



Legislative Council

65th Montana Legislature

SENATE MEMBERS

FRED THOMAS--Chair
EDWARD BUTTREY
TOM FACEY
JP POMNICHOWSKI
SCOTT SALES
JON SESSO

HOUSE MEMBERS

JENNY ECK--Vice Chair
SETH BERGLEE
WYLIE GALT
AUSTIN KNUDSEN
SHANE MORIGEAU
CASEY SCHREINER

COMMITTEE STAFF

SUSAN FOX, Executive Director
TODD EVERTS, Legal Division Director
FONG HOM, Secretary

MINUTES LOG

Student Union Building, Copper Lounge
Montana Tech
Butte, Montana

May 23, 2018

Please note: This document is a Minutes Log and provides a notation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video record of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

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Please contact the Legislative Services Division at 406-444-3064 for more information.

COMMITTEE MEMBERS PRESENT

SEN. EDWARD BUTTREY
SEN. TOM FACEY
SEN. JP POMNICHOWSKI
SEN. SCOTT SALES
SEN. JON SESSO
SEN. FRED THOMAS

REP. SETH BERGLEE
REP. JENNY ECK
REP. WYLIE GALT
REP. AUSTIN KNUDSEN
REP. SHANE MORIGEAU
REP. CASEY SCHREINER

COMMITTEE MEMBERS EXCUSED

STAFF PRESENT

SUSAN BYORTH FOX, Executive Director
TODD EVERTS, Legal Director
FONG HOM, Committee Secretary

VISITORS' LIST ([Attachment 1](#))

AGENDA ([Attachment 2](#))

COMMITTEE ACTION

The Legislative Council took the following actions:

- voted against funding the Special Select Committee on State Settlement Accountability out of the Emerging Issues Account; and
- adopted the Proposed Optional Days for Training starting Thursday, January 3, 2019, with staff setting out an appropriate schedule for Friday, January 4, 2019.

CALL TO ORDER

00:00:01 Sen. Thomas called the meeting to order at 1:03 p.m. The secretary called roll.
([Attachment 3](#))

WELCOME

00:01:29 Sen. Sesso welcomed the committee to Butte, Montana.

00:03:21 Sen. Keane thanked the committee for coming to Butte, Montana.

COUNCIL BUSINESS

Division Updates - Susan Fox, Todd Everts

00:04:53 Ms. Fox introduced Susan Murray, Legislative Services Division.

00:05:34 Ms. Fox discussed the rollout of the Mindcentric's new email system.

00:06:30 Ms. Fox reported on the testing of the new vote system in the House.

Ballot Initiatives - Todd Everts, Legal Director

00:07:36 Mr. Everts ([Exhibit 1](#))

Committee Questions

00:08:25 Sen. Thomas asked about the deadline for accepting proposed referendums and initiatives.

Update on Special Select Committee on State Settlement Accountability

00:09:30 Ms. Fox discussed the Legislative Services Division's response to the Special Select Committee's request for funding. ([Exhibit 2](#))

00:10:32 Sen. Thomas discussed the letter from the Special Select Committee to the Legislative Council regarding the request for funding.

00:11:20 Sen. Sesso said that he has not seen a report and would ask for an alternative solution. Sen. Sesso said he is compelled to vote no on the allocation of funds from the Emerging Issues Account.

00:19:48 Rep. Knudsen said that he will encourage the Council to fund the Special Select Committee out of the Emerging Issues Account.

Motion

00:21:22 Rep. Knudsen moved to fund the Special Select Committee on State Settlement Accountability out of the Emerging Issues Account.

Substitute Motion

00:21:43 Sen. Facey moved for a substitute motion to authorize payment for the April 25th meeting costs, to not approve any further expenses, but bring the issue back up at the next Legislative Council meeting.

Discussion on the motion

00:22:57 Rep. Eck said she has concerns about the partisan nature of the process by which the Special Select Committee was formed. The Council needs to look at the issue and investigate it as a Legislative Branch.

00:25:27 Rep. Schreiner said that he will resist the motion only because it sets a bad precedent.

00:25:57 Rep. Knudsen said that he will vote no on the substitute motion.

Roll Call Vote

00:27:00 The substitute motion failed on a roll call vote, with 3 ayes and 9 nays.
(Attachment 4)

Discussion on original motion

00:28:51 Sen. Sales commented on why the Special Select Committee was formed and that the investigation into the settlements should be done before the 2019 session.

00:31:30 Rep. Schreiner said that he will resist the Rep. Knudsen's motion because the Special Select Commission would be duplicating the efforts of the Legislative Audit Committee.

00:33:49 Sen. Sesso said that he will resist the motion. He commented on the fact that the Legislative Audit Committee has the skills and experience to deal with this issue.

00:36:34 Sen. Thomas reminded the committee that this is a pursuit of public information and is simply an accounting adjustment. He urged the committee to vote yes on Rep. Knudsen's motion.

Roll Call Vote on Rep. Knudsen's motion

00:38:24 The motion failed on a tie vote, 6-6. **(Attachment 5)**

Orientation and Training Proposed Schedule - Susan Fox

00:40:34 Ms. Fox **(Exhibit 3)**

Committee Questions and Discussion

00:43:48 Sen. Sales discussed having two days of training before January 7, 2019.

00:44:31 Rep. Eck asked if the funds from the House and Senate were for session staff and legislator travel.

00:44:52 Ms. Fox said that she accounted for two days of salary, two days of per diem, and two nights of lodging.

00:47:32 Rep. Morigeau discussed training for freshman legislators.

00:54:38 Sen. Thomas discussed starting the process on Thursday and Friday as

proposed, and starting the session on the January 7, 2019.

Motion

00:55:54 Sen. Facey moved to adopt the Proposed Optional Days for Training the week before session starting on Thursday, January 3, 2019, with Ms. Fox conferring with Rep. Morigeau and others to figure out an appropriate schedule for Friday, January 4, 2019.

Discussion on the motion

00:56:40 Sen. Thomas asked if Sen. Facey would consider including in his motion the freshman-specific meetings as Rep. Morigeau suggested.

00:56:54 Sen. Pomnichowski discussed her concerns about accelerating the schedule. She said she will resist the motion.

00:59:10 Rep. Eck also has concerns about Lindsey Vroegindewey, House Chief Clerk, training her staff.

01:00:20 Sen. Thomas urged the committee to vote yes on Sen. Facey's motion.

Vote

01:01:21 The motion passed, 8-4, with Rep. Schreiner, Rep. Berglee, Sen. Sales, and Sen. Pomnichowski voting no.

Legislator Compensation Report

01:02:29 Sen. Buttrey reported on the Subcommittee on Legislator Compensation Pay meeting. He said that the subcommittee looked at options as described in LC9995 (**Exhibit 4**), and looked at the 5-state survey (**Exhibit 5**). The subcommittee also discussed meal rate reimbursement rates that was brought forth by the Montana Association of Counties (**Exhibit 6**).

01:07:20 Sen. Thomas asked Sen. Buttrey if the subcommittee had any recommendations for the Council.

01:07:57 Ms. Fox discussed the Internal Revenue Services' rules and said that further research on the legality and ramifications of the IRS rules will need to be done.

01:08:59 Sen. Sales said that the Legislature needs to issue a letter of understanding to the membership on what that money could be used for.

01:10:07 Sen. Buttrey said that the state prefers that receipts be submitted for purchases under the primary account.

01:10:52 Sen. Thomas asked if taxes are taken out of the first \$3,000.

01:11:06 Sen. Buttrey said that after the next legislative session, a better process could be adopted where money is not appropriated to pay taxes.

Motion

01:11:34 Sen. Buttrey moved to direct staff to draft a bill that would implement the primary and secondary account changes, change the name to Legislator Services Account, develop a policy that would pro-rate money for new legislators who replaces a departing legislator who would surrender any remaining money in their fund, and decide how to enforce any actions on someone who did

something wrong within the definitions of the rules.

Committee Discussion

- 01:12:36 Sen. Sesso asked about the second part of the presentation made by Sen. Buttrey and Rep. Morigeau regarding the meal reimbursement issue. He asked if that was a separate issue and not a part of the motion.
- 01:13:01 Sen. Buttrey said that he has two motions: one, direct staff to draft a bill for the constituent services account; and two, move forward with a bill draft utilizing the 5-state survey method for legislator compensation.
- 01:14:22 Sen. Sesso said that he had questions about the second motion and wanted to dispense with Sen. Buttrey's first motion.

Motion

- 01:15:57 Sen. Buttrey moved to direct staff to draft a bill utilizing the 5-state salary survey method for the Legislative Council's consideration.

Discussion on the motion

- 01:16:36 Sen. Sesso said he thought they were going to deal with LC9995 relative to the constituent services account as a first agenda item, and the second agenda item was the business of the 5-states on compensation. Sen. Sesso said that the 5-state survey method is related to compensation and asked about the meal reimbursement based off the federal rate.
- 01:17:37 Sen. Buttrey said that the Montana Association of Counties had requested that the subcommittee look at upgrading the meal reimbursement rate for all local and state employees.
- 01:17:43 Ms. Fox discussed the subcommittee's recommended option: Five-State Survey. **(Exhibit 5)**

Committee Questions

- 01:19:35 Sen. Sesso asked about factoring in the \$3,000.
- 01:19:40 Ms. Fox said that is a discussion that the committee should have because of a possible fiscal impact.
- 01:20:56 Sen. Thomas asked Ms. Fox if it would be possible to have this calculation done hypothetically with a couple of variations and bring that to the next Legislative Council meeting.
- 01:21:17 Rep. Berglee asked if these numbers include health care benefits.
- 01:22:16 Sen. Thomas asked about the meal reimbursement.
- 01:24:02 Ms. Fox discussed the fiscal note from House Bill 341.
- 01:26:00 Sen. Facey suggested disengaging the county commissioners, the school boards, and city councils from the state's reimbursement rate.
- 01:26:22 Sen. Sales agrees and doesn't understand why we would want to get involved in the county and city.
- 01:28:51 Sen. Sesso asked about the costs.

01:29:53 Sen. Thomas asked staff for more data.
01:30:51 Rep. Eck asked Sen. Buttrey about the third-party commission.
01:34:39 Rep. Schreiner said that he would like to keep the third-party compensation commission option open.
01:37:45 Sen. Buttrey discussed Article 5, section 5 of the constitution says that the Legislature cannot fix its own salary.
01:38:12 Rep. Morigeau agreed and said that we are a citizen legislature and have the right to be paid a reasonable salary.
01:39:19 Sen. Thomas said that after reviewing more data, the Council will make a recommendation to the Legislature at the next Council meeting.

Session Calendar Discussion

01:40:08 Ms. Fox discussed the issues of transmittal deadlines. [\(Exhibit 7\)](#)
01:41:26 Sen. Thomas said that Ms. Fox's suggestion for transmittal dates should be reviewed and said that the calendar discussion will happen at the May 24th meeting.

RECESS

01:42:44 Sen. Thomas recessed the meeting at 2:46 p.m., to reconvene at 9:00 a.m. on May 24, 2018.

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