

MINUTES

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

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By **CHAIRMAN MATT BRAINARD**, on January 20, 1999 at 9:00 A.M., in Room 420 Capitol.

ROLL CALL

Members Present:

Rep. Matt Brainard, Chairman (R)
Rep. Toni Hagener, Vice Chairman (D)
Rep. Allan Walters, Vice Chairman (R)
Rep. Darrel Adams (R)
Rep. Joan Andersen (R)
Rep. Edith Clark (R)
Rep. Tom Dell (D)
Rep. George Golie (D)
Rep. Donald L. Hedges (R)
Rep. Monica Lindeen (D)
Rep. Jeff Mangan (D)
Rep. Douglas Mood (R)
Rep. Brennan Ryan (D)
Rep. Frank Smith (D)
Rep. Bill Tash (R)
Rep. Bill Thomas (R)
Rep. Doug Wagner (R)

Members Excused: None.

Members Absent: None.

Staff Present: Sheri Heffelfinger, Legislative Branch
Karen Mills, Committee Secretary

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

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 188, 1/17/1999
Executive Action: HB 141, HB 175, HB 79.

HEARING ON HOUSE BILL 188

Opening Statement by Sponsor: REP. CARLEY TUSS EXHIBIT(sth15a01)

She proposed a bill providing for the use of electronic records and electronic signatures in transactions with state agencies; providing for legal recognition of electronic records, signatures, and electronic contracts.

{Tape : 1; Side : A; Approx. Time Counter : 0.1 - 3.3}

Proponent's Testimony:

MIKE COONEY, Secretary of State

How can we improve Montana's sagging economy? State agencies need to be able to accept electronic filing and contracts by Internet users.

{Tape : 1; Side : A; Approx. Time Counter : {3.5 - 6.9}

PETER BLOUKE, Dir. Dept. of Commerce.

Telecommunications development is phenomenal. This bill will facilitate the state departments in reducing costs.

{Tape : 1; Side : A; Approx. Time Counter : 7 - 9}

EVAN BARRETT, Mt. Economic Development Assoc.

60% of business will be conducted over the Internet within 20 years.

{Tape : 1; Side : A; Approx. Time Counter : 9.1 - 11.2}

TONY HERBERT, Adm. Dept. of Services Comm. EXHIBIT(sth15a02)

120 -145 million people are connected to the Internet today. We have to be flexible. This bill is not prescriptive.

{Tape : 1; Side : A; Approx. Time Counter : 11.3 - 14.1}

DAN WHITE, Chief Legal Counsel for Sec.of State

1. A step into the 21st century.
2. It adds an area of definitions. A step into a more formal electronic environment.

{Tape : 1; Side : A; Approx. Time Counter : 14.2 - 23.3}

JIM SMITHAM, Montana Ambassadors

{Tape : 1; Side : A; Approx. Time Counter : 23.4 - 24.8}

CHUCK CHRISTIANSON, Mt. State Fund

Seen as a way to increase the efficiency and expertise of state funding groups.

{Tape : 1; Side : A; Approx. Time Counter : 24.9 - 25.9}

BILL LEARY, Mt. Banking Assoc.

Will help on lien passing.

{Tape : 1; Side : A; Approx. Time Counter : 26.2 - 26.8}

REP. TUSS, *{Tape : 1; Side : A; Approx. Time Counter : 25 - 26.8}*

Questions from Committee Members and Responses:

{Tape : 1; Side : A; Approx. Time Counter : 26.8 - 31}

{Tape : 1; Side : B; Approx. Time Counter : 1.6 - 1.8}

Closing by Sponsor: REP. CARLEY TUSS

{Tape : 1; Side : B; Approx. Time Counter : 1.8 - 2.7}

EXECUTIVE ACTION ON HB. 141

Motion: REP. HAGENER moved HB 141 DO PASS.

Tape : 1; Side : B; Approx. Time Counter : {.5 -.6}

Discussion:

Tape : 1; Side : B; Approx. Time Counter : {.8 - 1.2}

Vote: The motion carried by unanimous vote DO PASS.

{Tape : 1; Side : B; Approx. Time Counter : 1.4 - 1.6}

EXECUTIVE ACTION ON HB 175

Motion: REP. MANGAN moved HB 175 DO PASS.

{Tape : 1; Side : B; Approx. Time Counter : 2.8 - 2.9}

Motion: REP. MANGAN moved that HB 175 BE AMENDED.

EXHIBIT (sth15a03)

{Tape : 1; Side : B; Approx. Time Counter : 3.4 - 4.1}

Discussion:

{Tape : 1; Side : B; Approx. Time Counter : 4.1 - 4.4}

Motion: REP. MANGAN moved HB 175 DO PASS AS AMENDED per EXHIBIT

4 *{Tape : 1; Side : B; Approx. Time Counter : 4.4 - 4.7}*

Vote: The motion carried by unanimous vote to DO PASS HB 175 as amended.

{Tape : 1; Side : B; Approx. Time Counter : 4.7 - 5}

EXECUTIVE ACTION ON HB 79

Motion: REP. WALTERS moved HB 79 DO PASS.
{Tape : 1; Side : B; Approx. Time Counter : 6.1 - 6.3}

Discussion: REP. BRAINARD explained he had amendments.

Motion: REP. BRAINARD moved DO PASS on amendment HB007901.ash.
EXHIBIT(sth15a04)
{Tape : 1; Side : B; Approx. Time Counter : 7.3 - 9.5}

Informational Discussion: Sheri Heffelfinger
{Tape : 1; Side : B; Approx. Time Counter : 9.5 - 11.5}

Vote: Motion carried unanimously

Motion: REP. BRAINARD moved a DO PASS on HB007902.ash
EXHIBIT(sth15a05).
{Tape : 1; Side : B; Approx. Time Counter : 13 - 14}

Discussion: REP. BRAINARD explained Amendment questions

Informational Discussion: Sheri Heffelfinger
{Tape : 1; Side : B; Approx. Time Counter : 14 - 14.3}

Vote: Motion carried 16-1 with Ryan voting no.
{Tape : 1; Side : B; Approx. Time Counter : 14.3 - 14.5}

Motion: REP. BRAINARD moved a DO PASS on amendment HB 007903.
ash **EXHIBIT**(sth15a06)
{Tape : 1; Side : B; Approx. Time Counter : 14.5 - 15}

Vote: Motion carried unanimously

Discussion: REP. BRAINARD explained amendment. Sheri Heffelfinger guided explanation.
{Tape : 1; Side : B; Approx. Time Counter : {15.0 - 28.7}

Motion: REP. BRAINARD voted a DO PASS on HB 007904.ash.

Discussion: REP. BRAINARD explained amendment and Sheri Heffelfinger provided information.

Vote: Motion carried unanimously to DO PASS amendment HB007903.ash.

Motion: REP. BRAINARD moved a DO PASS on amendment HB0079004.ash
EXHIBIT(sth15a07)

Discussion: REP. BRAINARD questions and Sheri Heffelfinger provided information.

Vote: Motion carried 12-3 with Rep. Golie, Rep. Ryan and Rep. Mangan voting no.

{Tape : 2; Side : A; Approx. Time Counter : 0.7 - 0.8}
EXHIBIT(sth15a08)

Motion: REP. WALTERS moved DO PASS as amended on HB 79.
{Tape : 2; Side : A; Approx. Time Counter : 1.1 - 1.2}

Discussion: REP. MANGAN said he had amendments, handed out an issue discussion paper, **EXHIBIT**(sth15a09)
{Tape : 2; Side : A; Approx. Time Counter : [1.3 -1.4]}

Motion: REP. MANGAN moved to increase the percent of the contributions to be allocated to the education fund from .04% to .1%. (Issue #2 on Exhibit 9.
{Tape : 2; Side : B; Approx. Time Counter : 1.4 - 13.8}

Discussion: *{Tape : 2; Side : A; Approx. Time Counter : [7.4 - 15.2]}*

Vote: REP. MANGAN'S motion failed 4-13 with Rep. Hagener, Rep. Golie, Rep. Ryan and Rep. Mangan voting Yes.
{Tape : 2; Side : A; Approx. Time Counter : 15.5 - 15.6}

Motion: REP. MANGAN moved to amend HB 79 to provide a disability benefit for defined contribution plan members. (Issue 4 of Exhibit 9). **EXHIBIT**(sth15a10)
{Tape : 2; Side : A; Approx. Time Counter : 16.1 - 16.9}

Discussion: *{Tape : 2; Side : A; Approx. Time Counter : 16.9 - 30}* *{Tape : 2; Side : B; Approx. Time Counter : {0.1 - 30}*
{Tape : 3; Side : A; Approx. Time Counter : 0.1 - 8}

Motion/Vote: REP. WALTERS motion HB 79 DO PASS AS AMENDED carried 12-5 on a roll call vote with Rep. Hagener, Rep. Golie, Rep Ryan, Rep. Mangan, Rep. Wagner voting no.
Tape : 3; Side : A; Approx. Time Counter : { 8.3 - 8.5}

ADJOURNMENT

Adjournment: 11:29 A.M.

REP. MATT BRAINARD, Chairman

KAREN MILLS, Secretary

MB/KM

EXHIBIT (sth15aad)