

**MONTANA SENATE
2005 LEGISLATURE**

ROLL CALL

FINANCE AND CLAIMS

DATE April 15, 2005

NAMES	PRESENT	ABSENT	EXCUSED
SEN. MIKE COONEY (D), CHAIRMAN	✓		
SEN. TRUDI SCHMIDT (D), VICE CHAIRWOMAN	✓		
SEN. KEITH BALES (R)	✓		
SEN. GREGORY BARKUS (R)	✓		
SEN. JOHN BRUEGGEMAN (R)	✓		
SEN. JOHN COBB (R)	✓		
SEN. JOHN ESP (R)	✓		
SEN. STEVE GALLUS (D)			
SEN. KEN HANSEN (D)	✓		
SEN. BOB HAWKS (D)	✓		
SEN. BOB KEENAN (R)	✓		
SEN. RICK LAIBLE (R)	✓		
SEN. LANE LARSON (D)	✓		
SEN. GREG LIND (D)	✓		
SEN. DON RYAN (D)	✓		
SEN. COREY STAPLETON (R)	✓		
SEN. JON TESTER (D)	✓		
SEN. DAN WEINBERG (D)	✓		
SEN. CAROL WILLIAMS (D)	✓		
TARYN PURDY, LSD	✓		
PRUDENCE GILDROY, COMMITTEE SECRETARY	✓		



SENATE STANDING COMMITTEE REPORT

April 15, 2005

Page 1 of 1

Mr. President:

We, your committee on **Finance and Claims** recommend that **Senate Bill 526** (first reading copy -- white) **do pass**.

Signed:

A handwritten signature in cursive script that reads "Mike Cooney".

Senator Mike Cooney, Chair

- END -

Committee Vote:
Yes 12, No 7.

811333SC.ssc

Handwritten initials, possibly "JC", in the bottom right corner.



SENATE STANDING COMMITTEE REPORT

April 15, 2005

Page 1 of 1

Mr. President:

We, your committee on **Finance and Claims** recommend that **House Bill 60** (third reading copy -- blue) be concurred in.

Signed:


Senator Mike Cooney, Chair

To be carried by Senator Duane Grimes

- END -

Committee Vote:
Yes 14, No 0.

811334SC.ssc





SENATE STANDING COMMITTEE REPORT

April 15, 2005

Page 1 of 1

Mr. President:

We, your committee on **Finance and Claims** recommend that **House Bill 482** (third reading copy -- blue) be concurred in.

Signed:

A handwritten signature in cursive script, appearing to read "Mike Cooney".

Senator Mike Cooney, Chair

To be carried by Senator Ken (Kim) Hansen

- END -

Committee Vote:
Yes 14, No 0.

811335SC.ssc

Handwritten initials, possibly "KH", in the bottom right corner.



SENATE STANDING COMMITTEE REPORT

April 15, 2005

Page 1 of 1

Mr. President:

We, your committee on **Finance and Claims** recommend that **House Bill 249** (third reading copy -- blue) be concurred in.

Signed: 

Senator Mike Cooney, Chair

To be carried by Senator Jon Tester

- END -

Committee Vote:
Yes 11, No 8.

811336SC.ssc

Handwritten initials, possibly "KJ", in the bottom right corner.



SENATE STANDING COMMITTEE REPORT

April 15, 2005

Page 1 of 1

Mr. President:

We, your committee on **Finance and Claims** recommend that **House Bill 761** (third reading copy -- blue) **be concurred in.**

Signed:

A handwritten signature in cursive script, appearing to read "Mike Cooney".

Senator Mike Cooney, Chair

To be carried by Senator Steven Gallus

- END -

Committee Vote:
Yes 10, No 6.

811337SC.ssc

Handwritten initials, possibly "KH", in the bottom right corner.



SENATE STANDING COMMITTEE REPORT

April 15, 2005

Page 1 of 1

Mr. President:

We, your committee on **Finance and Claims** recommend that **House Bill 740** (third reading copy -- blue) be concurred in.

Signed:

A handwritten signature in cursive script, appearing to read "Mike Cooney".

Senator Mike Cooney, Chair

To be carried by Senator Aubyn Curtiss

- END -

Committee Vote:
Yes 16, No 0.

811338SC.ssc

Handwritten initials, possibly "KA", in the bottom right corner.



SENATE STANDING COMMITTEE REPORT

April 15, 2005

Page 1 of 1

Mr. President:

We, your committee on **Finance and Claims** recommend that **House Bill 713** (third reading copy -- blue) be concurred in as amended.

Signed:

A handwritten signature in cursive script, appearing to read "Mike Cooney".

Senator Mike Cooney, Chair

To be carried by Senator Trudi Schmidt

And, that such amendments read:

1. Title, page 1, line 8.

Following: "AN"

Insert: "IMMEDIATE"

2. Page 1, line 13.

Strike: "\$250,000"

Insert: "\$100,000"

3. Page 1, line 23.

Following: "effective"

Strike: "July 1, 2005"

Insert: "on passage and approval"

- END -

Committee Vote:

Yes 11, No 8.

811339SC.ssc

Handwritten initials, possibly "RF", in the bottom right corner.



SENATE STANDING COMMITTEE REPORT

April 15, 2005

Page 1 of 1

Mr. President:

We, your committee on **Finance and Claims** recommend that **House Bill 28** (third reading copy -- blue) be concurred in.

Signed:

A handwritten signature in cursive script that reads "Mike Cooney".

Senator Mike Cooney, Chair

To be carried by Senator John Brueggeman

- END -

Committee Vote:
Yes 11, No 4.

811340SC.ssc

Handwritten initials, possibly "JF", in the bottom right corner.

**MONTANA STATE SENATE
2005 LEGISLATURE**

ROLL CALL VOTE

FINANCE AND CLAIMS

DATE April 15 BILL NO. SB 524 NUMBER 6-13 fails

MOTION Conceptual amendment strike 14

NAME	AYE	NO
SEN. MIKE COONEY (D), CHAIRMAN		✓
SEN. TRUDI SCHMIDT (D), VICE CHAIRWOMAN		✓
SEN. KEITH BALES (R)	✓	
SEN. GREGORY BARKUS (R)	✓	
SEN. JOHN BRUEGGEMAN (R)	✓	
SEN. JOHN COBB (R)		✓
SEN. JOHN ESP (R)	✓	
SEN. STEVE GALLUS (D)		✓
SEN. KEN HANSEN (D)		✓
SEN. BOB HAWKS (D)		✓
SEN. BOB KEENAN (R)		✓
SEN. RICK LAIBLE (R)	✓	
SEN. LANE LARSON (D)		✓
SEN. GREG LIND (D)		✓
SEN. DON RYAN (D)		✓
SEN. COREY STAPLETON (R)	✓	
SEN. JON TESTER (D)		✓
SEN. DAN WEINBERG (D)		✓
SEN. CAROL WILLIAMS (D)		✓

**MONTANA STATE SENATE
2005 LEGISLATURE**

ROLL CALL VOTE

FINANCE AND CLAIMS

DATE April 15 BILL NO. SB 526 NUMBER 7-12 funds

MOTION 52601. a SP

NAME	AYE	NO
SEN. MIKE COONEY (D), CHAIRMAN		✓
SEN. TRUDI SCHMIDT (D), VICE CHAIRWOMAN		✓
SEN. KEITH BALES (R)	✓	
SEN. GREGORY BARKUS (R)	✓	
SEN. JOHN BRUEGGEMAN (R)	✓	
SEN. JOHN COBB (R)		✓
SEN. JOHN ESP (R)	✓	
SEN. STEVE GALLUS (D)		✓
SEN. KEN HANSEN (D)		✓
SEN. BOB HAWKS (D)		✓
SEN. BOB KEENAN (R)		
SEN. RICK LAIBLE (R)	✓	
SEN. LANE LARSON (D)		✓
SEN. GREG LIND (D)		✓
SEN. DON RYAN (D)		✓
SEN. COREY STAPLETON (R)	✓	
SEN. JON TESTER (D)		✓
SEN. DAN WEINBERG (D)		✓
SEN. CAROL WILLIAMS (D)		✓

MONTANA STATE SENATE
2005 LEGISLATURE

ROLL CALL VOTE

FINANCE AND CLAIMS

DATE 4-15-05 BILL NO. SB 526 NUMBER 12-7 *various*

MOTION No Pass

NAME	AYE	NO
SEN. MIKE COONEY (D), CHAIRMAN	✓	
SEN. TRUDI SCHMIDT (D), VICE CHAIRWOMAN	✓	
SEN. KEITH BALES (R)		✓
SEN. GREGORY BARKUS (R)		✓
SEN. JOHN BRUEGEMAN (R)		✓
SEN. JOHN COBB (R)	✓	
SEN. JOHN ESP (R)		✓
SEN. STEVE GALLUS (D)	✓	
SEN. KEN HANSEN (D)	✓	
SEN. BOB HAWKS (D)	✓	
SEN. BOB KEENAN (R)		✓
SEN. RICK LAIBLE (R)		✓
SEN. LANE LARSON (D)	✓	
SEN. GREG LIND (D)	✓	
SEN. DON RYAN (D)	✓	
SEN. COREY STAPLETON (R)		✓
SEN. JON TESTER (D)	✓	
SEN. DAN WEINBERG (D)	✓	
SEN. CAROL WILLIAMS (D)	✓	

MONTANA STATE SENATE
2005 LEGISLATURE

ROLL CALL VOTE

FINANCE AND CLAIMS

DATE 4-15 BILL NO. HB 249 NUMBER 11-8 carries

MOTION Concur

NAME	AYE	NO
SEN. MIKE COONEY (D), CHAIRMAN	✓	
SEN. TRUDI SCHMIDT (D), VICE CHAIRWOMAN	✓	
SEN. KEITH BALES (R)		✓
SEN. GREGORY BARKUS (R)		✓
SEN. JOHN BRUEGGEMAN (R) P	✓	
SEN. JOHN COBB (R)		✓
SEN. JOHN ESP (R) P		✓
SEN. STEVE CALLUS (D) P	✓	
SEN. KEN HANSEN (D)	✓	
SEN. BOB HAWKS (D)		✓
SEN. BOB KEENAN (R)		✓
SEN. RICK LAIBLE (R)		✓
SEN. LANE LARSON (D)		
SEN. GREG LIND (D)	✓	
SEN. DON RYAN (D)	✓	
SEN. COREY STAPLETON (R) P	✓	✓
SEN. JON TESTER (D) P	✓	
SEN. DAN WEINBERG (D) P	✓	
SEN. CAROL WILLIAMS (D)	✓	

MONTANA STATE SENATE
2005 LEGISLATURE

ROLL CALL VOTE

FINANCE AND CLAIMS

DATE 4-15 BILL NO. HB 713 NUMBER 15-4 casinos

MOTION 250,000 to 100,000 amend

NAME	AYE	NO
SEN. MIKE COONEY (D), CHAIRMAN	✓	
SEN. TRUDI SCHMIDT (D), VICE CHAIRWOMAN	✓	
SEN. KEITH BALES (R)	✓	
SEN. GREGORY BARKUS (R)	✓	
SEN. JOHN BRUEGGEMAN (R)	✓	
SEN. JOHN COBB (R)	✓	
SEN. JOHN ESP (R)		✓
SEN. STEVE GALLUS (D)	✓	
SEN. KEN HANSEN (D)	✓	
SEN. BOB HAWKS (D)	✓	
SEN. BOB KEENAN (R)	✓	
SEN. RICK LAIBLE (R)		✓
SEN. LANE LARSON (D)	✓	
SEN. GREG LIND (D)	✓	
SEN. DON RYAN (D)		✓
SEN. COREY STAPLETON (R)		✓
SEN. JON TESTER (D)	?	✓
SEN. DAN WEINBERG (D)	✓	
SEN. CAROL WILLIAMS (D)	✓	

MONTANA STATE SENATE
2005 LEGISLATURE

ROLL CALL VOTE

FINANCE AND CLAIMS

DATE 4-12-05 BILL NO. HB 713 NUMBER 11-8 carries

MOTION Concess as amended

NAME	AYE	NO
SEN. MIKE COONEY (D), CHAIRMAN	✓	
SEN. TRUDI SCHMIDT (D), VICE CHAIRWOMAN	✓	
SEN. KEITH BALES (R)		✓
SEN. GREGORY BARKUS (R)		✓
SEN. JOHN BRUEGGEMAN (R)	✓	
SEN. JOHN COBB (R)		✓
SEN. JOHN ESP (R)		✓
SEN. STEVE CALLUS (D)	✓	
SEN. KEN HANSEN (D)	✓	
SEN. BOB HAWKS (D)	✓	
SEN. BOB KEENAN (R)		✓
SEN. RICK LAIBLE (R)	✓	
SEN. LANE LARSON (D)		✓
SEN. GREG LIND (D)	✓	
SEN. DON RYAN (D)	✓	
SEN. COREY STAPLETON (R)		✓
SEN. JON TESTER (D)	✓	
SEN. DAN WEINBERG (D)		✓
SEN. CAROL WILLIAMS (D)	✓	
	11	8

PROXY VOTE

I, the undersigned, hereby authorize Senator Schmidt to

vote my proxy on any issue before the Senate Finance

Committee held on 4/15/05, 2005.

<u>conceptual amend</u>	<u>52601. AgP</u>	<u>SB526</u>	<u>HB249</u>	<u>HB 7 Amendment</u>
no	no	yes	yes	

Ryan
SENATOR
STATE OF MONTANA

PROXY VOTE

I, the undersigned, hereby authorize Senator Williams ms028
Schmidt to

vote my proxy on any issue before the Senate Finance

Committee held on 4/15/05, 2005.

52601. AGP
no

SB526
yes

~~SB~~ HB249
yes

HB 713 Amendment
~~passed~~ yes

HB 713 71303. AGP
yes

HB 713

yes

reconsider 28 yes

Jim Tuto
SENATOR
STATE OF MONTANA

PROXY VOTE

I, the undersigned, hereby authorize Senator Williams to

vote my proxy on any issue before the Senate Finance

Committee held on 4/15/05, 2005.

yes
reconsider 28

Schmidt
SENATOR
STATE OF MONTANA

PROXY VOTE

I, the undersigned, hereby authorize Senator Schmidt to

vote my proxy on any issue before the Senate Finance

Committee held on 4/15/05, 2005.

① Conceptual Statement
no ~~SB 526~~ SB 526

[Signature]
SENATOR
STATE OF MONTANA

PROXY VOTE

I, the undersigned, hereby authorize Senator Schmidt to
vote my proxy on any issue before the Senate Finance

Committee held on 4/15/05, 2005.

Conceptual
Amendment
no

amendment
S2601. app
no

Steve Gralle
SENATOR
STATE OF MONTANA

April 17, 2005

Dear, Rep. Golie, HD 48: and Montana Legislature

Testimony by John Smart on HB 540

Thanks for the response. Ironically, none of the Helena Legislators I have contacted have responded. I attended the combined Senate and House conference committee on April 15th, 2005 and the dinosaur museum was accepted, not rejected, as an amendment as indicated in the current posted status of the bill. However, you stated, "From what I understand the conference committee took out the funding for the dinosaur museum". The House then voted to accept the amendment including the dinosaur museum. I had never expressed any opinion over the small funds associated with the dinosaur museum. Perhaps you did not receive the actual results, although the committee ended by 9:30 A.M. Your email to me was 4:41 P.M.

current bill: <http://data.opi.state.mt.us/bills/2005/billhtml/HB0540.htm>

If you check the current status of the bill, the dinosaur museum amendment requested by Sen. Kirtzenberg in committee was then approved in the house April 16th by a vote of 87 yes and 12 no. The funding amount was \$500,000. This is a rather modest sum of money they have wanted up there for a long time. I submitted extensive written testimony to the committee at that time requesting that the MHS rider be withdrawn..

Please note that the Montana Historical Society Capital Museum renovation and relocation plan which had failed earlier in the session is still on HB 540. This was supposed to be a bill for our very needy and productive technical colleges. The Great Falls Tech funding was then cut by \$5,000,000, the Billings Tech budget cut by \$500,000 and Montana Tech cut by \$1,000,000. In the Senate Finance Committee hearing it was seriously questioned as to why the MHS project was even on this technical college bonding bill.

My position, which I have supported with over 40 pages of documentation given to the Senate Finance Committee is that the MHS building is not necessary and a very risky plan for the following reasons. I also distributed other related information as early as the 21st of March.

1. The alleged need for more museum space to show the Scriver Collection (mainly Western Art) and Poindexter Collection (abstract art collection that has been shown via the MHS off and on for decades) is a fallacy in my experienced opinion. The old temporary F.J. Haynes exhibition space within the current MHS building is more than enough space to put the Scriver and Poindexter collection on display. An addition could also be built if they really have need for more space. Most museums limit their collections and nearly all require generous private support.

2. The Montana History Foundation has built a "Scriver Building" near the Forest Service facility by the freeway at the Cedar exist which has storage space. It was built with Federal funds and is now leased back to the Montana Historical Society for about \$90,000 per year although the mission of the Foundation is to help the Society. The state taxpayers are paying for the rental of this building.

Originally, the building was to be open to the public with Scriver materials available to the public to enjoy. It is currently locked up and not open to the public. In my opinion, according to MHS sources, there is still storage space in that building although the Society claims that it needs both more exhibition space and storage space. This apparent myth has been generated by the Society and the Foundation through numerous poorly researched articles in the Independent Record. The Foundation should be completely audited before proceeding in terms of handling funds and their ability to raise money. Check this one report.

3. The \$7,500,000 in the bill for the MHS Mall Project is merely a down payment on the MHS Mall Museum plan. The final cost could be as high as \$60 Million and more in the future. Nobody knows as nobody has researched the problems in terms of asbestos, renovation costs and engineering for earthquake

(2)

resistance...etc.. The Capital Mall managers were fined by D.E.Q. \$1,740 for violating the Asbestos Act last fall. If the building is dismantled or museum renovation is done, asbestos could be in many parts of the structure. This could make the building an economic liability and perhaps that is why it is for sale along with increasing competition from all of the new large super center stores to the east of town and on north Montana Ave.

4. The building is also an earthquake liability as it is the old location of the old Intermountain College that was destroyed in the 1935 quake and then relocated as Rocky Mountain College. Please note the following information from The Montana Department of Mines and Geology that places the earthquake epicenter of energy effects, which is hard to predict at best, but near to the Capital Mall in the past.

<http://formontana.net/iron.html>

The Capital Mall building's condition and engineering has not been studied for extensive asbestos liabilities or it's ability to survive a major quake. Unfortunately, as many citizens and scientists know we are in a major quake zone and historically overdue for a powerful quake. Some merely ignore this knowledge. Once the Capital Mall is unloaded on the state (purchased or by a binding agreement entered into) we are stuck with it and the unknown consequences in perpetuity including the increased operating expenses of a larger building and possibly larger staff. The seismic problems in this region are still unknown with little study although we do know what parts of Helena were worst damage in 1935.

Please check this USGS Documentation on earth earthquake probability:

<http://eqint.cr.usgs.gov/eq/cgi-bin/eqprob.cgi>

And:

<http://formontana.net/iron.html> (showing earthquake epicenters near the current Capital Mall)

Additional information:

This excerpted from Helena I.R., Nov. 1, 1935;

Note that the Intermountain Union College buildings were all of NEW construction, and that construction faults were not blamed for damage; it was the SITE that left the buildings unable to withstand the tremors.

Intermountain Union college, established 11 years ago by a union of Montana Wesleyan college with the old College of Montana of Deer Lodge, saw its three buildings almost entirely wrecked. New holes came in the walls of the gymnasium completed only last winter and Helena hall and Mills hall, classroom and dormitory buildings, were declared unsafe. College officials were to decide today whether to move the institution to Great Falls or to close it. It had been reopened in the First Presbyterian church only Tuesday.

And this.....Note that this recent report commissioned through the USGS states that, "all regions [in SW Montana] that have produced historic earthquakes remain seismically active."

If the churches would not relocate ANYTHING again on their otherwise-valuable

(3)

property after the college buildings collapsed, we might ask why? And if not the churches (which have faith), then why the State? Is there an insurance risk-profile of this property for seismic?

Seismic Source Zones in Southwest Montana

USGS Award No.: 1434-95-G-2628

Michael C. Stickney
Montana Bureau of Mines and Geology
Montana Tech of The University of Montana
1300 W Park St
Butte MT 59701

Tel: 406-496-4332

Program Element: II.2

Non-Technical Project Summary

Montana's damaging historic earthquakes all occurred more than 38 years ago, before modern seismic instrumentation existed. Only one historic earthquake produced surface faulting. Thus the character and extent of faults that caused significant damage and casualties--such as the 1935 Helena earthquakes--remain unknown. However, all regions that have produced historic earthquakes remain seismically active. To better understand source zones of damaging earthquakes and other seismically active areas, data from over 12,000 earthquakes collected by the Montana Bureau of Mines and Geology since 1982 were re-analyzed using an improved crustal velocity model. Epicenter distributions and fault plane solutions were utilized to infer the orientations of tectonic stresses responsible seismicity and to better define the extent and character of seismic hazards in southwest Montana.

Opinion: That site is seismically risky...like playing Russian roulette with people's lives and historic treasures. Also, even if the asbestos is there and effectively sealed it will be released in a building failure. In the 1980's asbestos materials had to be removed from the MHS library due to law and public exposure.

This is all from the U. O Utah Seismic Archives. This is a story from 11/1/1935 I.R.

I.U.C. MUST MOVE FROM THIS CITY OR ELSE CLOSE UP

Intermountain Union college is face to face with either closing the institution or moving to some other city, President Jesse W. Bunch said Thursday evening. President Bunch left last night for Great Falls to see what arrangements could be made to open the college there at an early date, possibly day after tomorrow.



A long distance telephone call from the Methodist and Presbyterian boards in Chicago last night advised Mr. Bunch that the college should use its own judgment as to continuing operations at some other city or definitely closing the institution.

The college buildings were severely damaged by the earthquake of October 18 and yesterday's severe temblor completed the wreckage. Helena hall, where classes are held, is apparently a total loss as the upper floor partitions have caved into the class rooms. The large double doors at the south entrance to the chapel have been twisted completely off their hinges.

Damage Great

Mills hall, residential dormitory, appears to be structurally sound but the damage to the inside walls, partitions and plaster is great.

Another portion of the west wall of the new gymnasium folded in during yesterday's quake and the east wall is reported to be unsound.

During yesterday's quake classes were being conducted at the First Presbyterian church and no students were injured by the further wreckage at the college plant.

[Helena Independent; November 1, 1935]

From: <http://erp-web.er.usgs.gov/reports/annsum/vol40/ni/g2515.htm>
Non-Technical Summary

The destructive 1935 Helena earthquakes (magnitudes 6.3 and 6.0) resulted from strike slip movement (Doser, 1989) on faults in the eastern LCZ. Critical lifelines and several of the Northern Rocky Mountains region's largest, and most rapidly growing cities (Helena, Missoula, Coeur d'Alene, and Spokane) lie close to LCZ faults and thus are at risk from future earthquakes.

The Idaho Geological Survey and the Montana Bureau of Mines and Geology are conducting a cooperative project to study earthquake hazards associated with the Lewis and Clark zone (LCZ). The LCZ is a fundamental, WNW-trending zone of 12 major faults that formed over 1 billion years ago, extending over 400 km from Coeur d'Alene, Idaho to Helena, Montana. A sequence of destructive earthquakes within the eastern LCZ in 1935 with magnitudes up to 6 1/4 resulted in four fatalities and serious damage to over 60% of the buildings in Helena. Data from recent earthquakes with magnitudes ranging up to 5.0 within the LCZ suggest continued slip on LCZ faults. Despite significant levels of historic seismicity, the LCZ has never been monitored by a permanent seismograph network, nor its faults examined in detail for evidence of continuing movement, thus the level of seismic hazard remains unknown.

5. Also the land is owned by the Deaconess Childrens home and will probably continued to be leased as in the past, which will raise MHS operating expenses. It is worth noting that the Capital Mall which is owned by a Utah corporation, first approached the MHS with the sale idea after being fined for the Asbestos Act. It was then forced on the 2005 legislature as a now or never bill. To even consider making such a purchase without a thorough study of all potential liabilities and future costs is an act of tremendous fiscal irresponsibility. An expression that would fit is pork barrel spending with the only winners being the sellers

(5)

and the contractors who get to convert the dated and unattractive mall into a so-called museum.

6. The Foundation has promised to come up with about \$40 million in matching funding. If you check their 20 year fund raising work, this is a projected fantasy considering whatever they raise is largely eaten up by undisclosed expenses with a minimal staff. They should be thoroughly audited. Foundation details:

http://www.guidestar.org/controller/searchResults.gs?action_gsReport=1&npold=516575

Also , 2002 and 2004 audits cited the MHS for problems with handling Federal Funding, Accounting Practices and failure to properly account (register and catalogue) artifacts (historic treasures) worth many \$Millions. Many of these problems could be related to the current staff.

<http://leg.state.mt.us/content/audit/download/02-22.pdf> 2002 audit:

<http://leg.state.mt.us/content/audit/download/04-24.pdf> 2004 audit:

My Comment: the state tends to do moderate audits and then little is done to enforce the problems discovered in the audits no matter how severe. Little happens either through government channels or civil or criminal venues. And asking the state to investigate the potential Capital Mall MHS purchase problems presents a degree of conflict of interest as would be the case if the Mall owners did the study.

In my opinion, according to MHS sources, the present director, Arnold Olson came from Fish Wildlife and Parks without educational credentials in the field of history and museum management. In the past the Director had to at least have a master's degree in combined studies of history and/or museum sciences and experience in museum work. Better yet, a PHD in these fields of specialization. It is also my opinion, based upon MHS sources that the current librarian does not have the previous job description requirements of a master's degree with library science and experience. You might also find a Museum Department curator with a background as a security guard and geology education. There are also possibly some nepotistic husband and wife "teams". In general the level of professionalism has changed since I worked there from 1981-1993. Without a qualified staff with unquestionable integrity, even a \$Billion dollar building would not be of any real value. There have also been two daytime robberies at the MHS.

Also the MHS's indirect connection to Virginia City (now Dept. of commerce and losing money) through the Heritage Foundation has left \$5.5 million in artifacts undocumented according to the most recent audit. That is like having \$5.5 million in money or personal property with no security or accounting, although it is state property regulated by law.

Virginia City: http://leg.state.mt.us/textonly/audit/summary_02p-08.asp

7. I do not have the legal documentation, but it is my opinion, from reliable sources, that Scriver artifacts were intercepted at the Canada border after being given to the MHS, which raises questions about the management of that collection. You might want to research this with the R.C.M., Canadian customs, U.S. Customs, U.S. Dept. of Fish and Wildlife or possibly the F.B.I.

Investigative reporters have yet to have the chance to cover these possible events that may have resulted in a Federal Grand Jury inquiry in 2001, well after the Scriver collection was acquired by the MHS.

(6)

However the mysterious Scriver collection that the MHS received was only what remained after the family had numerous auctions following Mr. Scriver's death. One of the problems with Native American artifacts is that "sacred" cultural items (medicine bundles, pipes, eagle feathers... etc..) must be repatriated (like bones and skulls) to the right clans or families or tribes. This has already happened in Canada, but has been a slow process throughout Montana and the United States.

This is the proverbial tip of the iceberg, in my opinion, and the best course of action is to drop the Museum Mall rider until everything has been studied and documented. Actually, during the Senate finance committee hearings the question was seriously raised as to why the MHS Capital Mall plan was even on HB 540. I think all of the voters and taxpayers should be fully informed and then put the bonding on the ballot to see if the people of Montana who are the collective owners of the MHS and fund it with their taxes really want to do this in light of other more urgent and essential needs such as education and health care and energy...etc... And everyone in the state will be paying for this ambitious MHS Museum expansion.

This entire MHS museum mall project must be put on hold with no financial commitment made towards acquiring the Capital Mall at this time.

Once the move to purchase the mall is made the real problems of completing and of paying for this questionable adventure will more than likely end up in the lap of the taxpayers. This could haunt taxpayers and the legislature well into the future. Remember that the deregulation bill was approved without study or even a read by the average legislator and the history of cyanide heap leach is the same. Both mistakes have become a negative cash flow in perpetuity, although energy improvements could be made. Unless we learn from history we are likely to create more problems and suffering in the future.

Even the fiscal note on this issue assumes the Foundation will provide the total renovation sum or rebuilding costs for the aging and problematic Capital Mall with no unforeseen problems. It also states that the space gained by moving to the mall will be leased. This contradicts the entire purpose of moving into the Capital Mall building to meet alleged needs for more space. The conclusion that the MHS building plan might actually result in a savings is a very convoluted and unrealistic guess or estimate at best, based on the MHS using the same space and renting out a portion of the new larger single building. I doubt if anyone in private business or a bank reviewing a loan would ever accept such fiscal theory or "rationalization".

This current MHS building proposal is vague and risky with consequences that could last a century or more as museums should have lives of long duration and secure use. And certainly, they must be structured properly to protect the \$Millions in priceless artifacts, art, records and our heritage. I doubt that this is a realistic plan. But it could be a convenient way for the owners of the old mall to liquidate a potential liability and special interests to profit from the somewhat fantastic reconstruction process based various construction dilemmas and poor management by the MHS and Foundation for the past two decades.

It would be an incredible tragedy if the worthy educational bill, HB540 is jeopardized by the questionable Capital Mall purchase. Even worse, the MHS building plan could be a disaster and deserves extensive investigation on many levels before the Legislature makes an irreversible commitment.

Consider this as legislative testimony and a historic document attached to the archival record of this bill activity. I will submit this latest summary to the Legislature tomorrow, April 18, 2005.

John Smart

The current Montana Historical Society (MHS) building is approximately 90,000 gross square foot, while the new facility is approximately 250,000 gross square foot. By consolidating the existing museum and its satellite facilities into 200,000 sf of the new facility, on-going operation and maintenance is expected to increase by \$1,972,966 for the biennium prior to the offsets noted below. This cost is reduced by in-filling current leased space into the existing 90,000 gsf MHS building. This savings is estimated at \$801,524 because there is an estimated savings of about \$4.32 per square foot when comparing the "average leased space" rates in Helena to the rates charged by the Department of Administration, General Services Division. This assumption does not include the cost to retrofitting the existing MHS building for new occupants. If the remaining 50,000 square foot in the new facility is rented at \$15 per square foot per year, \$1,500,000 in the biennium of lease revenue will be generated by the state. This could result in a biennial \$328,558 net savings in all funds in operation and maintenance costs by this move. Future Debt Service

>From: "GEORGE GAYLA GOLIE" <ggolie07@msn.com>
>To: lamagonzo@hotmail.com
>Subject: Re: HB 540 DANGERS
>Date: Mon, 18 Apr 2005 08:22:14 -0600
>
>Dear Tantra,
>
>On Saturday we voted in the House to accept the conference committee
>report on HB 540 which deleted the dinosaur museum funding. We
>passed HB 423 which had funding for the museum.

1
 2 INTRODUCED BY Cslob S BILL NO. 526
 3 (Primary Sponsor)

4 BY REQUEST OF THE SENATE FINANCE AND CLAIMS STANDING COMMITTEE

5
 6 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING DEFINITIONS APPLICABLE TO THE STATE
 7 EXPENDITURE LIMIT; EXCLUDING MONEY DEDICATED TO A SPECIFIC PURPOSE BY MEANS OF A
 8 BALLOT ISSUE AND UTILIZATION FEES OR TAXES IMPOSED ON HEALTH CARE FACILITIES AND
 9 PROVIDERS FROM EXPENDITURE CALCULATIONS; AMENDING SECTION 17-8-105, MCA; AND
 10 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

11
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13
 14 **Section 1.** Section 17-8-105, MCA, is amended to read:

15 **"17-8-105. Definitions applicable to expenditure limitation.** As used in 17-8-106, the following
 16 definitions apply:

17 (1) "Montana total personal income" means the current income from all sources received during a
 18 particular period of time by persons residing within Montana as determined by the United States department of
 19 commerce or its successor agency.

20 (2) (a) "State expenditures" means the general fund appropriations, the state special revenue fund type
 21 appropriations other than those excluded under subsection (2)(b), and the cash portion of the appropriations in
 22 the capital projects fund type;

23 (b) The term does not include excluding:

24 (a)(i) money received from the federal government;

25 (b)(ii) payments of principal and interest on bonded indebtedness;

26 (c)(iii) money paid for unemployment or disability insurance benefits;

27 (d)(iv) money received from the sale of goods or services provided that the purchase of the goods or
 28 services is discretionary;

29 (e)(v) money paid from permanent endowments, constitutional trusts, or pension funds;

30 (f)(vi) proceeds of gifts or bequests made for purposes specified by the donor;

- 1 ~~(g)~~(vii) money appropriated for tax relief; and
- 2 ~~(h)~~(viii) funds transferred within state government or used to purchase goods for resale;
- 3 (ix) money dedicated to a specific use or uses by a ballot issue; and
- 4 (x) utilization fees or taxes imposed on health care providers or facilities that are used to increase state
- 5 payments for services to providers or facilities."

6

7 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

8

- END -