

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION

Call to Order: By **CHAIRMAN JOHN SINRUD**, on January 26, 2005 at
8:00 A.M., in Room 317-B Capitol.

ROLL CALL

Members Present:

Rep. John Sinrud, Chairman (R)
Sen. Lane L. Larson, Vice Chairman (D)
Sen. Mike Cooney (D)
Sen. Rick Laible (R)
Sen. Corey Stapleton (R)
Rep. Janna Taylor (R)

Members Excused: Rep. Rosalie (Rosie) Buzzas (D)
Rep. Jon C. Sesso (D)

Members Absent: None.

Staff Present: Marilyn Daumiller, Legislative Branch
Greg DeWitt, Legislative Branch
Jamie Mickelson, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion
are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: Secretary of Stated Office,
Governor's Office, and Commissioner
of Political Practice
Executive Action: HB 2 on State Auditor, Secretary of
State Office, Governor's Office,
and Commissioner of Political
Practice

{Tape: 1; Side: A; Approx. Time Counter: 1.1 - 29.8}

HEARING AND EXECUTIVE ACTION FOR LEGISLATIVE BRANCH

General Government and Transportation

There was a call for public discussion by **REP SINRUD**. Many Representatives and Senators spoke on behalf of Pacific Northwest Economic Region (PNWER), National Conference of State Legislatures (NCSL), and Council of State Governments (CSG).

SEN. TESTER, REP. MATTHEWS, and SEN. BALES, started off the public comment urging the committee to pass the legislative budget and 4% increase.

[EXHIBIT\(jgh20a01\)](#)

[EXHIBIT\(jgh20a02\)](#)

SEN. ROUSH gave a brief explanation of Exhibit 3, PNWER. He stressed the importance of legislative involvement in this organization, as well as, it's benefits for the legislatures. He stated that the budget is asking for \$44,754 to pay the dues to send legislatures to participate in this organization annually.

[EXHIBIT\(jgh20a03\)](#)

REP. BUZZAS in at 8:20 A.M.

SEN. GILLIAN addressed the committee by stating that she had served as the chair of the legislative council and she wanted to share that the overall budget, excluding the new proposals, was brought before the legislative council and was approved unanimously.

SEN. ESP shared with the committee that he thought that the leadership council could encourage legislators to lodge and eat more cheaply. He also gave a brief explanation of Exhibit 4, which was Senate Bill 36.

[EXHIBIT\(jgh20a04\)](#)

SEN. TASH brought up Rivers Government and the benefits it has for Montana.

SEN. COONEY questioned if Rivers Government is a sub of CSG. **SEN. TASH** confirmed his question.

{Tape: 1; Side: B; Approx. Time Counter: 1 - 16.9}

Clayton Schenck LFD, Gave a brief presentation to the committee on **Exhibit 2**, the Legislative Branch Biennium Comparison. He explained to the committee that Table 5 is the Present Law which shows a 5% increase from FY 2005--FY 2007. He explained that Table 6 is New Proposals and a combination of both, Tables 5 and 6, is where the 4% for the biennium originates.

REP. BUZZAS questioned, "How are NSCL and CSG used by your staff?"

Clayton Schenck, LFD, stated, "We do not used CSG, but it is widely used for legislative participation. We use NCSL extensively. We use it when we get questions from people about what other states are currently doing with their finances, their budgets, or their government."

Scott Seacat stated that his office also uses NCSL frequently.

{Tape: 1; Side: B; Approx. Time Counter: 18 - 30}

Lois Menzies, Executive Director of LSD, said, "Compared with the Audit Division, we have a little more involvement with CSG than with NCSL, because with Program 21 we got funding CSG and not with NCSL. We probably are move involved with CSG, however NCSG is a wonderful program."

SEN. COONEY asked for clarification of cost for legislative dues to belong to NCSL. **Lois Menzies** stated that the dues are incorporated in the budget as Present Law for NCSL at \$184,397.

SEN. COONEY questioned, "What are the dues that we pay for safety?"

Lois Menzies replied, "We pay \$135,261."

SEN. COONEY questioned, "We are not paying anything for PNWER, are we?"

Lois Menzies replied, "No it is in the proposal."

SEN. COONEY asked, "Do we pay anything additionally to participate in River Government?"

Lois Menzies, LSD, responded, "No it is wrapped up in CSG; there is no additional charge." She continued her statement with stating that she needed to bring something to the committee's

attention that has been a bit of a sleeper in the budget. She continued with, "It was the amount of dues that we paid to the organization NCCUFSL, which stands for National Conference of Commissioners of Uniformed State Laws. We paid dues and participation for members to attend whom are not legislatures."

SEN. COONEY questioned, "What are the prices on the dues." **Lois Menzies** responded with the figure \$45,972. **SEN. COONEY** continued with the question, "Are we are looking at an additional \$45,000 for Pacific Northwest Economic Region (PNWER)?" **Lois Menzies** responded, "It included \$15,000 each FY for dues; in addition were costs for travel and registration." **SEN. COONEY** then responded, "That to participate in NCSL and CSG, we have to spend another \$79,652. This figure is almost \$80,000 divided between NCSL and CSG, I'm assuming that is all inclusive." **Karen Berger, Financial Services Management**, confirmed his statement.

REP. SINRUD questioned **Lois Menzies** whether or not legislators get benefit from the \$45,000. **Lois Menzies** stated that legislators do and it is statutory that they belong to this group, it is important to stay active. **REP. SINRUD** asked her why she doesn't send an active legislators instead of sending someone whom is not actively involved in the legislative process. **Lois Menzies** responded by stating that she is not sure and that she can do some research on that issue.

SEN. COONEY continued with his questioning of prices and dues for the legislative council and stated that it is an additional \$10,000 that does not go towards dues or travel. **Lois Menzies** confirmed his statement.

REP. BUZZAS asked, "Can you discuss how you use NCCUSL?" **Lois Menzies** addressed her question by stating, "the only staff that one might find that used NCCUSL are legal staff."

REP. BUZZAS left the meeting at 9:20 A.M.

There was a brief Presentation from **Scott Seacat, LAD**, On the Audit Division. The presentation included their current financial situation, promotions, pay raises, and how the division saved 26% within their budget, in the past year.

{Tape: 2; Side: A; Approx. Time Counter: 1 - 12.7}

REP. TAYLOR asked **Scott Seacat** how he saved 26%. **Scott Seacat** responded by stating that, "This is a classic example of where an agency saves money with retirement. Some very highly paid, competent, and skilled individuals retired this past year. I

don't think this is a bad thing, as a matter of fact I think that it is a good thing." **REP. TAYLOR** agreed with Scott Seacat.

SEN. LIABLE asked Scott Seacat for some clarification on how he promotes within his division. **Scott Seacat** responded by stating that he uses a merit-based pay plan. If his employees do their work well then they get a promotion, but if they don't do a good job, then they don't get promoted. Scott Seacat also made the comment that the pay raises for the promotions come from vacancy savings.

SEN. CURTIS gave a brief presentation on Exhibit 5, Pacific Northwest Economic Region News Letter and discussed the benefits of PNWER for the State of Montana.

EXHIBIT(jgh20a05)

REP. JENT gave a brief testimony to the committee of his involvement in NCSL and CSG. He is a strong supporter of NCSL and CSG. He believes that NCSL is a positive and powerful organization for the state of Montana.

{Tape: 2; Side: A; Approx. Time Counter: 17 - 27}

Present Law Adjustments

Motion: **SEN. LAIBLE**

Motion/Vote: **SEN. LAIBLE** moved that **BASE BUDGET STATEWIDE AND PRESENT LAW ADJUSTMENTS BE ADOPTED**. Motion Carried 8-0 unanimously by roll call vote. **REP. BUZZAS** voting by Proxy.

There was some discussion between **SEN. LIABLE** and the committee to lump all of the DP's together and take one vote. **SEN. COONEY** disagreed with that proposal. He thought that it would be better to vote on DP 51, DP 6, and DP 21 separately.

Motion/Vote: **SEN. LAIBLE** moved that **PROGRAM 20, 27, AND 28 DO PASS AS STATED**. Motion carried unanimously 8-0. By roll call vote. **REP. BUZZAS** voting by Proxy.

{Tape: 2; Side: B; Approx. Time Counter: 1 - 7}

SEN. COONEY asked the committee members to be mindful of what they are voting on and he didn't agree on spending nearly \$500,000 on participation and membership dues. He also emphasized that NCSL is where the legislators and the state would get the most out of their money.

SEN. STAPLETON addressed his concern for spending \$45,000 per year on Program Operations and for participation in CSG.

REP. TAYLOR questioned **REP. SINRUD** about the amount of **REP. KEANE'S** travel bill in the appropriations committee. **REP. SINRUD** responded with the figure \$350,000 for legislators to attend meetings. There was some discussion between **REP. TAYLOR** and **SEN. COONEY** about whether it is better to pass **REP. KEANE'S** bill, or to approve the General Government and Transportation decision packages.

Lois Menzies stressed the importance of legislator participation in CSG, NCSL, and PNER, for legislators to be well informed and trained on how to make the best decisions for their constituents.

REP. BUZZAS asked **Lois Menzies** how the members of the Legislature are selected to participate in CSG, NCSL, and PNER. **Lois Menzies** responded by stating the Legislative Council are the ones responsible for selecting the legislators to attend the conferences.

REP. SINRUD commented that the committee needs to proceed forward and make a motion for DP 21.

Motion/Vote: **SEN. LAIBLE** moved that **PROGRAM 21 AS LISTED DO PASS**. Motion Carried 5-3. By roll call vote with **SEN. COONEY**, **REP. SESSO**, and **SEN. STAPLETON** voting no.

{Tape: 2; Side: B; Approx. Time Counter: 7 - 26.5}

Secretary of State Office

Brad Johnson, Secretary of State, gave a brief presentation of Exhibit 6, a packet on the Secretary of State. In his presentation he gave an office overview and an enterprise funding model. He also encouraged questions from the committee to the staff members of the Secretary of State Office. He also handed out a pamphlet labeled, A Guide to the Montana Secretary of State's On-line Services, Exhibit 7. He then introduced **Mark Simonich, Chief Policy Advisor for the Secretary of State**.

Mark Simonich explained to the committee how the Secretary of State's Office is funded. He continued with the statement, "It is through an enterprise property fund and this office operates specifically on fees that are collected through the service bureau." He was before the committee asking them for the authority to spend money within the Secretary of States Office for the Help America Vote Act.

[EXHIBIT\(jgh20a06\)](#)

[EXHIBIT\(jgh20a07\)](#)

Charlie Robison, Deputy for the HAVA Program (Help America Vote Act), gave a brief presentation on Pages 27-30 of Exhibit 6. He discussed the program's goals and accomplishments pertaining to electronic voting machines.

Mark Simonich continued a discussion with the committee on Decision Package 1 on Page 40 of **Exhibit 6**. **SEN. LARSON** asked, "Has there has been any requests in the HAVA Act, such as the ability to register and vote on election day?" **Mark Simonich** replied with the statement, "I am aware of the requests, but there has not been any changes in the HAVA Act yet."

SEN. COONEY questioned **Mark Simonich** whether or not the HAVA Act actually needed the entire \$5,469,529 to implement electronic voting system. **Mark Simonich** responded that the HAVA Act needs about half of those figures to install the program software and the remainder of the money is for maintenance of program.

Greg Dewitt, LFD, addressed the committee with a short statement that they don't have to approve the rates or the base but only DP 1, Exhibit 8, because on Page A-74 and A-75 of the LFD Budget Analysis, there is a zero base. The reason there is a zero base, is because last session it was funded with a budget amendment.

[EXHIBIT\(jgh20a08\)](#)

Motion/Vote: **SEN. LAIBLE** moved TO APPROVE DP-1 BE ADOPTED.

Motion carried 8-0 by roll call vote. **REP. BUZZAS** voting AYE by Proxy.

Motion/Vote: **SEN. LAIBLE** moved to CLOSE THE SECRETARY OF STATE SECTION. Motion carried 8-0 by roll call vote. **REP. BUZZAS** voting by Proxy.

{Tape: 3; Side: A; Approx. Time Counter: 1 - 5}

HEARING AND EXECUTIVE ACTION

ON COMMISSIONER OF POLITICAL PRACTICES

Gordon Higgins, Commissioner of Political Practices, gave a brief explanation to the committee on the structure of his office. He also reviewed Exhibit 9, the History of the Commissioner of Political Practices handout and Exhibit 10, Uniform State Law of Commissioners. He gave a brief overview of Pages A-83 thru A-85 and DP 1 and DP 2 in the LFD, Budget Analysis. He explained the \$15,000 increase over the last biennium that his office is requesting.

EXHIBIT(jgh20a09)

EXHIBIT(jgh20a10)

Base and Present Law Adjustments

Motion/Vote: SEN. LAIBLE moved APPROVE BASE AND PRESENT LAW ADJUSTMENTS. Motion carried 8-0 by roll call vote. REP. BUZZAS voting by Proxy.

Motion/Vote: SEN. LAIBLE moved that DP 1 BE ADOPTED AS ONE-TIME-ONLY BE ADOPTED. Motion carried 8-0 by roll call vote. REP. BUZZAS voting by Proxy

REP. SINRUD suggested to the committee that there are no votes on DP 2 to allow for the \$32,000 to go back into the budget. There were no objections from the committee.

REP. SINRUD had a discussion with **Gordon Higgins, Commissioner**, on ethics practices and how much it would cost to insulate his office and make it a safe place for state workers, including software and security.

Dulcy Hubbert, Administrator at the Commissioner of Political Practices, responded to REP. SINRUD with the statement, "The cost would be between \$40,000 and \$50,000 for setup costs and an additional \$5,000 to \$7,000 per year for maintenance."

REP. SESSO agreed with REP. SINRUD that the subcommittee should not vote on DP 2, because he believed that in order for the Commissioner of Public Practices to do an effective job, they need the \$32,000 to go back into the budget.

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Motion/Vote: SEN. LAIBLE moved to CLOSE THE COMMISSIONER OF
POLITICAL PRACTICES SECTION. Motion carried 8-0 by roll call
vote. REP. BUZZAS voting by Proxy.

REP. SINRUD closed the meeting and gave the committee the
schedule for the following day.

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ADJOURNMENT

Adjournment: 11:20 A.M.

REP. JOHN SINRUD, Chairman

JAMIE MICKELSON, Secretary

JS/JM

Additional Exhibits:

EXHIBIT ([jgh20aad0.PDF](#))