

**Council Senate Members**

VICKI COCCHIARELLA--Vice Chair  
BOB KEENAN--Chair  
GREGORY BARKUS  
KELLY GEBHARDT  
DAN HARRINGTON  
MICHAEL WHEAT



**Council House Members**

BOB BERGREN  
ROY BROWN  
MARGARETT CAMPBELL  
DENNIS HIMMELBERGER  
MICHAEL LANGE  
DAVE WANZENRIED

## Montana Legislative Council

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# MINUTES

November 27, 2006

Room 102, State Capitol  
Helena, Montana

Please note: These are summary minutes. Testimony and discussion are paraphrased and condensed. Committee tapes are on file in the offices of the Legislative Services Division.

**Exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document.**

### **COMMITTEE MEMBERS PRESENT**

SEN. BOB KEENAN, Chair  
SEN. VICKI COCCHIARELLA, Vice Chair

SEN. GREGORY BARKUS  
SEN. KELLY GEBHARDT  
SEN. DAN HARRINGTON

REP. BOB BERGREN  
REP. ROY BROWN  
REP. DENNIS HIMMELBERGER  
REP. MICHAEL LANGE  
REP. DAVE WANZENRIED

### **COMMITTEE MEMBERS EXCUSED**

SEN. MICHAEL WHEAT  
REP. MARGARETT CAMPBELL

### **STAFF PRESENT**

Susan Fox, Executive Director, Legislative Services Division (LSD)  
Greg Petesch, Director, Legal Services, LSD  
Karen Berger, Financial Services Manager, LSD  
Dave Bohyer, Research Director, Office of Research & Policy Analysis, LSD

Todd Everts, Director, Legislative Environmental Policy Office (LEPO)  
Dawn Field, Legislative Secretary, LSD

### **AGENDA & VISITORS' LIST**

Agenda, Attachment #1.  
Visitors' list, Attachment #2.

### **COMMITTEE ACTION**

The Legislative Council:

- approved the September 15, 2006, minutes, as written;
- approved funding for a new interim committee in the Program 20 budget (LC 0456); and
- approved recommendations by the Computer Systems Planning Council (LC 0458).

### **CALL TO ORDER AND ROLL CALL**

SEN. KEENAN called the Council to order at 3:28 p.m. The secretary took roll, SEN. WHEAT and REP. CAMPBELL were excused. The September 15, 2006, minutes were **approved as written on a unanimous voice vote**.

### **INTRODUCTION OF NEW STAFF**

**Dave Bohyer, Research Director, Legislative Services Division (LSD)**, reported that **Andrew Geiger** has been hired as a Research Analyst. Mr Geiger was not present but Mr. Bohyer reviewed his professional credentials.

**Todd Everts, Director, Legislative Environmental Policy Office (LEPO)**, introduced **Sonja Lee** as a newly-hired Research Analyst and reviewed her professional credentials.

**Greg Petesch, Director, Legal Services, LSD**, announced that **Lisa Mecklenberg-Jackson** was hired as the new Legislative Services staff attorney.

### **SESSION UPDATE**

#### **Law School for Legislators**

**Charles Woods, State Bar**, provided an update on Law School for Legislators (EXHIBIT #1). Mr. Woods reviewed the tentative agenda with the Council.

#### **Civic Education**

**Krista Lee Evans, Research Analyst, LEPO**, reported that the upcoming presentation by Dr. Rosenthal is scheduled for January 3, 2007, at Carroll College. Ms. Evans said that local high schools and colleges, local elected officials, and all legislators will be invited. She said that the theme of the presentation would be civic responsibility, particularly that of legislators and the role that legislators can play in defending the institution of a representative democracy.

### **REVENUE UPDATE**

**Terry Johnson, Principal Fiscal Analyst, Legislative Fiscal Division (LFD)**, presented a revenue update for the 2007 and 2009 biennia (EXHIBIT #2). Mr. Johnson's report included information on specific revenue sources.

SEN. GEBHARDT asked how the income and corporation tax estimate (Slide 7) was determined. Mr. Johnson said that LFD relies on data provided by the Department of Revenue (DOR), which is data on each individual tax payer with identifying information removed. A simulation model is used to apply a growth rate to each tax return.

SEN. GEBHARDT asked Mr. Johnson if he could predict increases for wages and capital gains, for example. Mr. Johnson said that LFD has projected zero growth in capital gains and a substantial reduction in the growth of wages and salaries.

SEN. COCCHIARELLA said that the discrepancy between the executive budget proposal and the legislative fiscal analysis is about \$300 million and asked where the main differences lie. Mr. Johnson referred the Council to Slides 6 and 10 and pointed out that main differences are the present law disbursements amounts.

SEN. COCCHIARELLA said, regarding DOR audit and compliance efforts, that she has been contacted by constituents who are concerned about DOR collection activities and feel they are being "picked on" by DOR. Mr. Johnson said that LFD fiscal analysts would be examining the executive budget proposals in great detail.

SEN. KEENAN said that revenue enhancements have been presented before but that they are expensive to implement, so have not amounted to much in the past.

REP. BROWN asked what the specific differences between the executive budget and LFD analysis are. Mr. Johnson said the differences are widespread and occur in almost every agency's budget, big and small.

## **TAPE 1 - SIDE B**

### **POTENTIAL IMPACT OF EXECUTIVE PAY PLAN ON LEGISLATOR PAY**

Mr. Petesch said that there are several options to deal with the impact of the Executive Branch pay plan (broadband pay plan) on legislator pay. Mr. Petesch explained how the broadband pay plan is designed and outlined three options for determining legislator pay:

- attach legislators to an occupational wage range within the Legislative Branch pay plan;
- attach legislator pay to a specific occupation within the Executive Branch broadband pay plan; or
- calculate the daily rate being paid now to determine what an hourly rate would be and then provide that that amount would have to be adjusted by any legislative-required pay increase.

Mr. Petesch said that the second option has been endorsed by the State Tax Appeal Board and the Office of Political Practices as the best solution.

SEN. KEENAN asked when this issue has be decided. Mr. Petesch said that it will have to be dealt with in the 2007 Legislative Session.

In response to a question from SEN. COCCHIARELLA, Mr. Petesch said that legislators are currently being paid the equivalent of \$10.31 per hour. **Karen Berger, Financial Services Manager, LSD**, said that for bookkeeping purposes alone, she would discourage legislators being paid on an hourly basis.

REP. LANGE commented that it is not appropriate to link legislative pay to the Executive Branch pay plan and suggested that the Legislative Branch should move forward its own pay plan.

SEN. COCCHIARELLA said the Legislative Branch pay plans have always followed the Executive Branch and that she did not think there should be a total disconnect between the two. She supported the concept of attaching legislator pay within the Legislative Branch pay plan.

SEN. HARRINGTON said that historically, legislator pay has been low and that perhaps consideration should be given to increasing pay to a level that would be beneficial.

**Susan Fox, Executive Director, LSD**, said that she would research this issue for the Council and do a wage survey in surrounding states. She said that she would prepare options for review with leadership.

#### **UPDATE ON NEW LEGISLATOR ORIENTATION AND COMMITTEE CHAIR TRAINING**

Ms. Fox reviewed plans for New Legislator Orientation. She reported that a manual for new committee chair training has been prepared and that input from the Council would be welcomed. REP. BROWN asked that vice chairs be included in the training.

SEN. GEBHARDT asked if there were enough manuals to go to the Rules Committee people too.

Ms. Fox reported that flu shots will be available for legislators in November and January.

Mr. Petesch said that rules training is scheduled for January 3, 2007. He asked the Council for its recommendations on what type of rules training it would like included.

#### **OLD BUSINESS**

##### **Draft Legislation**

Ms. Fox outlined the draft legislation reviewed by Legislative Council at its September meeting:

- LC 0456 - to split the Education and Local Government Interim Committees into two committees. Ms. Fox pointed out that at the September meeting, the Council approved the bill to separate the committees but not the budget to support the extra committee. REP. LANGE **moved** to include the requested budget amount in the Program 20 budget. The **motion passed** on a unanimous voice vote. REP. LANGE said that he would sponsor the bill if a member of the Education Local Government Interim Committee would not.
- LC 0458 - Computer Systems Planning Council recommendations. REP. BROWN **moved** to approve for drafting. The **motion passed** on a unanimous voice vote. SEN. BRUEGGEMAN will sponsor the bill.
- Code Commissioner bill - REP. (SENATOR-ELECT) BROWN will sponsor.

#### **LEGISLATIVE INTERN PROGRAM**

Ms. Fox said that three applications have been submitted. She explained how interns have been assigned in the past and asked for input from the Council. The Council asked Ms. Fox to work with leadership on the assignment of the interns.

#### **HCTV AND AUDIOSTREAMING**

Ms. Fox reported that up to 80% of the State will be able to view the proceedings of the 2007 Legislature and that all standing committees will have audio coverage.

SEN. GEBHARDT asked for list of communities what will receive coverage. Ms. Fox said that she would obtain a list. SEN. GEBHARDT said that it is important for legislators to promote this to constituents.

**PUBLIC COMMENT**

No public comment was given.

**ADJOURNMENT**

Ms. Fox thanked SEN. KEENAN for his years of service to the citizens of Montana as a legislator. With no further business before the Council, the meeting was adjourned at 4:30 p.m.

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