

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By **CHAIRMAN LARRY JENT**, on January 21, 2005 at 8:00 A.M., in Room 455 Capitol.

ROLL CALL

Members Present:

Rep. Larry Jent, Chairman (D)
Rep. Dee L. Brown, Vice Chairman (R)
Rep. Veronica Small-Eastman, Vice Chairman (D)
Rep. Joan Andersen (R)
Rep. Mary Caferro (D)
Rep. Sue Dickenson (D)
Rep. Emelie Eaton (D)
Rep. Robin Hamilton (D)
Rep. Gordon R. Hendrick (R)
Rep. Teresa K. Henry (D)
Rep. Hal Jacobson (D)
Rep. William J. Jones (R)
Rep. Gary MacLaren (R)
Rep. Bruce Malcolm (R)
Rep. Bernie Olson (R)

Members Excused: Rep. Alan Olson (R)

Members Absent: None.

Staff Present: Sheri Heffelfinger, Legislative Branch
Marion Mood, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed. Tape stamp markers follow testimony.

Committee Business Summary:

Hearing & Date Posted: HB 30, 1/11/2005;
HB 234, 1/11/2005;
HB 241, 1/11/2005;
HB 256, 1/11/2005
Executive Action: HB 30; HB 155

HEARING ON HB 30**Opening Statement by Sponsor:**

REP. DAVID WANZENRIED (D), HD 97, opened the hearing on HB 30, Clarify legislator-elect pre-session payments. He stated that HB 30 was requested by the Legislative Council because technically, newly elected senators or representatives are not members until they are sworn in. This bill clarifies that they as well as returning House and Senate members are entitled to collect expenses prior to a legislative session.

Proponents' Testimony: None

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. HAL JACOBSON, HD 82, HELENA, ascertained that newly elected members of either chamber are not yet on the State's payroll.

REP. WANZENRIED affirmed this, adding that HB 30 merely clarifies what has been practiced for decades.

Closing by Sponsor:

REP. WANZENRIED closed.

HEARING ON HB 241**Opening Statement by Sponsor:**

REP. DAVID WANZENRIED (D), HD 97, opened the hearing on HB 241, Executive branch reorganization commission. He referred to his handout, Exhibit 1, which shows the accelerating growth of State agencies and the Montana Executive Branch; he noted that the tables do not include the Judicial or Legislative branches nor the university system. REP. WANZENRIED reviewed the history of government agencies with the Committee, adding that between 1985 and 2004, the Legislature has added 1885 positions. The bill proposes to establish a commission which would study ways to reorganize, streamline and reduce government as well as to improve services. HB 241 is meant to go hand-in-hand with Governor Schweitzer's proposed Efficiency Council.

EXHIBIT(sth16a01)

{Tape: 1; Side: A; Approx. Time Counter: 0 - 12.9}

Proponents' Testimony:

Hal Harper, Governor's Chief Policy Advisor, provided a page from the Budget Book which states that a sum of \$400,000 is available for the efficiency study promised by the Governor. Because of the large number of bill draft requests, he suggested that the efficiency study could be incorporated into HB 241; the make-up of the study committee would be similar to the one proposed in HB 241. **Mr. Harper** commented that since the transition phase, the Office had received a tremendous amount of input from citizens and State employees statewide on how to improve both efficiency and services of State government. Lastly, he emphasized that a similar study, and implementation of its recommendations, has saved the State of New Mexico millions of dollars.

EXHIBIT(sth16a02)

Opponents' Testimony: None

Informational Testimony:

Judy Edwards, Executive Director, Montana Consensus Council, stated that she had extensive conversations with the sponsor about the Council's role in this commission and offered the Council's assistance.

Questions from Committee Members and Responses:

VICE CHAIR DEE BROWN, HD 3, HUNGRY HORSE, asked Mr. Harper if the \$400,000 budgeted for the Governor's Efficiency Study could not be associated with the \$318,000 contained in the fiscal note for HB 241. **Mr. Harper** agreed.

{Tape: 1; Side: A; Approx. Time Counter: 12.9 - 19.3}

CHAIRMAN LARRY JENT, HD 64, BOZEMAN, surmised that information technology (IT) should be a top priority in the reorganization of state government. He asked whether the Governor had a plan with regard to the utilization and standardization of such technology; he referred to the POINTS disaster and stressed the importance of keeping communication open between agencies and government branches. **Mr. Harper** advised that the Chief Information Technology Officer, Department of Administration, is a highly paid and valuable member of the Administration, and his expertise and recommendations are critical to making IT available to all state agencies.

CHAIRMAN JENT contended that the Department of Health and Human Services (DPHHS) alone has four different fiscal bureaus besides having the largest number of employees of any agency; he asked whether it was the Governor's intent to eliminate departments or

bureaus and combine them with others if there was a duplication of functions, even if that meant a loss of jobs. **Mr. Harper** affirmed this.

REP. JACOBSON asked about the formation of two similar committees during Mr. Harper's tenure in the Legislature which he had mentioned in his testimony. **Mr. Harper** advised that they were not structured like the ones proposed here and they had different functions. One of them had been appointed solely by the Executive Branch; he added that neither one delivered the services or results which were promised and noted that the proposed commission will submit periodic reports to the Legislature.

{Tape: 1; Side: A; Approx. Time Counter: 19.3 - 24.5}

REP. SUE DICKENSON, HD 25, GREAT FALLS, referred to the considerable personnel increase in DPHHS and wondered why, on the other hand, many agencies are unable to provide the services required of them because they are understaffed. **REP. WANZENRIED** appreciated her question and stated that, unfortunately, the legislative session did not offer enough time to make sure that the money invested in FTE's actually provided the service they were meant to. He advocated spreading out the workload and giving the Appropriations Committee enough time to investigate the actual effects of vacancy savings, for instance.

REP. JACOBSON commented that having the Legislative Auditor as an *ex officio* member of the Governor's Efficiency Council was an excellent idea. He wondered how this would be interfaced with HB 241. **REP. WANZENRIED** replied that his bill did not include such a provision. HB 241 proposed to include an equal number of legislators from both parties but he was open to an amendment which would add an *ex officio* member who could come from either the Legislative Auditor or the Legislative Finance Division.

REP. JOAN ANDERSEN, HD 59, FROMBERG, surmised that this was going to be a time-consuming undertaking; she wondered if the work required would hamper the Legislative Auditor and the representative of the Finance Division in the performance of their regular duties. **REP. WANZENRIED** replied that he did not know but hoped that they would not perform one duty at the expense of the other.

REP. ANDERSEN asked whether the sponsor believed that this work could be completed within 18 months. **REP. WANZENRIED** advised that he was not proposing that all of this would be done within this time frame; the scope of the study would allow the examination of certain aspects of the Executive Branch. He compared it to the school funding problem, saying that not all of

the related issues could be resolved even during the 2007 or 2009 Sessions; what was important was an ongoing commitment to improve efficiency in government.

{Tape: 1; Side: B}

REP. ANDERSEN referred to the technical notes within the fiscal note and asked if this should be amended into the bill. **REP. WANZENRIED** stated it was up to the Committee to decide whether the director and staff should be exempt. He asked the Committee not to derail the ideas contained in HB 241 because of money issues; exempting these State employees would increase the cost.

REP. BERNIE OLSON, HD 10, LAKESIDE, observed that HB 241 was non-partisan whereas the Governor's proposal was quite partisan and asked the sponsor which he preferred. **REP. WANZENRIED** repeated the goal of the study and added that he had no preference with regard to its structure because it was only a small part in the overall purpose of his bill. He would not object if the Committee chose to further insulate it from political influence.

VICE CHAIR BROWN asked Mr. Harper if the Governor was firm with regard to the make-up of the Efficiency Council or if he would allow the structure outlined in HB 241. **Mr. Harper** contended that the issue of partisanship should not enter into this at all. He admitted that some people would disagree and say that the bill as written proposes that the Council be comprised almost entirely of legislators who are, in fact, partisan. As to the Efficiency Study Council, the Governor would appoint three people and the Legislature would appoint two from each chamber, and their party affiliation would not matter. The Efficiency Council is one of the Governor's commitments and pledges to the people. If the Legislature appointed some of their members only, it could be branded as a Legislative Study.

REP. GARY MACLAREN, HD 89, VICTOR, asked Mr. Harper how strongly he felt that this new proposal would accomplish the goal of a government review as opposed to HB 241. **Mr. Harper** advised that substantially more resources were available for the Governor's proposal. He asserted that the \$400,000, which would be called "minimal" by other states which had done such studies, would allow the job to be done properly and would result in a much better reorganization than under HB 241. He added that dovetailing the two would be ideal; any government reorganization should have efficiency and delivery of services as its number-one goal.

REP. MACLAREN inquired whether he meant to fashion just one bill out of the two. **Mr. Harper** indicated that he did, but that the

efficiency concept would have to be added to HB 241. **REP. MACLAREN** wondered how set the Governor was in making sure that all agencies were brought on board as far as IT systems. **Mr. Harper** replied that the Governor was willing to listen to agencies who may have a separate operating system; coming from the private sector, he was very much against the duplication of functions.

CHAIRMAN JENT surmised from testimony that the Governor's Efficiency Council should be the Reorganization Commission; this meant that the Committee would need a set of mutually agreeable amendments from REP. WANZENRIED and the Governor's Office as well as a re-written fiscal note before the Committee took Executive Action.

REP. JACOBSON wondered if the Governor would be amenable to creating a hybrid made up of members as suggested in HB 241, as well as some additional members who would be appointed by the Governor. **Mr. Harper** advised that both proposals called for nine-member commissions, except that under the Governor's proposal, the Lieutenant Governor would chair the commission and the Governor would appoint three at-large members. Either way, it was critical to have legislators involved.

REP. JACOBSON asked if the Governor would be open to include some members of the general public, noting that this was not part of HB 241. **Mr. Harper** opined that this brought up the issue of size and unwieldiness; both choices were for nine members because the group had to be small enough to get the work done. **REP. JACOBSON** suggested reducing the number of legislators so that members of the public could be included. **Mr. Harper** disagreed, saying that if the number of legislators was reduced to less than one member from each side of the aisle and each chamber, it would invite a host of questions and impair the perception about fairness.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 15.4}

REP. VERONICA SMALL-EASTMAN, HD 42, LODGE GRASS, inquired if the Commission could include two members of the human services departments. **Mr. Harper** contended that 11 members made the group unwieldy; he suggested that people with this kind of expertise could come in and offer their advice.

Closing by Sponsor:

REP. WANZENRIED closed.

{Tape: 1; Side: B; Approx. Time Counter: 15.4 - 19.4}

EXECUTIVE ACTION ON HB 30

Motion/Vote: REP. BROWN moved that HB 30 DO PASS. Motion carried unanimously by voice vote; REP. HENDRICK and A. OLSON voted aye by proxy.

Motion/Vote: REP. EATON moved that HB 30 BE PLACED ON THE CONSENT CALENDAR. Motion carried unanimously by voice vote; REP. HENDRICK and A. OLSON voted aye by proxy.

HEARING ON HB 234

Opening Statement by Sponsor:

REP. MICHAEL LANGE (R), HD 55, opened the hearing on HB 234, Protect privacy of veterans discharge records. HB 234 provides for the return of the original certificate of discharge to either the service member or his next of kin upon written request. He referred to a proposed amendment which corrects an oversight in the bill as written.

EXHIBIT(sth16a03)

Proponents' Testimony:

Joe Foster, Montana Veterans' Affairs Division, rose in support of HB 234 as amended.

Col. Jim Jacobsen, U.S. Army Retired, Legislative Chairman, American Legion, stood in support of HB 234, stating it enhanced current statute.

Dan Antonietti, Legislative Chairman, VFW, voiced his group's support for the bill.

Robert Throssell, Montana Association of Clerks and Recorders, gave an overview of the history behind HB 234 and the duties and functions of a Clerk and Recorder's Office. Mr. Throssell explained that "filing" involves storage of the original document and "recording," which is the more common practice, deals with indexing and storing documents on microfiche.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 3.3}

Opponents' Testimony: None

(REP. GORDON HENDRICK enters)

Questions from Committee Members and Responses:

VICE CHAIR BROWN stated the need for more clarification of the filing and recording process and asked the sponsor whether he was open to an amendment which would do that. **REP. LANGE** was not sure what the amendment should do but agreed to leave it up to the Committee. **VICE CHAIR BROWN** asked that when this bill became law, could her husband go to the local courthouse and request his original discharge record (DD 214). **REP. LANGE** confirmed this. **VICE CHAIR BROWN** surmised that this would not be the case for her father who was a veteran living in North Dakota. **REP. LANGE** agreed that this did not apply to other states.

Closing by Sponsor:

REP. LANGE closed.

{Tape: 2; Side: A; Approx. Time Counter: 3.3 - 7}

HEARING ON HB 256**Opening Statement by Sponsor:**

REP. CAROL JUNEAU (D), HD 16, opened the hearing on **HB 256**, Add caucus leader as officer of House and Senate. **REP. JUNEAU** advised that in past legislative sessions, House Democrats have always elected a caucus leader and even though no one was serving in this position this Session, she wanted to bestow leadership status on future caucus leaders in both chambers. She suggested amending HB 256 by adding "may include" after "... minority whip" which would give each party the choice of whether they wanted a caucus leader or not. A like change would have to be made on Line 15.

Proponents' Testimony: None

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. B. OLSON referred to Lines 17 and 18, asking if this related to party membership. **CHAIRMAN JENT** was quick to point out that it did not; he then apologized to the sponsor for being out of order. **REP. JUNEAU** advised that this language was added in by the bill drafter which made her think that it was merely clean-up language.

REP. B. OLSON stated that he was suspicious of having too many leaders and asked the sponsor why she wanted to add more leaders.

REP. JUNEAU felt it was important to expand leadership with regard to guiding the caucus, especially in light of term limits; it would also provide incentive to caucus members to fill those roles.

REP. GORDON HENDRICK, HD 14, SUPERIOR, asked if "may include" should also be added on Line 19, after "... minority whip"
REP. JUNEAU did not think it was necessary, which was confirmed by **Ms. Heffelfinger**.

REP. ANDERSEN wondered to what extent the duties of a caucus leader would change if he was afforded leadership status. **REP. JUNEAU** replied that the caucus leader facilitates the caucus meetings, leaving the whips available to do the work on the floor. **REP. ANDERSEN** repeated her question. **REP. JUNEAU** stated that this person would work closely with the leadership in getting out information and ensuring that everything ran smoothly.

CHAIRMAN JENT summarized the sponsor's duties as caucus leader in the 2003 Session as being precisely directed to the proper organization of an effective caucus meeting.

REP. DICKENSON commented that a caucus leader could be chosen without this law. **REP. JUNEAU** advised HB 256 would give leadership status and recognition to the caucus leader.

CHAIRMAN JENT observed that designating a leader gives him parity with other leaders and thus more clout.

Closing by Sponsor:

REP. JUNEAU closed.

(**CHAIRMAN JENT** proposed a ten minute break)

{Tape: 2; Side: A; Approx. Time Counter: 7 - 22.9}

EXECUTIVE ACTION ON HB 155

Motion/Vote: **REP. BROWN** moved that HB 155 DO PASS. Motion carried unanimously by voice vote; **REP. A. OLSON** and **REP. CAFERRO** voted aye by proxy.

Motion/Vote: **REP. MACLAREN** moved that HB 155 BE PLACED ON THE CONSENT CALENDAR. Motion carried unanimously by voice vote; **REP. A. OLSON** and **REP. CAFERRO** voted aye by proxy.

ADJOURNMENT

Adjournment: 10:00 A.M.

REP. LARRY JENT, Chairman

MARION MOOD, Secretary

LJ/mm

Additional Exhibits:

EXHIBIT ([sth16aad0.PDF](#))