

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

January 11, 1985

The meeting of the State Administration Committee was called to order by Chairman Walter Sales January 11, 1985 at 9:30 a.m. in Room 317 of the State Capitol Building.

ROLL CALL: A quorum was present with eleven members. The following members were excused for a Highway meeting: Reps. O'Connell, Campbell, Cody, Harbin, Kennerly, Peterson and Smith.

CONSIDERATION OF HOUSE BILL NO. 51: Rep. Cal Winslow, District #89, felt that this was a simple bill but one that needed serious consideration. This legislation will perhaps set some kind of tone for other difficult decisions to be made this session. These decisions will be more difficult than in previous sessions. This bill simply asks for a two year moratorium on the purchase or construction of state buildings. He felt we are facing difficult times and priorities must be set for the electors of the state. He asked if this body is going to fund people or buildings.

PROPOSERS: Terry Carmody, representing the Montana Association of Realtors, supported the bill with some qualifications. He felt that the State should lease or rent privately owned buildings rather than construct new ones thus providing income for communities where these buildings might otherwise sit vacant.

There being no further proponents, opponents were called for.

OPPOSERS: James Flynn, Director of Fish, Wildlife and Parks read his prepared testimony which is attached to the minutes as Exhibit #1.

Phil Hauck, Administrator of the Architecture and Engineering Division of the Department of Administration was opposed to the two year moratorium on buildings. If this bill is intended to save general fund money or any bonded money he pointed out that the building program at the present time does not request any of those funds and is basically repair and maintenance. Under this bill there would be no repair or maintenance money and did not feel that they could go along with this bill as these items are required. He felt it was ironic that the University system was exempt from this legislation and asked that the Committee think long and hard about this and oppose the bill.

Don Gruell, Department of Highways, said that most of their request is for maintenance and repair of the more than 650 buildings they have throughout the state. An energy audit is being conducted and these funds will be used mainly to retrofit their buildings. They need equipment storage garages and sand houses to allow them to respond to the public more quickly. If this bill is passed he would like to see the repair and maintenance and construction of these necessary items placed in other areas of the budget.

Scott Ross, Walleyes Unlimited, Wolf Point, read his written testimony, Exhibit #2, but expanded on the exclusion of new construction which would include the additional structures that would be made in the warm water fisheries program to facilitate the egg taking program.

George Schulze, Enlisted Association of the Montana National Guard, said they badly need some new maintenance shops and armories in the near future. If this bill is passed he said they may lose the federal funds that are allocated to the states.

There were no further opponents.

DISCUSSION OF HOUSE BILL NO. 51: Rep. Fritz asked why the University system had been exempted. Rep. Winslow said that he couldn't answer that question but if the Committee felt it appropriate to include them in the bill he had no objections. He also stated that he did not think this bill intended to obstruct maintenance and repairs of state buildings but felt that it could be amended into the bill to make sure that those items are not included.

Rep. Jenkins asked Mr. Flynn if they could still operate the warm water fisheries in Miles City with maintenance funds instead of adding new buildings. Mr. Flynn replied that they are expanding the facilities in Miles City because of the requirements of the public. This is a 24-hour operation and one new person is to be added to the staff. These people must live on-site because of the necessities of maintaining the water supply, monitoring and security. This would require that a third residence be built. They are trying to increase the production facilities but this cannot be done with the present funding. He also told the Committee that all of the fisheries are operated on a 24-hour basis.

Rep. Moore asked what the figure would be to build the two offices located in Great Falls and Bozeman. Mr. Flynn said that it would be about \$2.4 million. If these buildings are not constructed it will be a real hardship to the Department. All seven of the buildings were constructed in the early 1950's and are the typical quonset type buildings. They are not energy efficient and the Department has been operating on a 2-year interval to get them replaced. It will have to be done and he would rather see it done now than later. These buildings would be funded by fishing and hunting licenses, etc. and no general fund or long range building funds would be utilized.

Rep. Jenkins asked Mr. Schulz if HB 51 would stop the updating of the national guard facilities. Mr. Schulze said he assumed that it would but had not researched this closely. He was not familiar with the locations of the maintenance shops but said that the new armories would be located in Livingston and Libby.

In closing, Rep. Winslow added that the Legislature is facing very tight times. He in no way intended to affect maintenance and repairs of State buildings and felt that maintenance has sometimes taken a back seat to building new buildings. Last session the Legislature appropriated \$7 million for the new DNRC building and the session before it was the Justice Building. All of the departments are short of space and agreed with Mr. Carmody that the State should rent or lease privately owned buildings.

The hearing on HB 51 was closed.

CONSIDERATION OF HOUSE JOINT RESOLUTION NO. 2: Rep. Spaeth, District #84, sponsored this legislation at the request of the Administrative Code Committee. This committee is a standing interim committee given the task of overseeing the rule adopting policies of state government. They are the watchdog of administrative rules. There are 12 agencies that have policies that have not been adopted as rules but have been enforcing them as law. He suggested that those that do not like administrative rules should have them in writing and filed with the Secretary of State.

PROPOSERS: Gene Huntington of the Governor's office spoke in favor of the bill. He said it is not the purpose of this legislation to proliferate rules but to eliminate as many as possible. The goal is to provide leadership to the agencies as there are costs involved with making new rules such as publishing notices, printing, etc. He told the Committee that many of the "strings" attached to federal block grants have been lifted and that we have to make rules to administer these funds.

There were no further proponents.

Larry Akey of the Secretary of State's Office appeared neither as a proponent or opponent but said the bill was simply reinforcing the Montana Administrative Procedure Act. He believed their office could enforce the Act with the current budget and staff.

DISCUSSION OF HOUSE JOINT RESOLUTION NO. 2: Rep. Phillips asked Rep. Spaeth how the force of law is determined. Rep. Spaeth told the Committee that agencies may enforce policies as if they were law but they could be overturned if they had not been adopted as rules. If they are going to have the force and effect of law the agency will have to go through some rule adopting procedures.

Rep. Moore questioned Mr. Huntington concerning his remarks about the federal government giving block grants with "no strings attached" and asked how this money is to be used. Mr. Huntington said that under the present federal block grants the money is allocated to the states and it is up to the states to administer it. Rules have to be adopted on how these are to be administered and audited. To the present time the state has not had the authority to use

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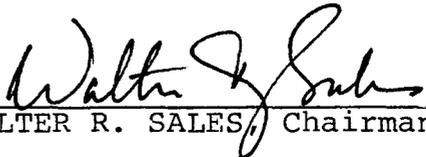
this money as it has. Rules have to be adopted.

Rep. Spaeth closed his presentation of HJR 2.

The hearing on HJR 2 was concluded.

Chairman Sales told the Committee that no action on these two bills would be taken at this time because of the members excused for another hearing. Action would perhaps be taken at the next meeting of the Committee on January 15, 1985.

There being no further business before the Committee, the meeting was adjourned at 10:17 a.m.


WALTER R. SALES, Chairman

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(Type in committee members' names and have 50 printed to start).

DAILY ROLL CALL

State Administration COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 1/11/85

NAME	PRESENT	ABSENT	EXCUSED
Chairman Walter Sales	X		
V-Chairman Helen O'Connell			X
Campbell, Bud			X
Compton, Duane	X		
Cody, Dorothy			X
Fritz, Harry	X		
Garcia, Rodney	X		
Hayne, Harriet			X
Harbin, Raymond			X
Holliday, Gay	X		
Jenkins, Loren	X		
Kennerly, Roland			X
Moore, Janet	X		
Nelson, Richard	X		
Peterson, Mary Lou			X
Phillips, John	X		
Pistoria, Paul	X		
Smith, Clyde			X

EX #1
11/11/85
HB-51

HB 51

Testimony presented by Jim Flynn, Department of Fish, Wildlife & Parks

January 11, 1985

The department appears in opposition to HB 51 for principally two reasons.

First, as presently written, the bill would interrupt the department's long-term and phased plan to upgrade its hatchery system and regional headquarters offices.

During the 1983 session, we proposed a two-phased program for the upgrading of our state's hatchery system. The first phase, approved by the 1983 session, saw the necessary improvements at Giant Springs, Great Falls; at Creston on Flathead Lake and at Big Timber.

Our 1985 proposal includes upgrading our facilities at Anaconda and Lewistown, as well as a major expansion at Miles City.

Both phases of this effort have been bonded with the revenues for paying off the bonds coming from the sale of hunting and fishing licenses as well as federal funds derived from the excise tax on the sale of fishing equipment.

With respect to our regional headquarters, we embarked upon a program in 1981 to replace the seven facilities we have throughout the state. These facilities were all built in the early 1950's and no longer fill our needs. To date we have finished Missoula, Glasgow is underway and we are proposing Bozeman and Great Falls to this session.

I would point out that the projects to date have all been proposed as cash projects and that their revenue sources again are license revenues and federal revenues from the excise tax on the sale of hunting and fishing equipment.

Second, the bill may also impact other heavy maintenance and new construction projects at existing state parks system sites and headquarters due to the questions it raises with respect to the definition of a "building." For example, would the bill prohibit the construction of latrines, modern flush toilets, and open shelter buildings in the parks system; and would it prohibit the construction of three-sided open storage sheds at headquarters sites.

Because of our needs to upgrade, improve and expand to continue to meet the demands placed upon our agency, we would request that HB 51 not be approved.

Walleyes Unlimited OF MONTANA



BOX 1067
WOLF POINT, MONTANA 59201

January 11, 1985



Testimony before the House State Administration Committee
RE: HB 51 (Winslow) Establishment of a 2-year Moratorium on
State Building Acquisition

I am Scott Ross from Wolf Point. I represent Walleyes Unlimited of Montana.

Walleyes Unlimited stands opposed to House Bill No. 51 based on the uncertainty of its applicability to the upgrading or replacement of state buildings which, because of age or design, are incapable of serving the scope and function for which they are operated.

Specific exclusion of these types of construction projects from the intent of this bill would satisfy our concerns. These exclusions should also include new construction designed to meet specific needs other than administrative and general office space, where those needs cannot be accommodated by existing structures.

Don Gruel
Administrator of Maintenance
& Equipment Division
Department of Highways

Testimony on HB51

Most of the Department of Highways long range building program requests are for the standard maintenance and repair of our approximately 650 buildings.

The Department is presently making an energy audit of all of our buildings with the anticipation of using long range building funds for retrofitting buildings to make them more energy efficient.

The other part of our request is for storage and equipment storage buildings and sand houses. These buildings are essential for our maintenance of highways operations and are necessary to help our response to winter maintenance needs.

If HB51 passes the legislature, the Department of Highways would suggest that its' long range building request be transferred and included in the budget for the highway maintenance program.

