(h) State superintendent of public instruction;

29 ~~##~~(i) Clerk of the supreme court;

30 ~~##~~(j) Chief justice of the supreme court;

1 ~~(k)~~ Justices of the supreme court;

2 ~~(l)~~ District court judges;

3 ~~(m)~~ State senators;

4 ~~(n)~~ Members of the house of representatives.

5 (2) The following order of placement ~~shall~~ must be observed for county offices:

6 (a) clerk of the district court;

7 (b) county commissioner;

8 (c) county clerk and recorder;

9 (d) sheriff;

10 (e) coroner;

11 (f) county attorney;

12 (g) county superintendent of schools;

13 (h) county auditor;

14 (i) public administrator;

15 (j) county assessor;

16 (k) county treasurer;

17 (l) surveyor;

18 (m) justice of the peace.

19 (3) The secretary of state shall designate the order for placement on the ballot of any offices not
20 on the ~~above~~ lists in subsections (1) and (2), except that the election administrator shall designate the order
21 of placement for municipal, charter, consolidated, or confederated local government offices and district
22 offices when the district is part of only one county.

23 (4) Constitutional amendments ~~shall~~ must be placed before statewide referendum and initiative
24 measures. Ballot issues for a county, municipality, school district, or other political subdivision ~~shall~~ must
25 follow statewide measures in the order designated by the election administrator.

26 (5) If any offices are not to be elected they ~~shall~~ may not be listed, but the order of the offices to
27 be filled ~~shall~~ must be maintained.

28 (6) If there is a short-term and a long-term election for the same office, the long-term office ~~shall~~
29 must precede the short-term."

30

1 **SECTION 3. SECTION 13-37-216, MCA, IS AMENDED TO READ:**

2 **"13-37-216. Limitations on contributions.** (1) (a) Aggregate contributions for each election in a
3 campaign by a political committee or by an individual, other than the candidate, to a candidate are limited
4 as follows:

5 (i) for candidates filed jointly for the office of governor and lieutenant governor, not to exceed
6 \$400;

7 (ii) for a candidate to be elected for state office in a statewide election, other than the candidates
8 for governor and lieutenant governor, not to exceed \$200;

9 (iii) for a candidate for any other public office, not to exceed \$100.

10 (b) A contribution to a candidate includes contributions made to the candidate's committee and
11 to any political committee organized on the candidate's behalf.

12 (2) (a) A political committee that is not independent of the candidate is considered to be organized
13 on the candidate's behalf. For the purposes of this section, an independent committee means a committee
14 which is not specifically organized on behalf of a particular candidate or which is not controlled either
15 directly or indirectly by a candidate or candidate's committee and which does not act jointly with a
16 candidate or candidate's committee in conjunction with the making of expenditures or accepting
17 contributions.

18 (b) A leadership political committee maintained by a political officeholder is considered to be
19 organized on the political officeholder's behalf.

20 (3) All political committees except those of political party organizations are subject to the provisions
21 of subsections (1) and (2). For purposes of this subsection, "political party organization" means any political
22 organization that was represented on the official ballot at the most recent gubernatorial election. Political
23 party organizations may form political committees that are subject to the following aggregate limitations
24 from all political party committees:

25 (a) for candidates filed jointly for the offices of governor and lieutenant governor, not to exceed
26 \$15,000;

27 (b) for a candidate to be elected for state office in a statewide election, other than the candidates
28 for governor and lieutenant governor, not to exceed \$5,000;

29 ~~(c) for a candidate for public service commissioner, not to exceed \$2,000;~~

30 ~~(d)~~(c) for a candidate for the state senate, not to exceed \$800;

1 ~~(e)~~(d) for a candidate for any other public office, not to exceed \$500.

2 (4) A candidate may not accept any contributions in excess of the limits in this section.

3 (5) For purposes of this section, "election" means the general election or a primary election that
4 involves two or more candidates for the same nomination. If there is not a contested primary, there is only
5 one election to which the contribution limits apply. If there is a contested primary, then there are two
6 elections to which the contribution limits apply."

7

8 **SECTION 4. SECTION 13-37-226, MCA, IS AMENDED TO READ:**

9 **"13-37-226. Time for filing reports.** (1) Candidates for a state office filled by a statewide vote of
10 all the electors of Montana and political committees that are organized to support or oppose a particular
11 statewide candidate shall file reports:

12 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter
13 in which funds are received or expended during the year or years prior to the election year that the
14 candidate expects to be on the ballot;

15 (b) on the 10th day of March and September in each year that an election is to be held and on the
16 15th and 5th days preceding the date on which an election is held and within 24 hours after receiving a
17 contribution of \$500 or more if received between the 10th day before and the day of the election;

18 (c) not more than 20 days after the date of the election; and

19 (d) on the 10th day of March and September of each year following an election until the candidate
20 or political committee files a closing report as specified in 13-37-228(3).

21 (2) Political committees organized to support or oppose a particular statewide ballot issue shall file
22 reports:

23 (a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter
24 in which funds are received or expended during the year or years prior to the election year that an issue
25 subject to a referendum is or is expected to be on the ballot;

26 (b) on the 10th day of March and on the 10th day of each subsequent month through September;

27 (c) on the 15th and 5th days preceding the date on which an election is held;

28 (d) within 24 hours after receiving a contribution of \$500 or more if received between the 10th
29 day before the election and the day of the election;

30 (e) within 20 days after the election; and

1 (f) on the 10th day of March and September of each year following an election until the political
2 committee files a closing report as specified in 13-37-228(3).

3 (3) Candidates for a state district office, including but not limited to candidates for the legislature,
4 ~~the public service commission,~~ or a district court judge, and political committees that are specifically
5 organized to support or oppose a particular state district candidate or issue shall file reports:

6 (a) on the 12th day preceding the date on which an election is held and within 24 hours after
7 receiving a contribution of \$100 or more if received between the 17th day before and the day of the
8 election;

9 (b) not more than 20 days after the date of the election; and

10 (c) whenever a candidate or political committee files a closing report as specified in 13-37-228(3).

11 (4) Candidates for any other public office and political committees that are specifically organized
12 to support or oppose a particular local issue shall file the reports specified in subsection (3) only if the total
13 amount of contributions received or the total amount of funds expended for all elections in a campaign,
14 excluding the filing fee paid by the candidate, exceeds \$500, except as provided in 13-37-206.

15 (5) For the purposes of this subsection, a committee that is not specifically organized to support
16 or oppose a particular candidate or ballot issue and that receives contributions and makes expenditures in
17 conjunction with an election is an independent committee. For the purpose of reporting, a political party
18 committee is an independent committee. An independent committee shall file reports:

19 (a) on the 12th day preceding the date of an election in which it participates by making an
20 expenditure;

21 (b) not more than 20 days after the date of the election in which it participates by making an
22 expenditure; and

23 (c) a closing report at the close of each calendar year, on a date to be prescribed by the
24 commissioner.

25 (6) The commissioner may promulgate rules regarding the extent to which organizations that are
26 not primary political committees but are incidental political committees shall report their politically related
27 activities in accordance with this chapter.

28 (7) All reports required by this section must be complete as of the fifth day before the date of filing
29 as specified in 13-37-225(2) and this section."
30

1 **Section 5.** Section 69-1-103, MCA, is amended to read:

2 **"69-1-103. Composition of commission.** The commission ~~shall consist~~ consists of ~~five~~ three
3 members, who ~~shall must~~ be qualified electors ~~of the district from which they are elected, with each such~~
4 ~~member elected from a separate district~~ of the state. THE MEMBERS OF THE COMMISSION MUST BE
5 APPOINTED BY THE GOVERNOR AND CONFIRMED BY THE SENATE. NOT MORE THAN TWO OF THE
6 MEMBERS MAY BE MEMBERS OF THE SAME POLITICAL PARTY."

7
8 **Section 6.** Section 69-1-104, MCA, is amended to read:

9 **"69-1-104. Public service commission districts.** In this state there are ~~five~~ three public service
10 commission districts, with one commissioner ~~elected on a nonpartisan basis~~ APPOINTED from each district,
11 distributed as follows:

12 (1) first district: Big Horn, Blaine, Carbon, Carter, Chouteau, Custer, Daniels, Dawson, Fallon,
13 Fergus, Garfield, Glacier, Golden Valley, Hill, Judith Basin, Liberty, McCone, Musselshell, Petroleum,
14 Phillips, Pondera, Powder River, Prairie, Richland, Roosevelt, Rosebud, Sheridan, Stillwater, Toole, Treasure,
15 Valley, and Wheatland, Wibaux, and Yellowstone Counties;

16 (2) second district: Big Horn, Carbon, Carter, Custer, Fallon, Powder River, Rosebud, Stillwater,
17 Beaverhead, Broadwater, Cascade, Chouteau, Deer Lodge, Gallatin, Jefferson, Lewis and Clark, Madison,
18 Meagher, Park, Silver Bow, and Sweet Grass, Treasure, and Yellowstone Counties;

19 (3) third district: Broadwater, Cascade, Jefferson, Judith Basin, Lewis and Clark, Meagher, Teton,
20 and Wheatland Counties;

21 (4) ~~fourth~~ district: Beaverhead, Deer Lodge, Gallatin, Flathead, Glacier, Granite, Madison, Park, Hill,
22 Lake, Liberty, Lincoln, Mineral, Missoula, Pondera, Powell, Ravalli, Sanders, Teton, and Silver Bow Toole
23 Counties;

24 (5) ~~fifth~~ district: Flathead, Lake, Lincoln, Mineral, Missoula, and Sanders Counties."

25
26 **Section 7.** Section 69-1-105, MCA, is amended to read:

27 **"69-1-105. Term of office.** (1) ~~Every~~ Subject to [section 5 11], a term ~~shall be~~ is for a period of
28 4 6 years. ~~Said~~ The commissioners when ~~elected~~ APPOINTED ~~will~~ shall qualify at the time and in the
29 manner provided by law ~~for other state officers~~ and shall take office on the first Monday of January, ~~next~~
30 after their election APPOINTMENT.

1 (2) Each of ~~said~~ the members of ~~said~~ the commission, ~~so elected~~, shall serve until ~~his~~ a successor
2 is ~~elected and qualified~~ APPOINTED AND TAKES OFFICE."

3
4 ~~Section 4. Section 69-1-224, MCA, is amended to read:~~

5 ~~"69-1-224. Determination of fee. (1) On or before August 31 of each year, the department of~~
6 ~~revenue shall:~~

7 ~~(a) determine the total gross operating revenue generated by all regulated activities within this state~~
8 ~~for all regulated companies for the previous fiscal year;~~

9 ~~(b) compute the percentage, subject to revision as provided in subsection (2), of the amount~~
10 ~~determined in subsection (1)(a) that will produce an amount equal to the current appropriation to the office~~
11 ~~of the consumer counsel, except that a regulated company owned and operated by any municipal~~
12 ~~corporation within this state may not be required to pay a sum in excess of .06 of 1% of its gross operating~~
13 ~~revenue;~~

14 ~~(c) adjust the percentage multiplier computed in subsection (1)(b) to ensure that sufficient funds~~
15 ~~are generated to meet the appropriation and that excess funds are not generated or retained by:~~

16 ~~(i) determining the appropriation to the office of the consumer counsel for the previous fiscal year~~
17 ~~and comparing it to the fees collected from the previous fiscal year;~~

18 ~~(ii) reducing or increasing the percentage determined in subsection (1)(b) for the current year in~~
19 ~~order to account for any difference determined in subsection (1)(c)(i); and~~

20 ~~(iii) if necessary, reducing the revenue to be collected for the current year by any funds remaining~~
21 ~~unspent at the close of the prior fiscal year; and~~

22 ~~(d) give notice by mail to each regulated company of the percentage to be applied to the gross~~
23 ~~operating revenue reported under 69-1-223(2) to determine the amount of the fee to be paid.~~

24 ~~(2) (a) The department of revenue shall adjust the percentage multiplier if the department considers~~
25 ~~a change necessary to meet or to not exceed the amount to be raised by the fee because of:~~

26 ~~(i) fluctuations in the actual gross operating revenue subject to the fee; or~~

27 ~~(ii) submission and approval of a budget amendment authorizing the spending of money from a~~
28 ~~contingency appropriation included in the appropriation measure for the office of the consumer counsel and~~
29 ~~authorized to be raised by means of the fee.~~

30 ~~(b) Adjustments of the percentage multiplier are subject to the exception provided in subsection~~

1 ~~(1)(b) for municipally owned and operated regulated companies.~~

2 ~~(c) Regulated companies must be given at least 30 days' notice of any change in the percentage~~
3 ~~multiplier.~~

4 ~~(d) Any change in the percentage multiplier is effective at the beginning of the next calendar~~
5 ~~quarter.~~

6 ~~(3) In the event the fee charged in one a year is in excess of the amount actually expended in that~~
7 ~~year, the excess shall must be deducted from the amount required to be raised by the fee for the next year~~
8 ~~before the determination required by subsection (1) is made. Money remaining unspent at the close of the~~
9 ~~fiscal year shall must be used to reduce the percentage calculated in 69-1-224 in the subsequent fiscal~~
10 ~~year.~~

11 ~~(4) The fee calculated under this section in August 1997 must take into account the provisions of~~
12 ~~69-1-103.~~"

13
14 **SECTION 8. SECTION 69-1-106, MCA, IS AMENDED TO READ:**

15 "69-1-106. **Vacancies.** Any vacancy occurring in the commission shall must be filled by
16 appointment by the governor. ~~Such appointee shall hold office until the next general election and until his~~
17 ~~successor is elected and qualified. At the biennial election following the occurrence of any vacancy in the~~
18 ~~commission, there shall be elected one member to fill out~~ If the senate is adjourned, the appointment is
19 subject to confirmation when the senate is in session. An appointment to fill a vacancy is for the unexpired
20 term for which such the vacancy exists."

21
22 **SECTION 9. SECTION 69-1-107, MCA, IS AMENDED TO READ:**

23 "69-1-107. **Chairman Presiding officer of commission.** A chairman shall presiding officer must be
24 selected by the commission from its membership at the first meeting of each odd-numbered year ~~after a~~
25 ~~general election."~~

26
27 **SECTION 10. SECTION 69-1-403, MCA, IS AMENDED TO READ:**

28 "69-1-403. **Determination and collection of fee.** (1) The fee provided for in 69-1-402 to be paid
29 by regulated companies must be determined in the manner set forth in 69-1-224 for determining the
30 consumer counsel fee, except that gross revenues from sales to other regulated companies for resale, as

1 calculated by the public service commission, must be excluded from the determination of the total gross
2 operating revenue pursuant to 69-1-224.

3 (2) The department of revenue shall give notice by mail to each regulated company of the
4 percentage determined pursuant to 69-1-224 and this section to be applied to gross operating revenues
5 reported under 69-1-223, excluding gross revenues from sales to other regulated companies for resale.

6 (3) The fee provided for in 69-1-402 may be computed and collected in the manner provided in
7 69-1-225 through 69-1-227. The fee calculated under this section in August 1997 must take into account
8 the provisions of 69-1-103.

9 (4) All fees paid by a regulated company pursuant to this section are immediately recoverable by
10 the regulated company in its rates and charges. Within 30 days after the issuance by the department of
11 revenue of the notice required by 69-1-224(1), the public service commission shall by separate order
12 authorize each regulated company to fully recover in its rates and charges, on an annual basis, the fees
13 levied by this part."
14

15 NEW SECTION. Section 11. Transition. In order to implement the transition to a three-member
16 commission with staggered terms, the terms of office of all current commissioners ~~terminate on January~~
17 ~~1, 1997. In November 1996, the third district shall elect a commissioner to a full 6 year term, the second~~
18 ~~district shall elect a commissioner to a 4 year term, and the first district shall elect a commissioner to a~~
19 ~~2-year term.~~ CONTINUE UNTIL EXPIRATION OF THE TERM. THE GOVERNOR SHALL APPOINT INITIAL
20 MEMBERS TO STAGGERED TERMS IN ORDER TO PROVIDE FOR THE EXPIRATION OF A TERM EVERY 2
21 YEARS. All subsequent terms are for a full 6 years.
22

23 NEW SECTION. Section 6. Applicability. ~~{Sections 2 through 5} apply to the filing of candidates~~
24 ~~and the election of commissioners for the November 1996 election.~~
25

26 NEW SECTION. Section 12. Severability. If a part of [this act] is invalid, all valid parts that are
27 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its
28 applications, the part remains in effect in all valid applications that are severable from the invalid
29 applications.
30

1 NEW SECTION. Section 13. Coordination instruction. If [this act] and House Bill No. 467 are both
2 passed and approved, the term limit in House Bill No. 467 is ~~changed from "8 or more years in a 16 year~~
3 ~~period" to "12 or more years in a 24 year period"~~ VOID.
4 -END-

1 HOUSE BILL NO. 593
2 INTRODUCED BY DENNY, BURNETT, GRINDE, MCKEE, AHNER, REHBEIN, MILLS, MARTINEZ, FISHER,
3 HARGROVE, KEENAN, ANDERSON, TVEIT, SLITER, FORBES, MESAROS, TAYLOR, BERGMAN,
4 BRAINARD, GREEN, BARNETT, SIMPKINS, HAYNE, HARP, MASOLO, STOVALL, S. SMITH,
5 SWYSGOOD, DEVLIN, CRIPPEN, GROSSFIELD, CRISMORE, MOHL, KEATING, BISHOP, EMERSON,
6 JENKINS, BAER, HERTEL, JABS, SPRAGUE, BROWN, HARDING, WISEMAN, SOMERVILLE, BOHARSKI,
7 WELLS, CLARK, DEBRUYCKER, L. SMITH, ESTRADA, DEVANEY

8
9 A BILL FOR AN ACT ENTITLED: "AN ACT REDUCING THE PUBLIC SERVICE COMMISSION FROM FIVE
10 MEMBERS TO THREE MEMBERS; EXTENDING TERMS FROM 4 YEARS TO 6 YEARS; REVISING PUBLIC
11 SERVICE COMMISSION DISTRICTS; REQUIRING ELECTION APPOINTMENT OF COMMISSIONERS ~~ON A~~
12 ~~NONPARTISAN BASIS~~; IMPLEMENTING THE ELECTION APPOINTMENT OF THE REVISED COMMISSION
13 TO STAGGERED TERMS; IMPLEMENTING THE FUNDING FOR THE REVISED COMMISSION; AND
14 AMENDING SECTIONS 5-7-102, 13-12-207, 13-37-216, 13-37-226, 69-1-103, 69-1-104, 69-1-105,
15 69-1-106, 69-1-107, AND ~~69-1-224~~ 69-1-403, MCA."

16
17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

THERE ARE NO CHANGES IN THIS BILL AND IT WILL
NOT BE REPRINTED. PLEASE REFER TO SECOND
READING COPY (YELLOW) FOR COMPLETE TEXT.