

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

January 25, 1985

The meeting of the State Administration Committee was called to order by Chairman Sales at 9:00 a.m. on January 25, 1985 in Room 317 of the State Capitol.

ROLL CALL: Sixteen members were present with Rep. Garcia absent and Rep. Janet Moore excused.

CONSIDERATION OF HOUSE BILL NO. 258: Rep. Ben Cohen, District #3, said that this bill would simply add the director of the department of health and environmental sciences to the Flathead Basin Commission. This Commission is charged with the monitoring of the quality of water in the Flathead basin. When the Commission met on Monday of this week it was their suggestion that the Director of the department of health and environmental sciences should be added as an ex officio member. He explained the amendment to the Committee by which this would be accomplished on page 1, line 23 and page 2, line 13. As closely as they work with the department it was felt that we should try to cooperate with them as much as possible.

PROPOSERS: Bruce Haydon of the Governor's Office and Director of the Flathead Basin Commission appeared in support of the amendment suggested by Rep. Cohen.

George Ochenski of the Environmental Information Center supported the bill and said it was a good move to include the DHES.

Steve Pilcher, Chief of the Water Quality Bureau of the Department of Health and Environmental Sciences, said that they had suggested a member of their agency be a member of the Commission. They viewed it as a method of improving communications between the Commission and the DHES and said they thought they could contribute to the Commission by the addition of one of their people.

OPPOSERS: There were no opposers.

DISCUSSION OF HOUSE BILL NO. 258: Chairman Sales asked when this Commission was established. Rep. Cohen said that it was established last session by the 48th Legislature.

There being no further discussion, Rep. Cohen closed his presentation of HB 258.

CONSIDERATION OF HOUSE BILL NO. 257: Rep. Hal Harper, District #44, said that this bill was introduced last session and was passed by the House, however, it did not make it out of the Senate. It is basically a truth in labeling for political action committees. He said that many of these committees are very straight forward but some are not and the people should not be fooled by these committees by inaccurate labeling.

PROPOSERS: Nancy Walter, representing the Montana Education Association spoke in support of the bill and read her testimony attached as Exhibit #1.

Julie DalSoglio, Montana Public Interest Research Group, also supported HB 257 and read her prepared testimony, attached as Exhibit #2.

Tom Ryan, representing the senior citizens, spoke in favor of the bill and read his testimony, Exhibit #3.

Mark Mackin supported HB 257 and asked that the Committee pass the bill which would let the voters deal with the real issues that are involved. He believed it is better to be straight from the first and get on with the election.

Robert Anderson, representing Common Cause, read his prepared testimony which is attached as Exhibit #4.

OPPOSERS: There were no opposers.

DISCUSSION OF HOUSE BILL NO. 257: Rep. Phillips said he is in favor of this legislation as he wants to know where the money is coming from. He asked Mr. Anderson if Common Cause would be willing to change their name so the average person would know who they represent. Everyone is up here for a cause. Julie DalSoglio said there is no way you can define a PAC that receives the majority of its money from small groups. They were mostly concerned with those PACs that would show a monetary loss or gain with the passage of the initiative.

Rep. Harper said that any information they give, as long as it is accurate, is good. Julie DalSoglio said that it would be very hard to cover them all when they receive money from different kinds of people and different kinds of jobs all over the state. Rep. Harper said that perhaps MPRIG or Common Cause could be the first to change their name to reflect their interests and perhaps this would get the ball rolling. Public pressure will be the main force in enforcing this. Mr. Anderson said Common Cause is not a PAC. They are nonpartisan and do not support or oppose candidates and do not contribute people power or money during an election.

Rep. Fritz brought up the fact that the bill says "political committees" and not "political action committees". Lois Menzies, staff researcher, read the applicable statute to the Committee.

There being no further question, Rep. Harper closed his presentation of HB 257.

CONSIDERATION OF HOUSE BILL NO. 260: Rep. Francis Bardanoue, sponsor, said this legislation was introduced as the result of the Reform Act of the 1984 Congress. There were many changes in the revenue laws in 1984. In a way it is an order from Uncle

Sam because it has a limitation on the amount of bonds that any state can issue. The buyers of the industrial revenue bonds are exempt from paying income tax on the bonds so they get a lower rate. He said that K Mart is a big user of industrial bonds. We have been allocated \$200 million for this year and in three years this may become lower. The Governor has issued an Executive Order #13-84 saying how these funds will be used. This bill is essentially the same as that Order and provides how the Department of Administration will supervise the issuance of those bonds. The Department will allocate the funds in the order of receiving the applications or they may turn them down for various reasons. The meat of the bill is page 4, lines 5 and 6. He proposed an amendment on page 5, line 22 changing it to read the first Monday in October rather than October 1.

PROPOSERS: Ellen Feaver, Director of the Department of Administration, said that without this they would fall under the federal formula of 50/50. The local allocations would be based on population. She said it would be best to go ahead and adopt a method of allocation. Some states have come up with very sophisticated procedures to administer these funds but a very simple process makes sense.

OPPOSERS: There were no opponents.

DISCUSSION OF HOUSE BILL NO. 260: Rep. Bardanouve made the statement that this does not include housing board bonds.

Rep. Holliday asked what percentage of the 40% went to the Agricultural Department. Rep. Bardanouve said that the Department of Agriculture has not been able to issue these bonds on the farm program. Ellen Feaver said they had requested \$5 million for next year, however, this money is in jeopardy.

Rep. Bardanouve said that through 1986 \$200 million is allocated. The subsequent two years it will only be available for manufacturing enterprises and after that there will be no more industrial bonds. Chairman Sales asked if government ordered pollution control devices are included to which Rep. Bardanouve replied they were.

There being no further questions from the Committee, the sponsor, Rep. Bardanouve, closed his presentation of HB 260.

The Committee went into executive action while waiting for Rep. Connelly to appear before the Committee.

DISPOSITION OF HOUSE BILL NO. 258: Rep. Nelson moved that HB 258 DO PASS AS AMENDED, seconded by Rep. Jenkins. Motion CARRIED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 257: Rep. Phillips moved that HB 257 DO PASS, seconded by Rep. Cody. Motion CARRIED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 260: Rep. O'Connell moved the AMENDMENTS BE ADOPTED, seconded by Rep. Harbin. Motion CARRIED UNANIMOUSLY.

Rep. O'Connell moved that HB 260 DO PASS AS AMENDED, seconded by Rep. Harbin. Motion CARRIED UNANIMOUSLY.

CONSIDERATION OF HOUSE BILL NO. 244: Rep. Mary Ellen Connelly, District #8, sponsor of the bill said that there was no need for this bill because at the present time if you have a contract with the State and you do make a profit, the money goes back to the State. She asked that the bill be killed.

PROPOSERS: Lawrence Siroky, Department of Natural Resources, appeared in support of the bill. At the present time the Department negotiates to get money back from the grants. About one-fourth of the grants pay back the money. Putting this in the bill would clarify this. He proposed an amendment to the bill and explained the amendments to the Committee. This would give them the option of negotiating for them to pay back the grant, pay back with interest or pay back with royalties.

DISPOSITION OF HOUSE BILL NO. 244: Chairman Sales told Rep. Connelly that the Committee would be happy to table the bill until she could talk to some of the other departments about this or they could kill the bill, whichever she wished.

Rep. Harbin moved to TABLE HB 244, seconded by Rep. Phillips. Motion carried. Chairman Sales told Rep. Connelly that the bill would be held in Committee until hearing from her.

There being no further business, the Committee adjourned at 10:40 a.m.



WALTER R. SALES, Chairman

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

DAILY ROLL CALL

State Administration COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 1/25/85

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

1/25/85 EK #1
HB-257

MEA Tesimony on House Bill 257

Mr. Chairman, members of the committee, my name is Nancy Walter and I am here today to represent the Montana Education Association. MEA supports this bill.

As the committee is aware, MEA's Political Action Committee has been active and in existence for almost 10 years. From the outset, that body has clearly identified itself as being (a) made up of MEA members, and (b) actively engaged in political activity affecting public schools and teachers. We think that kind of openness is not only healthy, it's also fair. It serves no good end, in our view, for any politically active group to operate in the shadows. On the contrary, the effects can be harmful to the democratic process at every level. Consequently, MEA likes this "truth-in-labeling" measure and is anxious to see it passed.

Thank you, Mr. Chairman, for allowing MEA to testify. I'd be glad to answer any questions about our testimony.

STANDING COMMITTEE REPORT

January 25 1925

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 257

First reading copy (White color)

REQUIRING NAMING AND LABELING OF POLITICAL COMMITTEES

Respectfully report as follows: That HOUSE Bill No. 257

DO PASS

QR 1/2-185

STATE PUB. CO.
Helena, Mont.

.....
Walter A. Sales, Chairman.

COMMITTEE SECRETARY

STANDING COMMITTEE REPORT

January 25

1955

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 260

First reading copy (White color)

ALLOCATION OF PRIVATE ACTIVITY BOND AUTHORITY TO GOVERNMENTAL UNITS

Respectfully report as follows: That HOUSE Bill No. 260

BE AMENDED AS FOLLOWS:

- 1) Page 5, line 22.
Following: "to"
Insert. "the first Monday in"
Following: "October"
Strike: "1"

AND AS AMENDED

DO PASS

STATE PUB. CO.
Helena, Mont.

Walter R. Sales,

Chairman.

COMMITTEE SECRETARY

STANDING COMMITTEE REPORT

January 25 1985

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 258

First reading copy (White color)

ADD DIRECTOR OF DHEW TO FLATHEAD BASIN COMMISSION

Respectfully report as follows: That HOUSE Bill No. 258

BE AMENDED AS FOLLOWS:

1) Title, lines 5 and 6.

Following: "ADD" on line 5

Strike: "TO" through "MEMBERSHIP" on line 6

Insert: "AS AN EX OFFICIO MEMBER"

2) Page 1, lines 23 through 25.

Strike: subsection (c) in its entirety

Re-number: subsequent subsections

3) Page 2, line 20

Following: "Act"

Insert: "(1) one ex officio member who shall be the director of the department of health and environmental sciences or his designee"

AND AS AMENDED

DO PASS



Ex. #2
HB 257
1/25/85

Montana Public Interest Research Group

729 Keith Avenue • Missoula, MT. 59801 • (406) 721-6040

532 NORTH WARREN, HELENA, MT 59601 406-443-5155

TESTIMONY BEFORE THE COMMITTEE ON
STATE ADMINISTRATION OF THE
HOUSE OF REPRESENTATIVES

JANUARY 25, 1985

GOOD MORNING MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE. MY NAME IS JULIE DALSOGLIO AND I AM A LOBBYIST FOR THE MONTANA PUBLIC INTEREST RESEARCH GROUP (MONTPIRG), A NON-PROFIT, NON-PARTISAN RESEARCH AND ADVOCACY ORGANIZATION FUNDED AND DIRECTED BY UNIVERSITY OF MONTANA STUDENTS. I AM HERE TO SPEAK IN SUPPORT OF HOUSE BILL 257, "AN ACT REQUIRING THE NAMING AND LABELING OF POLITICAL COMMITTEES."

THE POWER AND INFLUENCE OF MONTANA'S POLITICAL ACTION COMMITTEES HAVE GROWN CONSIDERABLY SINCE THEY FIRST BECAME ACTIVE IN MONTANA POLITICS IN 1976. SOME OF MONTANA'S PACS ARE ALLOWED TO EXERT INFLUENCE UPON BALLOT ISSUES AND CONTRIBUTE MONEY TO POLITICAL CANDIDATES WHILE HIDING THEIR IDENTITIES BEHIND AMBIGUOUS NAMES AND TITLES. THE PACS THAT EITHER KNOWINGLY OR UNKNOWINGLY ADOPT A NAME THAT DOES NOT REFLECT THE ECONOMIC INTERESTS OF ITS MEMBERS COULD END UP MISLEADING AND INFLUENCING VOTES. THE NAME OF A PAC IS IMPORTANT SINCE IT IS OFTEN THE ONLY INFORMATION A VOTER RECEIVES CONCERNING A PAC THAT SPONSORS A TV OR NEWSPAPER AD OR IS LISTED AS A CONTRIBUTOR TO A CAMPAIGN. FOR EXAMPLE, PAC NAMES SUCH AS CONCERNED CITIZENS FOR RESPONSIBLE GOVERNMENT, MONTPAC, AND THE POLITICAL ACTION LEAGUE PROVIDE NO INDICATION TO THE GENERAL VOTING PUBLIC AS TO THEIR SPECIAL ECONOMIC INTERESTS OR COMMON EMPLOYER. VOTERS WOULD BETTER UNDERSTAND THE SPECIAL INTERESTS OF THESE PACS IF THEY WERE IDENTIFIED AS THE MONTANA POWER EMPLOYEES CO., MONTANA LIFE UNDERWRITERS, AND BAR, RESTAURANT, AND TAVERN OWNERS PACS.

NAMING AND LABELING OF POLITICAL COMMITTEES

MONTPIRG RESEARCHERS COMPLETED AN ANALYSIS OF THE MONTANA PAC FILES AT THE OFFICE OF POLITICAL PRACTICES AND THEY STUDIED 90 DIFFERENT PACS EXCLUDING THOSE EXCLUSIVELY FUNDED BY POLITICAL PARTIES. MONTPIRG FOUND THAT SEVERAL OF THESE PACS HAD MISLEADING NAMES. I HAVE SUPPLIED YOU WITH A REPORT OF THAT SURVEY AND ON PAGES 2 AND 3 OF THE REPORT IS A SAMPLE LIST OF MONTANA PACS AND THEIR LABELS. ONE OF THE MOST GLARING EXAMPLES OF PAC MISLABELING DURING THE 1984 CAMPAIGN WAS DEMONSTRATED BY THE PROponents AND THE OPPONENTS TO INITIATIVE 97, THE DENTURIST ACT.

MONTPIRG'S SURVEY OF POLITICAL ACTION COMMITTEES INDICATES THAT THERE IS A PROBLEM WITH THE MISLABELING OF SOME PACS IN MONTANA. MONTPIRG BELIEVES THAT HOUSE BILL 257 WOULD HELP TO REMEDY THE PROBLEM OF MISINFORMATION DISTRIBUTED TO THE GENERAL VOTING PUBLIC.

THANK YOU MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE FOR YOUR TIME.



Montana Public Interest Research Group

729 Keith Avenue • Missoula, MT. 59801 • (406) 721-6040

MONTANA PUBLIC INTEREST RESEARCH GROUP SURVEY: POLITICAL ACTION COMMITTEES (PACs) NAMING AND LABELING

INTRODUCTION

POLITICAL ACTION COMMITTEES (PACs) PLAY A SIGNIFICANT ROLE IN LEGISLATIVE AND BALLOT INITIATIVE CAMPAIGNS BY PROVIDING FUNDS FOR CAMPAIGN EXPENDITURES AND MEDIA INFORMATION TO THE PUBLIC. PACs ARE REQUIRED BY LAW TO BE IDENTIFIED ON PRINTED OR BROADCASTED CAMPAIGN ADVERTISEMENTS AND THE PAC LABEL OFTEN APPEARS ON CONTRIBUTION LISTS PRINTED BY THE NEWS MEDIA. THE VOTING PUBLIC USES THIS MEDIA INFORMATION TO JUDGE THE MERITS OF A MESSAGE PROMOTED BY A PAC, THEREFORE PAC LABELS SHOULD ACCURATELY IDENTIFY THE SPECIAL INTEREST OF THE GROUP IN ORDER THAT CITIZENS CAN MAKE AN INFORMED, ACCURATE DECISION ON AN INITIATIVE OR A CANDIDATE.

PROBLEM

THE MONTANA PUBLIC INTEREST RESEARCH GROUP (MONTPIRG) BELIEVES THAT IT IS IMPORTANT FOR A POLITICAL ACTION COMMITTEE TO PROPERLY LABEL THEMSELVES SO THAT THE PUBLIC READING A PAC'S FACT SHEET OR ADVERTISEMENT CAN UNDERSTAND THE ECONOMIC INTEREST THAT THE GROUP CARRIES. MONTPIRG SURVEYED THE PACs CONTRIBUTING TO THE 1984 CAMPAIGN RACES AND BALLOT INITIATIVES TO DETERMINE IF THE NAME OF A PAC REFLECTED THEIR SPECIAL INTEREST. THIS SURVEY INDICATED THAT OUT OF 90 PACs CONTRIBUTING TO LEGISLATIVE RACES AND INITIATIVE EFFORTS SEVERAL PAC NAMES DID NOT ACCURATELY REFLECT THE SPECIAL ECONOMIC INTEREST OR COMMON EMPLOYER OF A MAJORITY OF ITS CONTRIBUTORS. FOLLOWING IS A SAMPLE OF THE SURVEYED PACs AND POLITICAL ACTION COMMITTEE LABELINGS:

P. 2
 POLITICAL ACTION COMMITTEES NAMING AND LABELING

LEGISLATIVE RACES*

PRESENT NAME	SPECIAL ECONOMIC INTEREST	COMMON EMPLOYER	SUGGESTED ALTERNATIVE NAME
BANKPAC	BANKING	N/A	N/A
BURLINGTON NORTHERN EMPLOYEES VOLUNTARY GOOD GOVERNMENT FUND	N/A	BURLINGTON NORTHERN	N/A
CITIZENS FOR RESPONSIBLE GOVERNMENT	UTILITIES	MONTANA POWER CO.	MONTANA POWER PAC
CREDIT UNION PAC (CU PAC)	LOANS/ INSURANCE	N/A	N/A
BILLINGS EDUCATION ASSOCIATION PAC	TEACHERS/ SCHOOLS	N/A	N/A
INDEPENDENT BUSINESSMEN'S PAC	SMALL BUSINESS	N/A	N/A
MONTPAC	LIFE INSURANCE UNDERWRITERS	N/A	LIFE UNDERWRITERS PAC
MONTANA EMPLOYEES OF MOUNTAIN BELL PAC	PHONE UTILITIES	MOUNTAIN BELL	N/A
MONTANA REALTORS PAC	REAL ESTATE	N/A	N/A
MONTANA RESOURCES PAC	OIL INTERESTS	N/A	MONTANA OIL AND LAND PAC
PROFESSIONALS PAC	ENGINEERS	N/A	ENGINEERS PAC

*PARTIAL LIST ONLY

POLITICAL ACTION COMMITTEES NAMING AND LABELING

BALLOT INITIATIVE CAMPAIGNS*

PRESENT NAME	SPECIAL ECONOMIC INTEREST	COMMON EMPLOYER	SUGGESTED ALTERNATIVE NAME
MONTANANS FOR A BALANCED FEDERAL BUDGET	N/A	N/A	N/A
CITIZENS FOR RESPONSIBLE DRINKING	N/A	N/A	N/A
MONTANANS FOR FREEDOM OF CHOICE IN DENTAL CARE	DENTURISTS	N/A	DENTURISTS FOR CHOICE IN DENTAL CARE
COMMITTEE TO SAVE MONTANA'S MILK INDUSTRY	DAIRY PRODUCERS AND DISTRIBUTORS	N/A	DAIRY PRODUCERS TO SAVE MONTANA MILK INDUSTRY
JEFFERSON ALLIANCE	N/A	N/A	N/A
MONTANA INITIATIVE FOR NUCLEAR DISARMAMENT COMMITTEE	N/A	N/A	N/A
CITIZENS AGAINST 1-97	DENTISTS	N/A	DENTISTS AGAINST 1-97
MONTANANS FOR GOOD HEALTH	DENTISTS	N/A	DENTISTS AGAINST 1-97
MONTANANS FOR SENIORS AGAINST 1-97	DENTISTS	N/A	DENTISTS AGAINST 1-97
MISSOULA DENTAL LABORATORIES ASSOC.	DENTISTS	N/A	N/A
4TH DISTRICT DENTAL SOCIETY PAC	DENTISTS	N/A	N/A

PARTIAL LIST ONLY

SUMMARY OF DATA

THE RESULTS OF THE SURVEY SHOW THAT THERE IS BOTH AN ACTUAL AND THE POTENTIAL FOR A PROBLEM IN THE WAY THAT PACS LABEL THEMSELVES. IF FOR EXAMPLE YOU HAVE A GROUP THAT STANDS TO LOSE OR GAIN FINANCIALLY WITH THE RESULTS OF AN INITIATIVE IT IS IMPORTANT THAT THE GROUP PROPERLY LABEL ITSELF SO THAT THE PUBLIC WILL UNDERSTAND THE SPECIAL INTEREST THAT THE GROUP CARRIES. EXAMPLES OF MISLABELED PACS IN THE 1984 INITIATIVE CAMPAIGN CENTERED AROUND INITIATIVE 97, THE DENTURIST ACT. ADVERTISEMENTS AGAINST I-97 (SEE ATTACHED) INDICATED OPPOSITION FROM SENIORS ON THE INITIATIVE WHILE THE CAMPAIGN CONTRIBUTIONS OF APPROXIMATELY \$70,000.00 SHOWED FINANCING FROM THE MONTANA DENTAL ASSOCIATION. LIKewise, THE PAC LABELED MONTANANS FOR FREEDOM OF CHOICE IN DENTURE CARE WAS FINANCED (\$9,000.00) BY DENTURISTS AND DENTAL LAB TECHNICIANS. THESE EXAMPLES POINT OUT THAT THE MISLABELING OF PACS COULD HAVE AN INFLUENCE ON THE DECISION OF THE VOTER THAT MAY BE A MISINFORMED DECISION.

REFORM PROPOSALS

CURRENTLY, REPRESENTATIVE HAL HARPER, (D-HELENA), HAS INTRODUCED LEGISLATION TO ADDRESS THIS ISSUE. HOUSE BILL 257 WOULD REQUIRE ANY POLITICAL COMMITTEE TO NAME AND IDENTIFY ITSELF USING A NAME OR PHRASE THAT BEST IDENTIFIES THE SPECIAL ECONOMIC INTEREST OR COMMON EMPLOYER OF A MAJORITY OF ITS CONTRIBUTORS. A SIMILAR BILL, HOUSE BILL 386, WAS INTRODUCED IN THE 1983 SESSION AND WAS PASSED IN THE HOUSE OF REPRESENTATIVES BY A 87 TO 9 MARGIN. ADDITIONS WERE MADE TO THE CRITERIA FOR NAMING A PAC WHICH MADE THE BILL LESS EFFECTIVE TO SOME MEMBERS AND THE BILL FAILED TO PASS THE SENATE. MONTPIRG ESTIMATES THAT OF THE 90 PACS CONTRIBUTING TO THE 1984 LEGISLATIVE AND BALLOT INITIATIVE RACES APPROXIMATELY 10 - 15 PACS WOULD HAVE BEEN REQUIRED TO CHANGE THEIR LABELS IF HOUSE BILL 257 HAD BEEN ENACTED.

POLITICAL ACTION COMMITTEES NAMING AND LABELING

THE MONTANA PUBLIC INTEREST RESEARCH GROUP, INC. (MONTPIRG)
IS A NON-PROFIT, NON-PARTISAN RESEARCH AND ADVOCACY ORGANIZATION
ESTABLISHED AND DIRECTED BY UNIVERSITY OF MONTANA STUDENTS.
IT IS FUNDED BY OPTIONAL STUDENT FEES AND SMALL DONATIONS
FROM MONTANANS AND DOES WORK PERTAINING TO THE ENVIRONMENT,
CONSUMER PROTECTION AND GOVERNMENTAL RESPONSIBILITY.

**A WOLF IN
SHEEP'S CLOTHING
IS STALKING YOU...**

**INITIATIVE 97:
WHAT THEY DON'T
KNOW CAN
HURT YOU!**

**—VOTE—
NO ON 97**



Paid for by Montanans for Seniors Against Initiative 97, Marguerite Beatty Treas.  ③

LOOK AT THE FACTS

**INITIATIVE 97 HAS TO DO
WITH MORE THAN
JUST FALSE TEETH!**

NO EDUCATION????

A two week extension course does not educate anyone to medically treat people. Don't let unskilled, untrained, and uneducated people work in your body.

VOTE NO 97

NO EDUCATION FOR RADIATION...

Denturists want to be allowed to inject radioactive material into your body. They want to be excluded from state and national standards. Don't change radiation standards.

VOTE NO 97

VOTE NO TO ANOTHER BUREACRACY...

Initiative 97 proposes another state board. When has a bureaucracy not cost you tax dollars?

VOTE NO 97

VOTE AGAINST THE LOSS OF MONTANA JOBS...

The president of Montana Dental Laboratory Association says that over 70 Montana dental technicians will lose their jobs and their businesses will be destroyed.

VOTE NO 97

AN EDITORIAL IN THE MISSOULIAN WRITTEN BY SAM REYNOLDS DESCRIBES THE INITIATIVE: "INITIATIVE 97, A REAL WOLF IN SHEEP'S CLOTHING. INITIATIVE 97 SHOULD BE REJECTED BY MONTANA VOTERS ON NOVEMBER 6." INITIATIVE 97 IS A BAD INITIATIVE.

USE YOUR CHOICE!

VOTE AGAINST INITIATIVE 97

DEFEAT

Initiative 97!

DEFEAT

a Bad Initiative!

DEFEAT . . .

- **Substandard Educational Standards**

A two-week workshop does not qualify a dentist to diagnose oral health problems.

- **Separate and Unknown Radiation Standards**

Don't let uneducated, untrained people prescribe the INJECTION OF RADIOACTIVE ISOTOPES INTO PEOPLE!

- **More Bureaucracy**

Montana doesn't need another state board to burden taxpayers!

- **An Initiative Which Will Cost Montanans Their Jobs**

70 Montana jobs will be lost to out-of-state interests.

- **Out-of-State Interests Dictating Montana Law**

If you don't KNOW, Please Vote NO
VOTE NO—97

Ex. # 3
HB-257
1/25/85

Testimony Before the State Administration Committee
Of the Montana House of Representatives

January 25, 1985

Good morning, Mr. Chairman and members of the committee. My name is Tom Ryan and I am a member of the Montana Senior Citizens Association. I am here to speak in support of House Bill 257.

As a senior citizen, I come before you today as a member of a group of Montanans who have recently been seriously maligned by just the kind of misinformation and fraud that Representative Harper's bill is designed to stop. I am referring, of course, to the many media statements during the fall of 1984 by a PAC which called itself "Montanans for Seniors Against I-97." As you may have learned from the testimony of others here today, this PAC had no involvement with a seniors group whatsoever. In fact, since the seniors in this state were one of the driving forces in support of the so-called Denturist Initiative, one might surmise that the name given to this dentist-supported PAC represented a deliberate effort to mislead the voters of Montana.

I believe that House Bill 257 could be effective in preventing the kind of abuse we saw involved in this particular ballot issue. On behalf of at least one group of Montanans who could have used a law like this one last year, I urge you to support it.

Thank you for your time.

Ex. #4
HB-257
1/25/85

Testimony In Support of House Bill 257

"Truth in Labeling for PACs"

Before the State Administration Committee
Of the Montana House of Representatives

January 25, 1985

Good morning, Chairman Sales and members of the committee. My name is Robert Anderson and I am a lobbyist for Montana Common Cause. I speak to you today on behalf the 750 members of Montana Common Cause in support of House Bill 257.

As I just mentioned, I am a lobbyist, one of many who compete for the attention of legislators here at the capitol. Part of a lobbyist's job is to provide information in a persuasive manner to those who ultimately decide the issues. Lobbyists are required to wear nametags, in part so that legislators can consider the source of the information that lobbyists give them when judging the merits of an issue. It would be considered highly unethical for a lobbyist to attempt to deceive a legislator by wearing a nametag bearing the name of a group he or she did not work for. It would also be unethical for a lobbyist to be up here on behalf of a group and conceal that relationship from those he or she is lobbying.

Such behavior, however, is a commonplace when it comes to political action committees and their contact with the public. You have heard examples this morning of several PACs whose names seem willfully designed to mislead the voters of Montana. Aside from a desire to fraudulently acquire support or deflect opposition there is no reason I can think of for a PAC which clearly represents the common employer of its contributors or their shared

economic interest to call itself by a name which doesn't reflect one of those criteria.

Common Cause believes that Representative Harper's bill will provide a workable method for initiating and enforcing "truth in labeling" for PACs. The criteria are based on information that is easily obtained from a quick examination of the L-5 reporting documents kept by the Commissioner of Political Practices. As a person who has spent time looking through those files, I can tell you that determining whether a PAC falls under the criteria of common employer or special economic interest of contributors is not difficult.

Although legal enforcement (including the imposition of fines for infractions of this measure) is provided for in the codes, public pressure would probably prove even more efficient in dealing with any problems. For example, Montana Common Cause recently discovered that a certain PAC had missed a reporting date for 1984 campaign spending. We sent a letter to the Commissioner of Political Practices office bringing the matter to their attention, they contacted the PAC and the report was filed within a few days. It is probable that any problems with inaccurate naming under this measure would be caught and resolved in the same manner.

Montana Common Cause believes that considerable damage is done to the public good when PACs having a constituency definable according to the criteria of this bill are permitted to call themselves by deliberately vague or misleading names. We feel that HB 257 represents a reasonable and intelligent way to repair that damage and we hope you will support it. Thank you for your time.

HOUSE BILL 244

PROPOSED AMENDMENTS

1. Page 5. LINE 20.

Following: "research"

Insert: "demonstration."

2. Page 5. line 25 through line 2 on page 6.

Following: "invention" on line 25

Strike: line 25 on page 25 through line 2 on page 6 in its entirety.

Insert: ". The department may require that grants resulting in profits to grantees be repaid, repaid with interest, or a percentage of profits or royalties be dedicated to the department."

3. Page 6. line 3.

Following: "from"

Insert: "repayments, including interest and"

PROPOSED AMENDMENTS

Section 7 is amended as follows:

"(7) (a) If research, DEMONSTRATION, and development supported primarily by a grant from the development and demonstration account established in 90-4-103 result in a marketable product, the grant recipient may copyright his work or secure, under the patent laws of the United States, the exclusive right to his invention. THE DEPARTMENT MAY REQUIRE THAT GRANTS RESULTING IN PROFITS TO GRANTEES BE REPAYED, REPAYED WITH INTEREST, OR A PERCENTAGE OF PROFITS OR ROYALTIES BE DEDICATED TO THE DEPARTMENT. ,except that any profits or royalties from sales of the product must be divided equally between the recipient and the department,

(b) The department shall deposit all receipts from REPAYMENTS, INCLUDING INTEREST AND shared profits and royalties, in the development and demonstration account established in 90-4-103."

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION
ENERGY DIVISION



TED SCHWINDEN, GOVERNOR

32 SOUTH EWING

STATE OF MONTANA

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TESTIMONY ON HOUSE BILL 244

My name is Laurence Siroky. I am the Administrator of the Energy Division of the Department of Natural Resources and Conservation. The department supports the general concept of House Bill 244, but has a problem with the mandatory 50/50 sharing of the royalties.

The mandatory requirement for a 50/50 sharing of profits or royalties may be a deterrent to those considering applying for a grant under our program. Last session the Legislature repealed the provision that the state retain the patent rights to patents on projects funded by our program. Potential applicants told us that the provision of the state retaining the patent rights was a deterrent to applying to the program. The mandatory 50/50 sharing of royalties, regardless of the amount of state funding, will keep "good" applicants out of the program by being a similar deterrent.

The Department strongly supports repayment of monies to the state should grants result in profits to the applicant. In fact, our current policy is to require grantees to repay the department should grants result in projects that generate profits at some later date. Twenty-five percent of the department grants awarded in 1984 have the provision that the department is to be repaid

should profits be generated. The department has no statutory authority to require such repayment provisions. Having statutory authority would certainly remove any doubt during contract negotiations as to the department's authority.

We would like to propose amending house bill 244 to accomplish the intent of the bill, yet not make the repayment provision so burdensome that it deter potential applicants from applying to the program. These amendments would allow the department the authority to require repayment of grants should they result in a profitable product or patent to a grantee. The department would also be authorized to collect the money granted, the money granted plus interest, or even take a percentage of the profits or royalties. The department would like to treat each applicant on an individual basis because the circumstances of each applicant are different.

The first amendment adds demonstration projects to the type of grants that are to be repaid. These demonstrations projects are currently generating income and are repaying to the program.

The second amendment substitutes authorizing the department to require repayment of grants, repayment with interest or a percentage of royalties from the product for the mandatory 50/50 sharing of profits or royalties. The third amendment provides that the funds being repaid to the department be returned to the program account.

In summary, we feel these amendments accomplish the intent and purpose of this bill, but in a manner that will not deter potential applicants from applying to our program.