

**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

September 15, 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. KELLY GEBHARDT  
SEN. DAN HARRINGTON

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

### **COMMITTEE MEMBERS EXCUSED**

SEN. GREGORY BARKUS  
SEN. MICHAEL WHEAT  
REP. MARGARETT CAMPBELL

### **STAFF PRESENT**

Susan Byorth Fox, Executive Director, Legislative Services Division  
Greg Petesch, Code Commissioner, Legislative Services Division  
Karen Berger, Financial Services Manager, Financial Services Office

Dawn Field, Legislative Council Secretary  
Sue O'Connell, Research Analyst, Legislative Services Division

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

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

### **COMMITTEE ACTION**

The Legislative Council:

- approved the June 5, 2005, minutes, as written;
- 

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

SEN. KEENAN called the meeting to order at 9:00 a.m. The secretary noted the roll, SEN. BARKUS, REP. CAMPBELL, and SEN. WHEAT were excused (ATTACHMENT #3). REP. WANZENRIED **moved** to adopt the June 5, 2006, minutes as written. The **motion passed** on a unanimous voice vote.

### **DRAFT LEGISLATION**

**Greg Petesch, Legal Services Director, LSD**, reviewed several draft legislative proposals.

**LC 0073 -- Revising and Clarifying Motor Vehicle Fees** (EXHIBIT #1). Mr. Petesch explained the provisions of LC 0073. SEN. COCCHIARELLA **moved** to approve LC 0073 as a Legislative Council bill. The **motion passed** on a unanimous voice vote. SEN. COCCHIARELLA will sponsor LC 0073.

**LC 0134 -- Revise Laws Governing Legislature** (EXHIBIT #2). Mr. Petesch explained the provisions of LC 00134. REP. WANZENRIED **moved** to approve LC 0134 as a Legislative Council bill. The **motion passed** on unanimous voice vote. SEN. HARRINGTON will sponsor LC 0134.

**LC 0035 -- Revised Version -- Revising Laws Governing Fiscal Notes** (EXHIBIT #3). Mr. Petesch explained the provisions of LC 0035. REP. WANZENRIED **moved** to approve LC 0035 as a Legislative Council bill. The **motion passed** on a unanimous voice vote. SEN. HARRINGTON will carry if REP. WANZENRIED is not reelected.

**LC 0137 -- Feed Bill**. Mr. Petesch said that the final version of the bill will be available at the November meeting and that the Chairman of the House Appropriations Committee is required to introduce the bill. SEN. COCCHIARELLA **moved** to approve LC 0137 for drafting. The **motion passed** on a unanimous voice vote.

**LC 0138 -- Revising Travel Reimbursement for Legislators** (EXHIBIT #4). Mr. Petesch explained the provisions of LC 0138. SEN. COCCHIARELLA **moved** to approve LC 0138 as a Legislative Council bill. The **motion passed** on a unanimous voice vote. SEN. HARRINGTON will sponsor LC 0138.

**LC0139 -- Revising Deadline for Submission of Legislative Budget (EXHIBIT #5).** Mr. Petesch explained the provisions of LC 00139. REP. WANZENRIED **moved** to approve LC 0139. The **motion passed** on a unanimous voice vote. SEN. COCCHIARELLA will carry.

**LC 0140 -- Public Employees Retirement System (PERS) Exemption for Legislative Staff (EXHIBIT #6).** Mr. Petesch explained the provisions of LC 0140. SEN. COCCHIARELLA asked if current PERS members would be affected by the proposed legislation. Mr. Petesch said no, that the bill would apply only to temporary legislative session employees. REP. WANZENRIED **moved** to approve LC0140 for drafting. The **motion passed** on a unanimous voice vote. SEN. COCCHIARELLA will sponsor LC 0140.

**LC 0141 -- Gender Neutralize and Conform Code to Bill Drafting Manual.** Mr. Petesch said that LC 0141 updates Titles 1-7 by cleaning up archaic language. The language will be easier to read and the changes will not create substantive changes in existing law. This is the first step in the process of updating all titles, which will take several interims to complete the process. Mr. Petesch said that because the bill is extremely large and unwieldy, he did not have copies for viewing. SEN. COCCHIARELLA **moved** to approve LC 0141 for drafting. SEN. COCCHIARELLA asked if it is necessary that the bill be printed for all of the legislators, because not doing so would save paper and printing costs. Mr. Petesch said that the law requires that the full text of any section being amended must be printed. SEN. COCCHIARELLA asked if that requirement should be a future agenda item. Mr. Petesch said that his opinion is that the law is good law and good practice and should remain as is. Ms. Fox, Executive Director (ED), said measures would be explored that may save paper, such as making the print smaller. The **motion passed** on a unanimous voice vote. SEN. COCCHIARELLA will sponsor LC 0141.

**LC 0136 -- Code Commissioner Bill.** Mr. Petesch said that the actual bill text was not yet available and that he would review a summary of the proposed bill (EXHIBIT #7). Mr. Petesch said that most of the proposed changes are for language clarity or to correct erroneous or out of date language. He said that the final version of the bill would be finalized before the Council's next meeting in November. SEN. COCCHIARELLA **moved** to approve LC 0136 for drafting. The **motion passed** on a unanimous voice vote. SEN. COCCHIARELLA will sponsor LC 0136.

#### **PUBLIC INFORMATION OFFICER - REP. LANGE AND SUSAN FOX, ED**

REP. LANGE said the concept of creating a Public Information Officer (PIO) has been discussed for a long time. He said that after discussions with Ms. Fox, it was agreed that he would sponsor a bill draft request for an additional FTE within Legislative Services Division budget for the purpose of creating a PIO. The Legislative Branch doesn't have a PIO and the public would greatly benefit from such a person. Ms. Fox said Karen Berger, Chief Financial Officer, LSD, did develop a new proposal for budget discussion later in the meeting. REP. LANGE **moved** to adopt one additional FTE for budget for purpose of creating a PIO. REP. WANZENRIED asked about the cost per year, what the level the position would be, and what the supporting costs would be. Ms. Fox said referred to *BUDGET PROPOSALS FOR 2009 BIENNIUM* (EXHIBIT #8) and read from page 5, which listed the information relating to a PIO position for the Legislative Branch. REP. BROWN said that if there is going to be a vote, there should be a solid description of what the position would entail. Ms. Fox said that there is a job description listed on pages 4 and 5 of EXHIBIT #8. REP. LANGE said that the position can be flexible enough to utilize for other work also, which would give staff time to fine-tune the get

position. SEN. COCCHIARELLA commented that a PIO is not new concept and was discussed in the September 2005 planning session. She said that the creation of this position is long overdue and that it is time to act. Ms. Fox said that currently, there are at least four staff members that fulfill this function and that they would work together to help design the position. She noted that the duties would also include outreach to the public. Ms. Fox also suggested that the position be called a Legislative Information Officer.

REP. WANZENRIED asked if the motion is to create position or to approve the concept of an officer and to include it as a budget item. SEN. KEENAN said that the motion is just to create the concept and to include it in the budget. The **motion passed** on a 8-1 voice vote, REP. WANZENRIED voted no.

### **LC 7001 - INTERIM COMMITTEE PROPOSAL**

**Dave Bohyer, Director, Office of Research and Policy Analysis, LSD**, distributed copies of the proposal as recommended by the Education and Local Government (ELG) Interim Committee (EXHIBIT #9). For discussion purposes, Mr. Bohyer referenced a memo from Sen. Mangan, Chair, Education and Local Government Interim Committee (EXHIBIT #10) and said that copies of the proposed bill draft - LC 7001 (EXHIBIT #11) - had been provided to the Council. **TAPE 1 - SIDE B** Mr. Bohyer reviewed the provisions of LC 7001 section by section.

SEN. GEBHARDT commented that if an interim committee has desire to appoint a subcommittee, it should be up to the Chair of that committee to decide. He did not support the idea of the Legislative Council making that decision for the interim committees. SEN. COCCHIARELLA agreed, saying that she would rather have training for committees and committee chairs to educate them on the best use of staff and resources.

REP. HIMMELBERGER asked how the new committees would function if the current ELG committee was split into two. Mr. Bohyer said that the Local Government Committee as proposed, would meet on a regular basis and its purpose would be to establish a liaison between the Legislature and stakeholders, such as Montana Association of Counties and the League of Cities and Towns. The Committee would also handle issues of importance to local governments that warrant discussion with legislators in a committee forum because currently there is not a specific place for those individuals or entities to be heard.

REP. WANZENRIED asked what the membership for the new committees would be. Mr. Bohyer said that each committee would have eight members and that the Legislative Council has the authority to add members, if desired. REP. WANZENRIED asked what the cost is for an eight member interim committee. Ms. Berger said an eight member committee costs approximately \$28,000 per biennium. REP. WANZENRIED asked what issues a Local Government Committee would have dealt with in the last interim. Mr. Bohyer said that the main issues were growth/subdivision issues, urban wildfire interface issues, and sanitation issues. REP. WANZENRIED asked how many local government bills have been brought to the Legislature from the current ELG Committee. Mr. Bohyer said that he did not have the exact number of bills requested by the ELG Committee and that he would find out.

SEN. COCCHIARELLA asked if, in same vein, the State Administration and Veterans' Affairs (SAVA) is reviewing legislation for the retirement system as it used to. Mr. Bohyer said SAVA is statutorily required to do so and will be meeting on November 28 and 29 to review proposed retirement legislation. SEN. COCCHIARELLA asked if it would be possible to combine SAVA

and Local Government. Mr. Bohyer said that staff will accommodate whatever is asked of it but pointed out that SAVA has a very full work load and would have difficulty addressing local government issues in addition to its current work load.

Ms. Fox said that Senator Bob Hawks has communicated to her that the Education Committee would like to have a K-12 Subcommittee, as discussed by Sen. Mangan in his memo (EXHIBIT #10), in addition to the current PEPB Subcommittee which deals with post secondary education issues.

#### **Public Comment**

No public comment was given.

SEN. COCCHIARELLA **moved** to approve LC 7001 for drafting, with the exception of Section 4(7) and that any other reference to Legislative Council approval for subcommittees also be removed. The **motion passed** on a 7-2 voice vote, REP. BROWN and REP. WANZENRIED voted no.

#### **LEG COMPUTER SYSTEM PLANNING COUNCIL**

**Hank Trenk, Director, Office of Legislative Information Technology (OLIT), LSD**, said that the Computer System Planning Council was established as a result of 1989 legislation and reviewed the membership and duties of the Planning Council.

Mr. Trenk said that the preliminary plan and budget was presented to the Council at its June meeting and that the *LEGISLATIVE BRANCH COMPUTER SYSTEM PLAN - 2009 BIENNIUM* (EXHIBIT #12) is the final version of the Council's work and contains its recommendations and proposals. Mr. Trenk reviewed the table of contents and discussed the present law budget and the new proposals budget (Page 39 of EXHIBIT #12).

#### **TAPE 2 - SIDE A**

Regarding the technology reimbursement for legislators, Ms. Fox said that procedures would have to be developed and that the Department of Revenue would be consulted on possible tax ramifications. She clarified that this proposal is for the 2009 Legislature and that there is time to make adjustments in the proposal. She said that Planning Council is also recommending that this be tested as a pilot project for the 2007 session, which would provide an opportunity to work out some of the problems and glitches before offering it to all legislators.

Mr. Trenk referred the Council to Page 38 of EXHIBIT #12 and said that a key component of the Planning Council's recommendations is replacement of the House and Senate vote systems in the next biennium. It is estimated that the total cost will be approximately \$1 million and the Planning Council is recommending that the reserve account, established in 2005, be used as the funding source to replace both vote systems. Mr. Trenk said that the plan is that the systems will be in place in time for the 2009 session. Legislative Council is responsible for approving any expenditure from the reserve account, so it is up to the Legislative Council to make the final decision.

SEN. COCCHIARELLA said that Sen. Brueggeman is a very strong proponent of the proposals put forth by the Planning Council. She asked Mr. Trenk to explain several of the concepts

explored by the Planning Council in order to give the Legislative Council an understanding of the technology advances contained in the proposals.

Mr. Trenk said that Steve Eller would be presenting a demonstration of several of the proposals, such as an online agenda. He said that the Planning Council mainly focused on chamber automation in order to reduce paper and other related costs.

Ms. Fox discussed a conference call with vote system people and said that there is a huge range of options available. She said that SEN. BRUEGGEMAN is investigating what other states are doing and that this information will be used to design a template for Montana. Options such as real time amendments, real time votes, and rules issues will be more easily addressed with these advances and while complicated to develop, can be done.

**Steve Eller, Computer Systems Manager, OLIT, LSD**, demonstrated the current capabilities of the Legislative Branch Computer System. Mr. Eller displayed a typical bills packet currently used by legislators and said that an electronic system would eliminate the need for a paper packet. Mr. Eller displayed a mockup page of an electronic bills packet and demonstrated how it would be used during a legislative session. He said that bills are already available online and that the proposal would increase the amount of information available and greatly increase access by the public.

SEN. GEBHARDT asked if the new system would allow documents to be open side by side for easy reference. Mr. Eller said yes.

REP. WANZENRIED asked Mr. Trenk how legislators without a laptop would be served. Mr. Trenk said that paper copies would still be available. REP. WANZENRIED said the move towards automation and providing a stipend is intended to make it easier for legislators to do a better job. He asked if any other state employees are given the same opportunity to help them do their job better. Mr. Trenk said that the State provides its employees with the computer resources they need to do their job.

Ms. Fox said that part of the reason for providing an allowance to legislators is to prevent the IT staff from having to maintain and service an additional 150 laptop computers. This option will also make it easier for legislators who already own a laptop to upgrade and update their machines. These laptops will not be owned or maintained by the State but would be compatible with the State system.

Mr. Trenk said that the biggest problem with buying laptops for legislators is that the laptops are used for five months and then sit idle for the next 18 months. Frequently, they have become obsolete by this time. Supporting this number of machines also presents a significant problem for staff. The Planning Council felt that offering a stipend this proposal would alleviate this problem.

SEN. KEENAN suggested that the Legislative Council wait until after the budget discussion to take action on the Computer System Planning Council proposal.

#### **Proposal to Amend 2-17-518, MCA**

Ms. Fox said at a previous meeting, Mr. Trenk had brought attention to two different statutes that deal with standards and rules. She said that 2-17-518, MCA, has rulemaking authority and

includes a section addressing technology resources. Ms. Fox read the statute "...adequate rules for the use of any information technology resources must be adopted by ... the Legislative Council, with the concurrence of the Legislative Audit Committee and the Legislative Finance Committee for the consolidated Legislative Branch". Ms. Fox said that the Planning Council is recommending that the language be changed to reflect that the Legislative Branch Computer Systems Planning Council be the entity to adopt rules for the use of information technology resources. Ms. Fox said that an alternative would be to have the Legislative Council adopt the rules as a part of the Computer System plan. She proposed that language be drafted by the Computer System Planning Council for approval by Legislative Council at its November meeting.

SEN. COCCHIARELLA **moved** to allow Ms. Fox to move forward on amending 2-17-518, MCA, with Legislative Council included with the Computer System Planning Council to adopt rules regarding information technology resources. The **motion passed** on a unanimous voice vote.

### **Feed bill Pilot Project Proposal**

Mr. Trenk said that the 2007 pilot project is a precursor of the 2009 laptop stipend proposal. Mr. Trenk explained that 100 legislators will participate in the laptop pilot project and that he had worked with a vendor to put together a package price of \$586.43 for the laptops. He referred to EXHIBIT #13 and said that either the State or the legislator could purchase the laptop.

Mr. Petesch said that it is important to remember that legislators are treated differently under code of conduct than are other state employees and that there is good reason for that. Mr. Petesch said that the main distinction to consider is that it is recognized that legislators have to maintain their businesses and contact with their families during a legislative session. Private ownership of the laptop by the legislator would make it easier to protect information on the laptop from public scrutiny.

Mr. Trenk added that when a computer is given to a state employee, there are policies and regulations in place to manage it, such as not allowing the employee to load software. This has to be done by network administrators, if it is done at all; and is a gray area that would have to be worked out.

### **PRICE BASED BID ON MCA - GREG PETESCH**

Mr. Petesch said that he was addressing the Council as Code Commissioner. He reported that this was the first time he had received only one bid for printing the Montana Code Annotated but that historically this has been a very competitive bidding process. He said that the bid was received from Thompson West, who has been the successful bidder for the last several printings and that the bid was \$206,000, up from \$186,000. Mr. Petesch said that prices will have to be raised to make up for the rather drastic jump in the printing costs: \$370 for private sales, \$360 for public entities, \$37 per volume, and \$16 for individual titles. Mr. Petesch said that the numbers of printed sets ordered has been decreased to reflect the decreased demand for printed copies, mostly due to the online availability of the MCA. **TAPE 2 - SIDE B** Mr. Petesch said that he will look at the process to see if he can encourage more bidders for next time and that certain measures, such as waiving a bid bond, may allow smaller printers to bid on the job in the future.

SEN. COCCHIARELLA **moved** to accept Mr. Petesch's recommendations. The **motion passed** on a unanimous voice vote.

## **POLICY REGARDING PURCHASES OF RETIREMENT SERVICE**

**Karen Berger, Financial Services Manager, LSD**, gave an overview of the issue (EXHIBIT #14). Ms. Berger explained the three possible scenarios on the back of EXHIBIT #14 and asked the Council to decide which it wished to pursue. She noted that LSD legal staff opinion is that the current policy (Option #1) should be maintained.

SEN. COCCHIARELLA moved to approve Option #1 - to continue current practice. SEN. COCCHIARELLA explained her rationale for maintaining the current system, saying that until legislators understand how this system works and how it impacts them, no changes should be made.

SEN. GEBHARDT asked how many legislators have consistently taken advantage of this opportunity option. Ms. Berger reported that legislators consistently take advantage of this option but she said that it wasn't entirely due to buying old time. Legislators have joined as a legislator and are buying the in between interim time. Ms. Berger displayed a lengthy list of legislators who have joined in the last six years. She said that it obviously is important to legislators to be able to do this. Ms. Berger said another important consideration is the Employee Protection Act time and that it is important to educate legislators on what their rights are as related to that.

REP. WANZENRIED asked, if there was a fiscal note attached to this proposal, what the savings would be under Option #2. Ms. Berger said that she could not give him an exact number but estimated that savings would have been approximately \$195,000 for fiscal year 2005, \$187,000 for fiscal year 2003, and \$375,000 for fiscal year 2001. She said that as a caveat to that, that the number would be lower next session and will continue to decrease due to several factors, such as termed out legislators already having bought up their time.

The **motion to approve Option #1 passed** on a 7-1 voice vote, REP. LANGE and REP. BROWN voted no.

## **INTRODUCTION OF NEW STAFF**

Mr. Bohyer introduced Sue O'Connell, Research Analyst. He reviewed her credentials and said that Ms. O'Connell will be staffing Children and Families Interim Committee and the Health and Human Resources legislative committee in the 2007 session.

## **SESSION UPDATES**

**Krista Lee Evans, Research Analyst, Legislative Environmental Policy Office (LEPO)**, provided an update on civic education activities (EXHIBIT #15). She said that legislator participation has been quite limited in the past and that support from the Legislative Council to increase participation would be very much appreciated. Ms. Evans discussed the plans made by herself. Ms. Fox, and Kevin Hayes, Publications Director, LSD, as listed in EXHIBIT #15.

REP. HIMMELBERGER said that Dr. Rosenthal is an excellent speaker. He **moved** to endorse the civic education agenda proposed by Ms. Evans. REP. LANGE agreed that the opportunity to bring Dr. Rosenthal to Helena is of great benefit to the Legislature and to Helena. The **motion passed** on a unanimous voice vote.



Ms. Fox pointed out that the information presented by Ms. Evans would be duties typically handled by a legislative information officer and that LSD is fortunate to have staff willing to take on the additional duties necessary to make this event happen.

### **Legislative Calendar**

Ms. Fox asked the Council to make a decision on whether the first Saturday of January would be a legislative day or not. REP. BROWN suggested that the first Saturday not be a legislative day. By consensus, it was agreed.

### **REVENUE UPDATE - TERRY JOHNSON**

**Terry Johnson, Principal Fiscal Analyst, Legislative Fiscal Division (LFD)**, presented a general fund update (EXHIBIT #16). He noted that the Council members also have the text of the full report (EXHIBIT #17) in their meeting packet. **TAPE 3 - SIDE A** Mr. Johnson's report included information on the following:

- fiscal year 2006 preliminary balance;
- revenues;
- disbursements;
- adjustments; and
- a 2007 biennium outlook.

Mr. Johnson said that fiscal staff is working on developing revenue estimates for the Revenue and Transportation Committee at this time but that the level of detail needed to make accurate estimates is not available to them, especially in the area of individual and corporate income tax. He said that because of this, the recommendations are only a "broad brush" estimate. He also noted that wildfire costs have not been finalized at this point in time, which could impact the final numbers.

SEN. GEBHARDT noted that the oil and gas revenues were down \$6.8 million and asked why. Mr. Johnson said that LFD had estimated an average price of \$57.70 per barrel but in reality, the price was \$55.66 per barrel and that production is expected to be slightly less than anticipated as well.

SEN. COCCHIARELLA said that pipeline access issues affected the price also. Mr. Johnson said that was correct and that LFD was trying to track the differential. He said that the price was affected by this but that he could not say to what extent.

REP. BROWN said that one of the factors affecting corporate income tax is audit collections. He asked, based on the historical percentage of total corporate tax revenues, if the amount collected for audit income is average or above average. Mr. Johnson said no, that the amount of audit revenue - if looked at from strictly a percentage basis - is far less than the previous year.

REP. BROWN asked for additional discussion on the issue of capital gains. Mr. Johnson said that LFD does not have any electronic data on capital gains that helps the analysts identify where the gains came from. This is a critical issue and could be due to large land sales, for instance. He said that the problem faced by LFD is that there is significant number of returns filed that report capital gains but that the amount is given to LFD as an aggregate number and LFD does not have the resources to go to the Department of Revenue and break down the returns. He agreed that this would be good information for the legislators to have.

SEN. COCCHIARELLA said that she does not recall seeing the issue of retirement payments before and asked Mr. Johnson to explain. Mr. Johnson said that by statute, the State is required to make payments out of the general fund to the Police and Fire Retirement Accounts. The State Auditor forgot to make the payments by June 30th, so two payments will be made. SEN. COCCHIARELLA asked if the money comes from the insurance premium tax. Mr. Johnson said that was correct.

Legislative Council recessed for lunch until 1:15 p.m.

#### **BUDGET ITEMS -- KAREN BERGER AND SUSAN FOX**

Ms. Fox reviewed the price of a set of legislative proceedings (EXHIBIT #18). Ms. Fox said that prices for the 2007 session will have to be increased in order to cover costs. She also pointed out that orders have decreased, due to increased online availability.

REP. BROWN **moved** to approve the suggested prices for the 2007 session proceedings. The **motion passed** on a unanimous voice vote.

Ms. Fox presented the 2009 Biennium Operating Budgets: Program 20 Budget -- Legislative Services Division proposals (EXHIBIT #19) and Program 21 Budget -- Interim Committees and Activities proposals (EXHIBIT #20).

#### **TAPE 3 - SIDE B**

Ms. Fox noted that this proposal includes the PIO position and reviewed the language at the bottom of EXHIBIT #20 regarding a public information officer.

REP. WANZENRIED recommended that certain portions of the proposed budget be adopted separately. SEN. COCCHIARELLA disagreed and **moved** to adopt the Program 20 Budget (EXHIBIT #19) as proposed.

REP. WANZENRIED asked if New Proposal 2 - security and disaster recovery FTE - is a part of the State's program or if this is in addition to those measures. Ms. Berger said that this is a separate proposal and is for the Legislative Branch only. REP. WANZENRIED asked if a full time employee is necessary for this position. Mr. Trenk said this was a recommendation from the security assessment contractor. REP. WANZENRIED asked if other state agencies are doing this. Mr. Trenk said that several agencies already have security and disaster recovery officers. He said that from an IT perspective, security is a very troublesome issue and needs to be addressed.

REP. WANZENRIED asked to segregate the PIO position. He **moved** that the PIO not be included and said that he although he thought it was a good idea, other items take priority at this time. SEN. KEENAN clarified that REP. WANZENRIED's motion was a segregate motion to approve the Program 20 Budget with the exception of the PIO. REP. WANZENRIED said yes, that was his motion.

REP. BROWN supported REP. WANZENRIED's motion, saying that a PIO is not as high a priority as other items in the budget.

SEN. KEENAN said that SEN. HARRINGTON has SEN. WHEAT's proxy vote and that SEN. COCCHIARELLA has REP. CAMPBELL's proxy vote.

SEN. COCCHIARELLA said that she would not support the substitute motion because she thought that the Legislature is in desperate need of a strong public voice. She said that this issue has come before the Legislative Council many times and that it is time to try it.

REP. LANGE agreed with SEN. COCCHIARELLA and said that it is time to make a firm commitment on how to improve the stature of the Legislative Branch. He said that the Legislative Branch is the peoples house as such, needs to have a strong outreach to the public. Creating an information officer is a critical component of accomplishing this. Additionally, LSD has added very few FTE's while the workload has grown. LSD staff continues to perform all that is asked of it but the addition of a PIO is a badly needed improvement.

SEN. GEBHARDT asked what would happen if the position is created and a PIO hired, what would happen if the Council chose not to continue the position. Ms. Berger said that the person would have substantial employment rights and that the person's employment would be protected if the position was rified.

The **substitute motion to approve the proposed Program 20 budget with the exception of the PIO failed** on a 4-7 roll call vote. SEN. KEENAN, REP. WANZENRIED, REP. BERGREN, and REP. BROWN voted yes. (ATTACHMENT #4)

SEN. KEENAN said that SEN. COCCHIARELLA's original motion would be voted on. The original **motion to approve the proposed Program 20 budget, as is, passed** on a 10-1 roll call vote. SEN. KEENAN voted no. (ATTACHMENT #5)

REP. WANZENRIED **moved** to adopt the proposed Program 21 Budget with the exception of an additional interim committee. He asked to discuss that as a separate issue. The **motion passed** on a voice vote, SEN. COCCHIARELLA voted no.

REP. LANGE **moved** to add the proposal for an additional interim committee to the Program 21 budget.

REP. BROWN disagreed that an additional interim committee is needed and said that it will increase expenses and do little to help the process along. He said that he is frustrated with the interim committee model and that the end product is not particularly useful.

REP. LANGE said that he appreciated REP. BROWN's concerns but pointed out the work done by the Law and Justice Interim Committee in bringing forth the public defender legislation. He said that it was very important legislation and done well by the Committee, proving that the interim committee process does work. He recommended that the full Legislature be given the opportunity to debate this issue.

REP. WANZENRIED said that he would rather have the interim committees assigned fewer studies and get more quality work done completed.

SEN. GEBHARDT pointed out that many Senate members have to serve on more than one interim committee, while House members may not get to serve on a committee because of the

difference in membership numbers. He suggested having more Representatives assigned to the committees in order to alleviate the demands on the Senate members.

REP. LANGE's **motion to add an additional interim committee to Program 21 failed** on a 5 -6 roll call vote. SEN. GEBHARDT, SEN. HARRINGTON, SEN. WHEAT (proxy), REP. BROWN, REP. WANZENRIED, and SEN. KEENAN voted no. (ATTACHMENT #6)

### **Computer System Planning Council Proposal**

Ms. Fox said that with the previous action, the proposed budget items from the Planning Council were approved but that she would like a motion to approve the entire plan.

REP. WANZENRIED asked, regarding the last item in the IT present law budget (Page 39, EXHIBIT #13) if the Legislative Branch has to pay for access to state information in another branch of government. Mr. Trenk said that this is not to pay DOR for the information but for a contractor to design a system that would allow better access to the needed information. REP. WANZENRIED asked for further explanation. Mr. Trenk said that special programming is necessary to allow further access and that once information is accessed, it must be formatted for LFD use. REP. WANZENRIED asked if this is new and a one-time cost or if it will be an ongoing cost. Mr. Trenk said that it would be a one-time cost.

SEN. HARRINGTON **moved** to approve the Computer System Planning Council plan as presented. The **motion passed** on a unanimous voice vote.

SEN. KEENAN pointed out that the actions of the Council had approved a legislative request for an additional interim committee, as presented by Mr. Bohyer; but had also stripped the funding for the additional interim committee from the Program 21 budget. REP. WANZENRIED noted that several of the Council members did vote against the motion to approve the Committee.

Ms. Fox said that the Computer System Planning Council didn't make a recommendation for the \$50,000 pilot project to be put in the feed bill. She said that Leadership will determine what is in the feed bill but asked if Legislative Council wanted to make a recommendation regarding whether or not it wanted it included in the feed bill for 2007 session. SEN. KEENAN asked for discussion. None was given so no recommendation will be made.

### **SESSION UPDATES - CONTINUED**

**Stephen Maly, Helena Civic Television (HCTV), TVMT**, said that he is continuing his efforts to raise funds for broadcasting of legislative activities, including meeting with the Governor in pursuit of public funding. Mr. Maly said that while coverage capabilities within the Capitol building are rapidly increasing, his frustration is also increasing because only citizens in Helena are able to view coverage. Mr. Maly said that all Montana citizens would benefit from being able to view legislative proceedings.

Mr. Maly said that, in order to reach rural and urban customers, both satellite and telephone networks must be used. That would be an expensive venture and the cost, on a biennium basis, would range from \$250,000 - \$650,000 depending on the type of technology used and who is being paid to do it. Mr. Maly pointed out that even under the most expensive scenario, the cost per capita amounts to less than \$1 per year, which is a great benefit for a very low cost.

On a more positive note, Mr. Maly said that he has continued talking to the private sector and various associations about their willingness to underwrite transmission costs for the upcoming 2007 session in the hopes that the Legislature will choose to fund it with public money in future years.

Mr. Maly said that he will continue to work with Bresnan and VisioNet on how to connect but pointed out that it is difficult because the two companies are competitors and that both of them are in competition with DirectTV. He said that it may be possible that the two entities will cooperate if money is found to get the hardware and circuitry. Mr. Maly said that the Montana Association of Counties and the League of Cities and Towns are also working to provide gavel-to-gavel cable coverage of the 2007 legislative session for seven major cities in Montana.

Mr. Maly said that he planned to discuss his HCTV budget needs for the 2007 session with Ms. Fox because his production services for the session are included in the feed bill. He said that he would like some extra funding included in the feed bill to cover unexpected costs in order to make certain that the session is reaching everyone it can.

Mr. Maly said that there is a national push, stimulated by telephone companies that are anxious to get into the television business, to begin a major rewrite of the Federal Telecommunications Act, particularly regarding franchising. Mr. Maly said that if this is achieved, his operation is at risk because changes would affect how cable television engages itself at the local level with local government. He said that the telecommunications industry is also going state by state to pass legislation to create statewide franchises in lieu of local franchises. Mr. Maly said that there are good arguments for both sides but in the event that such a bill emerges in Montana, he would recommend that a statewide franchise be obligated to carry this type of public service programming.

Mr. Maly said that that federal grant funds to the Montana PBS will be ending soon and that the Montana system will be looking for replacement funding. He said that may be a good time for the State to explore the possibility of partnering with Montana PBS to combine services.

#### **TAPE 4 - SIDE A**

SEN. GEBHARDT asked how much would cost to put on the Internet. Mr. Maly said that he does not have an exact dollar figure but that the biggest expense in video streaming is purchasing the band width. He said that currently, HCTV is audio streaming 8-12 streams to the Internet so that portion is available, free of charge, to anyone who logs onto the Legislative Branch web pages. He pointed out that one drawback is that audio or video streamed proceedings are available only on a desk top computer and only in real time. This is not as convenient as broadcast proceedings, which can be taped for viewing at a later time. Mr. Maly noted that the Office of Public Instruction video streams House and Senate floor sessions to all Montana public schools. He also pointed out that although years away, the industry is slowly developing a protocol for viewing Internet transmission on home television screens.

SEN. KEENAN said that the 2001 Legislature appropriated \$300,000 to digitize public television. He asked if the conversion deadline of 2007 has been moved back. Mr. Maly said that the deadline has been extended to 2009 but that is not the issue. It is strictly transmission cost issues that is holding up the process.

SEN. COCCHIARELLA said that there is proposed legislation from an Alaskan Senator to deal with the push for a rewrite of the telecommunication law. She asked that bill is attempting to provide the same franchise fees to the local access channels to minimize the risk of losing local access channels. Mr. Maly said that this is a complex package and has been held up by other issues, such as Internet neutrality. He said that in his opinion, the legislation is a mixed bag, creating opportunity for some and difficulty for others.

SEN. COCCHIARELLA asked the telecommunications industry is successful in changing federal law, if a state could add a surcharge to telephone bills to fund broadcasting in Montana. Mr. Maly said that could be done and that other states that passed statewide franchising bills have already done so.

**Jeff Feiss, General Manager, Montana Telecommunications Association and HCTV Board Member**, said that there are great opportunities for the combination of media services in Montana. He said that Internet-based television service in Montana is just around the corner.

### **Dedication of Senate Art**

**Gena Ashmore, Project Manager for Senate Art, Montana Historical Society (MHS)**, said that the bronze artwork is being completed in Kalispell and is scheduled for installation in the Senate Chambers in early November. Ms. Ashmore said that MHS would like input from the Council regarding the dedication ceremony. She said that because the installation of original permanent artwork in the Capitol is a rare occurrence, the ceremony should be grand in scale with dignitaries and the public invited. She suggested that the ceremony be scheduled for the morning of November 27, before party caucuses but offered another option, which would be to wait until the Legislature convenes in early January.

Ms. Ashmore discussed the financial status of the project. She reported that all 25 silver medallions have been sold, 690 of 1,000 bronze medallions have been sold, and 40 of 75 bronze plaques have been sold, raising a total of \$190,000. The total project cost will be approximately \$295,000 and after installation, an additional \$86,000 will be incurred, for which MHS has no funds to pay. The Historical Society took out a \$50,000 loan at the beginning of this project, it will take out a \$30,000 loan against the Society's Art Acquisitions Fund, and the Lewis and Clark Bicentennial Commission has agreed to loan MHS another \$30,000, if available from its license plate sales. This means there will be \$110,000 in loans to repay. If the remaining medallions and moquettes are sold, an additional \$120,950 will be raised. The sales of medallions and moquettes have slowed down in the last several months and MHS is hoping that sales will increase when the monument is installed. Ms. Ashmore said that MHS is asking for financial assistance from Legislative Council to help pay for the installation, lighting costs, and the dedication ceremony. Ms. Ashmore said that the lighting design cost alone sharply increased from the original estimate of \$2500 to over \$12,000. She said that the project has been a challenge and full of unexpected expenses. Any help that can be given will be appreciated.

REP. WANZENRIED said the Legislature, when acting on this issue, was given assurances on a number of occasions that no state funding would be required to complete this project. He asked how MHS plans to repay the loans. Ms. Ashmore said the loans would be paid through moquette and medallion sales. REP. WANZENRIED asked how many of each are left to sell. Ms. Ashmore said that there are 35 moquettes and 390 medallions available for sale.

Regarding a dedication ceremony, SEN. KEENAN said that scheduling it on the party caucus day would not be a good choice. REP. LANGE agreed and said that the first day of the session, January 3, would be better. SEN. COCCHIARELLA agreed, saying that opening the 60th legislative session with the dedication would be a good way to commemorate the day, with families and public in attendance.

REP. WANZENRIED said that MHS has made a request of Legislative Council and asked if action is required. SEN. COCCHIARELLA **moved** that Legislative Council recommend to MHS that the dedication ceremony be scheduled for January 3, 2007. She said that the exact time could be set at a later date. The **motion passed** on a unanimous voice vote.

Ms. Ashmore said that the artwork will be paid for from the funds raised, as specified in the 2005 bill. She said that is the extra expenses of installation and lighting that MHS is asking for assistance with.

### **New Legislator Orientation**

Ms. Fox said that staff is working on this, as well as on training for new committee chairs. She said that input from the Council on both events would be appreciated.

Ms Fox reported that that the importance of preventative health care was emphasized by an NCSL training and said that flu shots will be available to legislators on several different dates.

### **EXECUTIVE DIRECTOR ITEMS**

Ms. Fox thanked the Council for hiring her as Executive Director. She said that it had been a very interesting two months and had learned a great deal. She said that she had been asked to identify her priorities as ED:

- training - session training and chair training (both session and interim) is critical, as is fiscal note training and session staff training;
- interim committee issues -- improve the interim committee process and propose certain changes to interim committee rules;
- pay for performance issue -- working with Kelly DaSilva, Human Resources Officer, LSD, and with focus groups to determine the best method for determining performance measures;
- improving the process for legislators, such as getting reimbursement for training; and
- public outreach -- committed to helping institution improve its image.

### **PUBLIC COMMENT**

None given.

### **ADJOURN**

With no further business before the Legislative Council, SEN. KEENAN adjourned the meeting. The next meeting of the Legislative Council will scheduled at a later date.

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