



SB 162 REVIEW SUBCOMMITTEE

Room 108 State Capitol, ? P.O. Box 201711 ? Helena, MT 59620-1711 ? (406) 444-2986 ? FAX (406) 444-3036

COMMITTEE MEMBERS

SENATOR TOM ZOOK, CHAIRMAN
SENATOR LINDA NELSON
REPRESENTATIVE GARY FORRESTER
REPRESENTATIVE DAVE KASTEN

LFD STAFF

JON MOE, FISCAL SPECIALIST
CINDY CAMPBELL, SUBCOMMITTEE SECRETARY

MINUTES March 14, 2002 Room 137, State Capitol Helena, Montana

ROLL CALL

Senator Tom Zook
Senator Linda Nelson, Excused
Representative Gary Forrester
Representative Dave Kasten
Jon Moe, Fiscal Specialist
Cindy Campbell, Subcommittee Secretary

Call to Order (Tape 1A-000)

The 3rd meeting of the SB 162 Review - Dedication of State Revenues for Local Government (SB 162 Review Subcommittee) was called to order at 8:00 a.m. by Senator Tom Zook, Chair, on Thursday, March 14, 2002. The meeting was held in Room 137 of the State Capitol, Helena, Montana.

1. Answers to Questions from December 6, 2001 Meeting (Tape 1A-001)

Jon Moe, Fiscal Specialist for the Legislative Fiscal Division (LFD), provided information requested by Representative Forrester on the Department of Environmental Quality's (DEQ) junk vehicle program. (Exhibit 1) John Dilliard, Bureau Chief for the Community Services Bureau of DEQ, provided responses to subcommittee members' questions.

A copy of the Legislative Performance Audit for the on-premises liquor licensing process was provided to the subcommittee. (Exhibit 2) Representative Kasten presented a situation involving one of his constituents and Gene Huntington, Administrator of Gambling Control Division of Department of Justice (DOJ), said he would check into it and provide a response to Representative Kasten.

2. Department of Revenue Actions/Plans to Resolve HB 124 Issues (Tape 1A-190)

A copy of the memorandum from Kurt Alme, Director for the Department of Revenue (DOR), dated August 8, 2001, regarding the implementation of HB 124 was included in the subcommittee packet of materials for today's meeting. (Exhibit 3) Judy Paynter from DOR explained the process of implementing HB 124. She told the subcommittee that although HB 124 basically accomplished its goal, there were some technical problems with it. Greg Petesch, Director of Legal Services for the Legislative Services Division, will complete the draft of a clean-up bill with adequate time for all interested parties to review it prior to the start of the session in January, 2003. Senator Royal Johnson will sponsor the bill. Ms. Paynter responded to questions from subcommittee members.

3. Information Technology Services Division (ITSD): Enhanced 9-1-1 Program (Tape 1A-400)

Jon Moe provided an explanation of the packet of information from ITSD on the enhanced 9-1-1 program. (Exhibit 4) Brian Wolf, CIO, provided comments regarding the program. He told the subcommittee the events of September 11, 2001, had a significant impact on the importance of the program. The Enhanced 9-1-1 Advisory Committee has been revived and will be searching for solutions to problems with the program. Asked if the LFC will be kept informed of the goals and workings of the committee, Mr. Wolf stated that he would provide periodic reports to the LFC. Tony Herbert from ITSD also provided information to the subcommittee on the program and introduced Jenny Hansen, 9-1-1 Program Manager.

In response to a question by Representative Forrester regarding why some counties have not used their funding, Harold Blattie, MACO, explained they are accumulating the funds until they have enough to actually implement the project.

The subcommittee discussed possible action on this and decided to delay further action until the June meeting.

4. Other Dedicated Revenue Provisions for Consideration (Tape 1B-297)

Mr. Moe presented information on four other dedicated revenue provisions for consideration by the subcommittee. (Exhibit 5) The four provisions are: 1) marriage certificate recording fee; 2) parolee or probationer supervisory fee; 3) Taylor Grazing Act funds; and 4) DOJ Motor Vehicle Information Technology account. Judy Paynter explained DOR's agreement with the counties on the first two provisions (the marriage certificate and parolee or probationer supervisory fees) and told the subcommittee these could be included in the HB 124 clean-up bill. Following discussion, the subcommittee agreed with Ms. Paynter and recommended these two provisions be included in the HB 124 clean-up bill.

Jon Moe explained the statute on the Taylor Grazing Act funds. The subcommittee recommended the transfer of 50 percent of the funds that currently goes to school districts and then to state general fund, be directly deposited to the general fund.

Larry Fasbender, DOJ, explained the Motor Vehicle Information Technology account and how the department utilizes the fee. Judy Paynter also provided comments on this account. The subcommittee recommended this funding be de-earmarked. The funds would then be appropriated to DOJ from the general fund for the costs of the system.

5. Revisit SB 162 Criteria for the Review Process (Tape 2A-130)

Jon Moe presented information on the process of reviewing dedicated revenue provisions. (Exhibit 6) He posed two questions to the subcommittee: 1) Is a review by a LFC subcommittee the most effective way to perform the review? and 2) Does the criteria in statute provide the guidance that is consistent with the underlying purpose of the review? Members of the subcommittee felt these questions warranted discussion but because of time constraints recommended this issue be delayed until the next meeting. The subcommittee asked Mr. Moe to review the criteria and present his recommendations for changes at the next meeting.

Next Meeting

The subcommittee recommended a half-day meeting on Wednesday, June 5, 2002. The subcommittee's final report will be presented to the LFC at its October meeting.

Adjournment

The meeting adjourned at 10:00 a.m.

Senator Tom Zook, Chairman

Cindy Campbell, Committee Secretary

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