

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
56th LEGISLATURE - REGULAR SESSION**

JOINT APPROPRIATIONS SUBCOMMITTEE ON LONG-RANGE PLANNING

Call to Order: By **CHAIRMAN ERNEST BERGSAGEL**, on January 11, 1999
at 8:00 A.M., in Room 317 Capitol.

ROLL CALL

Members Present:

Rep. Ernest Bergsagel, Chairman (R)
Sen. Tom A. Beck, Vice Chairman (R)
Sen. J.D. Lynch (D)
Rep. Matt McCann (D)
Sen. Chuck Swysgood (R)
Rep. Tom Zook (R)

Members Excused: None.

Members Absent: None.

Staff Present: Cassandra Drynan, Committee Secretary
Jane Hamman, OBPP
Pam Joehler, Legislative Branch
Nan LeFebvre, Legislative Branch

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

Committee Business Summary:

Hearing(s) & Date(s) Posted: **HOUSE BILL 15**, Information
Technology Bond Proposal,
1/11/1999

Executive Action: **HOUSE BILL 9** - CULTURAL &
AESTHETIC PROJECTS GRANT
REQUESTS & **HOUSE BILL 12** -
STATE BUILDING ENERGY
CONSERVATION PROGRAM,
1/11/1999

HEARING ON HB 15 - INFORMATION TECHNOLOGY BOND PROPOSAL

Proponent's Testimony: Ms. Mary Bryson, Director of the Department of Revenue, introduced members of her staff and gave an overview of HB 15 including project META and the POINTS project, **EXHIBIT**(j1h07a01).

{Tape : 1; Side : A; Approx. Time Counter : 0.3 - 12.8}

Questions:

REP. MCCANN asked Ms. Mary Bryson to explain what a warrant for distraint was and how the predictive dialer aided in collecting money owed by non-compliant individuals.

REP. ZOOK asked Ms. Mary Bryson to explain how the predictive dialer reduced the amount of time needed to contact these individuals.

REP. BERGSAGEL and **SEN. BECK** asked how the predictive dialer handled a call when an individual actually answered the phone.

SEN. BECK asked if the collectors were authorized to set up a payment schedule for non-compliant individuals.

{Tape : 1; Side : A; Approx. Time Counter : 12.8 - 18.4}

Ms. Mary Bryson continued her presentation explaining the four main categories in their business case concerning financial and non-financial benefits; Customer Service Center, Compliance, Valuation & Resolution, Process Orientated INTegrated System (POINTS), and Organizational/Workplace Redesign.

{Tape : 1; Side : A; Approx. Time Counter : 18.4 - 29.4}

REP. MCCANN asked Ms. Mary Bryson if the amounts in her presentation were somewhere in **EXHIBIT 1**.

Ms. Mary Bryson continued her presentation on the benefits of project META and the POINTS project. The differences between the original proposal and the current proposal were explained.

{Tape : 1; Side : A; Approx. Time Counter : 29.4 - 1:B:7.5}

REP. MCCANN asked which part of Phase I they were able to implement since the Department of Revenue did not receive all of the money proposed for this project during the last session.

Ms. Mary Bryson explained which parts of Phase I had been implemented and the future schedule for the Points project.

{Tape : 1; Side : B; Approx. Time Counter : 7.6 - 11.8}

Ms. Mary Bryson continued her presentation and covered the cost estimate for Points Phase II and the breakdown of how the funds will be spent. The possible effects of CI-74 were discussed.

EXHIBIT (j1h07a02)

{Tape : 1; Side : B; Approx. Time Counter : 11.8 - 29.1}

REP. MCCANN asked how the Department could invest money prior to voter approval. **Ms. Mary Bryson** responded. Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 28.6 - 32.0}

Ms. Mary Bryson gave a summary review and explained the benefits from these projects to the state and local government and to the general public.

{Tape : 2; Side : A; Approx. Time Counter : 0.3 - 17.4}

REP. ZOOK asked about full time equivalent position reductions and the dynamic revenue environment that POINTS will provide.

SEN. BECK asked for specific details on the spending of the \$25,000,000 and why the programming for the project will be done in India.

{Tape : 2; Side : A; Approx. Time Counter : 17.4 - 21}

Mr. Bruce Leckin, managing partner with UNISYS, answered questions.

{Tape : 2; Side : A; Approx. Time Counter : 21 - 24.2}

SEN. LYNCH asked why TATA Infotech would cost fifty percent less than anything here in the U.S..

REP. MCCANN asked about the \$25,000,000 estimate and how reliable it was.

Mr. Bruce Leckin answered these questions.

{Tape : 2; Side : A; Approx. Time Counter : 24.2 - 30.5}

CHAIRMAN BERGSAGEL asked about documentation on page ten **EXHIBIT 1**, debt service and additional revenue from collections. **Ms. Mary Bryson** responded. Discussion followed.

{Tape : 2; Side : A; Approx. Time Counter : 30.5 - 2:B:7.1}

CHAIRMAN BERGSAGEL asked why there was not an estimate for the operational costs of this project and which agencies were using one stop processing. **Ms. Mary Bryson & Mr. Bruce Leckin** responded.

{Tape : 2; Side : B; Approx. Time Counter : 7.4 - 20.2}

Discussion: Discussion took place regarding employee reductions.

Ms. Mary Bryson discussed why she preferred not to do a request for proposal, RFT, discussion followed.

Ms. Nan Lefebvre, Legislative Fiscal Division, explained where to find the write-up of the Department of Revenue's Agency Budget in the Legislative Fiscal Division's Budget Analysis.

{Tape : 2; Side : B; Approx. Time Counter : 20.2 - 30.4}

**HEARING ON HB 15 - INFORMATIONAL TECHNOLOGY BOND PROPOSAL -
CLOSED**

Discussion: Discussion about rounding up the amounts for the **Cultural & Aesthetic Grant Projects** and moving \$70,000 into the general fund. **EXHIBIT(jlh07a03)** **EXHIBIT(jlh07a04)**
EXHIBIT(jlh07a05)

Ms. Nan Lefebvre explained the contingency language that would be added to **HB 9** concerning three of the **C & A Grant Projects**; the **Heron Players**, the **Institute for African/American Folk Culture** and the **Billings Preservation Society**.

{Tape : 3; Side : A; Approx. Time Counter : 0.1 - 8.3}

**EXECUTIVE ACTION ON HB 9 - CULTURAL AND AESTHETIC PROJECTS GRANT
REQUESTS**

Motion/Vote: **SEN. BECK** moved that the contingency language concerning these three projects **BE ADOPTED EXHIBIT 3**. **Motion carried unanimously.**

Discussion: Discussion concerning the rounding up of the amounts for the **C & A Grants**.

Motion/Vote: **SEN. LYNCH** moved that the **C & A Grants** be rounded up as previously discussed, see **EXHIBIT 4**. **Motion carried unanimously.**

CHAIRMAN BERGSAGEL presented **EXHIBIT(jlh07a06)**, a letter from **Ms. Sharon C. McCabe**, Interim Director for the **Montana Historical Society**, asking the committee to reconsider funding their grant request.

SEN. LYNCH spoke in support of the **Montana Historical Society** grant request.

REP. MCCANN questioned the appropriateness of a government entity applying for Cultural & Aesthetic grant money.

Motion/Vote: **REP. ZOOK** moved to return the \$70,000 balance from **HB 9** to the general fund by reducing the figure on line 26 of **HB 9** from \$335,000 to \$300,000 for the years 2000 and 2001. **Motion carried unanimously.**

{Tape : 3; Side : A; Approx. Time Counter : 8.3 - 12.4}

EXECUTIVE ACTION ON HB 9 - CULTURAL & AESTHETIC PROJECTS GRANT REQUESTS - CLOSED

EXECUTIVE ACTION ON HB 12 - STATE BUILDING ENERGY CONSERVATION PROGRAM

Motion/Vote: **SEN. LYNCH** moved that the amendments to **HB 12 EXHIBIT** (j1h07a07) **BE ADOPTED.** Motion carried with **CHAIRMAN BERGSAGEL** voting no.

Motion/Vote: **SEN. LYNCH** moved to adopt **HB 12** as amended. Motion carried with **CHAIRMAN BERGSAGEL** voting no.

CHAIRMAN BERGSAGEL explained that his reason for not approving **HB 12** was that he did not agree with the amendment inserting the Special Education Building in Billings into the bill. Discussion followed.

Motion/Vote: **SEN. ZOOK** moved to reconsider the previous action taken on **HB 12.** Motion carried with **SEN. LYNCH** voting no.
{Tape : 3; Side : A; Approx. Time Counter : 12.4 - 16.3}

REP. MCCANN asked about the funding of the Special Education Building in Billings.

Mr. Tom Livers, Department of Environmental Quality, responded. Discussion followed.

{Tape : 3; Side : A; Approx. Time Counter : 16.3 - 27.4}

Motion/Vote: **SEN. LYNCH** moved that **HB 12 DO PASS AS AMENDED.** Motion carried with **CHAIRMAN BERGSAGEL** and **REP. ZOOK** voting no.

Discussion: Discussion about general obligation bonds.
{Tape : 3; Side : A; Approx. Time Counter : 27.5 - 30}

**EXECUTIVE ACTION ON HB 12 - STATE BUILDING ENERGY CONSERVATION
PROGRAM - CLOSED**

ADJOURNMENT

Adjournment: 12:00 A.M.

REP. ERNEST BERGSAGEL, Chairman

CASSANDRA DRYNAN, Secretary

EB/CD

EXHIBIT (j1h07aad)