

1 HOUSE BILL NO. 260  
2 INTRODUCED BY M. REGIER, R. KNUDSEN  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING EXEMPT PERSONAL STAFF OF LEGISLATIVE  
5 LEADERSHIP LAWS; PROVIDING FOR ONE ~~FOUR~~ FOUR ADDITIONAL PERSONAL STAFF TO SERVE AS  
6 SPECIAL COUNSEL FOR THE LEGISLATURE EXEMPT PERSONAL LEGAL STAFF FOR EACH CAUCUS  
7 ON AN AS-NEEDED CONTRACT BASIS; INCREASING THE ALLOWABLE NUMBER OF EXEMPT  
8 PERSONAL STAFF POSITIONS; REVISING SPECIAL COUNSEL DUTIES; PROVIDING A FUNDING  
9 ALLOCATION FOR THE ADDITIONAL PERSONAL LEGAL STAFF; PROVIDING SPECIAL COUNSEL MAY  
10 ENTER A CONTACT CONTRACT TO PERFORM THE DUTIES OF SPECIAL COUNSEL AFTER SERVING IN  
11 THAT POSITION AS AN EMPLOYEE; MAKING THE SPECIAL COUNSEL POSITION PERMANENT;  
12 REVISING A DEFINITION; ~~PROVIDING APPROPRIATIONS;~~ AMENDING SECTIONS 2-2-201,<sup>5</sup> AND 2-18-  
13 104, ~~AND 5-5-110,~~ AND 5-5-110, MCA; REPEALING SECTION 6, CHAPTER 523, LAWS OF 2021; AND  
14 PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

15  
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17  
18 **Section 1.** Section 2-2-201, MCA, is amended to read:

19 **"2-2-201. Public officers, employees, and former employees not to have interest in contracts.**

20 (1) Members of the legislature; state, county, city, town, or township officers; or any deputies or employees of  
21 an enumerated governmental entity may not be interested in any contract made by them in their official capacity  
22 or by any body, agency, or board of which they are members or employees if they are directly involved with the  
23 contract. A former employee may not, within 6 months following the termination of employment, contract or be  
24 employed by an employer who contracts with the state or any of its subdivisions involving matters with which  
25 the former employee was directly involved during employment.

26 (2) In this section, the term:

27 (a) "be interested in" does not include holding a minority interest in a corporation;

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- 1 (b) "contract" does not include:
- 2 (i) contracts awarded based on competitive procurement procedures conducted after the date of
- 3 employment termination;
- 4 (ii) merchandise sold to the highest bidder at public auctions;
- 5 (iii) investments or deposits in financial institutions that are in the business of loaning or receiving
- 6 money;
- 7 (iv) a contract with an interested party if, because of geographic restrictions, a local government
- 8 could not otherwise reasonably afford itself of the subject of the contract. It is presumed that a local government
- 9 could not otherwise reasonably afford itself of the subject of a contract if the additional cost to the local
- 10 government is greater than 10% of a contract with an interested party or if the contract is for services that must
- 11 be performed within a limited time period and no other contractor can provide those services within that time
- 12 period.
- 13 (v) a contract with a former employee that served as special counsel pursuant to 5-5-110 if the
- 14 former employee is hired on a contract basis to fulfill the role of special counsel any period of time after
- 15 termination of employment;
- 16 (c) "directly involved" means the person directly monitors a contract, extends or amends a
- 17 contract, audits a contractor, is responsible for conducting the procurement or for evaluating proposals or
- 18 vendor responsibility, or renders legal advice concerning the contract;
- 19 (d) "former employee" does not include a person whose employment with the state was
- 20 involuntarily terminated because of a reduction in force or other involuntary termination not involving violation of
- 21 the provisions of this chapter."
- 22

23 **Section 2.** Section 2-18-104, MCA, is amended to read:

24 **"2-18-104. Exemption for personal staff -- limit.** (1) Subject to the limitations in subsections (2) and

25 (3), members of a personal staff are exempt from parts 1 through 3 and 10.

26 (2) The personal staff who are exempted by subsection (1) may not exceed 10 unless otherwise

27 approved by the department according to criteria developed by the department. Under no circumstances may

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1 the total exemptions of each elected official exceed 15.

2 (3) The number of members of the personal staff of the public service commission who are  
3 exempted by subsection (1) may not exceed 6.

4 (4) ~~(A) The EXCEPT AS PROVIDED IN SUBSECTION (4)(B),~~ the number of members of the personal staff  
5 of the leadership of the legislature ~~AND THE LEGAL STAFF OF THE MAJORITY AND MINORITY CAUCUSES~~ that are  
6 employed full-time on a yearly basis who are exempted by subsection (1) may not exceed:

7 ~~(a)(I) one TWO~~ personal staff for the speaker of the house of representatives;

8 ~~(b)(II) subject to subsection (4)(b),~~ one personal staff for the minority leader of the house of  
9 representatives;

10 ~~(c)(III) one TWO~~ personal staff for the president of the senate; and

11 ~~(d)(IV) subject to subsection (4)(b),~~ one personal staff for the minority leader of the senate; and

12 ~~(E)(V) ONE PERSONAL LEGAL STAFF THAT SERVES ON AN AS-NEEDED BASIS FOR THE MAJORITY PARTY OF~~  
13 ~~THE HOUSE OF REPRESENTATIVES;~~

14 ~~(F)(VI) ONE PERSONAL LEGAL STAFF THAT SERVES ON AN AS-NEEDED BASIS FOR THE MINORITY PARTY OF THE~~  
15 ~~HOUSE OF REPRESENTATIVES;~~

16 ~~(G)(VII) ONE PERSONAL LEGAL STAFF THAT SERVES ON AN AS-NEEDED BASIS FOR THE MAJORITY PARTY OF~~  
17 ~~THE SENATE;~~

18 ~~(H)(VIII) ONE PERSONAL LEGAL STAFF THAT SERVES ON AN AS-NEEDED BASIS FOR THE MINORITY PARTY OF THE~~  
19 ~~SENATE; AND~~

20 ~~(e)(I)(IX)(V) one personal staff, and one additional personal staff as needed,~~ that serves ~~serve~~ SERVES  
21 at the pleasure of the speaker of the house of representatives and the president of the senate for the purposes  
22 provided in 5-5-110.

23 (B) IF THE MEMBERSHIP OF THE MINORITY CAUCUS IN EITHER CHAMBER IS 40% OR GREATER OF THE  
24 TOTAL MEMBERSHIP OF THE CHAMBER, THEN THE RESPECTIVE MINORITY LEADER PROVIDED FOR IN SUBSECTION  
25 (4)(A)(II) OR (4)(A)(IV) MAY APPOINT UP TO TWO EXEMPT PERSONAL STAFF.

26 (5) (a) SUBJECT TO LEGISLATIVE APPROPRIATION, THE FUNDING ALLOCATED TO THE contract for  
27 legislative leadership PERSONAL LEGAL STAFF FOR THE MINORITY PARTY IN SUBSECTIONS (4)(F) AND (4)(H) IS EQUAL

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1 ~~TO ONE-THIRD OF THE FUNDING ALLOCATED TO THE PERSONAL LEGAL STAFF FOR THE MAJORITY PARTY IN SUBSECTIONS~~  
2 ~~(4)(E) AND (4)(G) IN HOUSE BILL NO. 2 IS~~ must be divided equally between the house of representatives and the  
3 senate and then ~~PRORATED~~ within each chamber ~~BASED ON THE RATIO OF THE MINORITY PARTY AND THE MAJORITY~~  
4 PARTY in the respective chamber ~~TO THE OVERALL PARTISAN MAKEUP OF THE LEGISLATURE~~ respective chamber.  
5 (b) THE EXEMPT PERSONAL LEGAL STAFF FOR THE MAJORITY AND MINORITY PARTIES MUST BE LICENSED  
6 TO PRACTICE LAW IN MONTANA AND MAY BE HIRED ON A CONTRACT BASIS. ~~(Subsection (4)(e) terminates June 1,~~  
7 ~~2023 sec. 6, Ch. 523, L. 2021.)"~~  
8

9 **Section 3.** Section 5-5-110, MCA, is amended to read:

10 ~~"5-5-110. (Temporary) Special counsel -- powers -- appointment -- reporting.~~ (1) The speaker of  
11 the house of representatives and president of the senate may hire, at any time, one two personal staff under 2-  
12 18-104 for the purposes of serving as a special counsel. The speaker of the house of representatives and  
13 president of the senate must consent in writing to the appointment of the special counsel.

14 ~~(2) —~~ The special counsel serves at the pleasure of the speaker of the house of representatives and  
15 the president of the senate. The special counsel must be licensed to practice law in Montana. The special  
16 counsel may:

17 ~~(a) —~~ be appointed to investigate and examine state governmental activities and may examine and  
18 inspect all records, books, and files of any department, agency, commission, board, or institution of the state of  
19 Montana. A governmental agency shall assist the special counsel in any activity conducted by the special  
20 counsel as provided in this section.

21 ~~(b) —~~ exercise the investigatory powers under Title 5, chapter 5, part 1, on behalf of a standing  
22 committee, select committee, or interim committee and any subcommittees of those committees;

23 ~~(c) —~~ if assigned to a legislative committee, hold hearings, administer oaths, issue subpoenas,  
24 compel the attendance of witnesses and the production of papers, books, accounts, documents, and testimony,  
25 and cause depositions of witnesses to be taken in the manner prescribed by law for taking depositions in civil  
26 actions in district court;

27 ~~(d) —~~ report to the speaker of the house of representatives and the president of the senate or any

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1 ~~committee designated by the speaker of the house of representatives and the president of the senate, including~~  
2 ~~but not limited to standing committees, select committees, or interim committees and any subcommittees of~~  
3 ~~those committees. A special counsel that reports to a legislative committee must serve at the direction of the~~  
4 ~~speaker of the house of representatives and president of the senate and not the assigned committee.~~

5 ~~(e) — make recommendations for revisions of laws or rules for consideration by the legislature.~~

6 ~~(3) — The speaker of the house of representatives and president of the senate may designate the~~  
7 ~~attorney general or an employee of the attorney general to serve as the special counsel.~~

8 ~~(4) — Costs for the special counsel must be paid:~~

9 ~~(a) — by the department of justice if the special counsel is the attorney general or an employee of the~~  
10 ~~attorney general as provided in subsection (3);~~

11 ~~(b) — as directed by the speaker of the house of representatives or president of the senate, including~~  
12 ~~but not limited to using funding from interim committee operating funds. (Terminates June 1, 2023—sec. 6, Ch.~~  
13 ~~523, L. 2021.) "~~

14

15 **SECTION 3. SECTION 5-5-110, MCA, IS AMENDED TO READ:**

16 **"5-5-110. (Temporary) Special counsel -- powers -- appointment -- reporting.** (1) The speaker of  
17 the house of representatives and president of the senate may hire, at any time, one personal staff under 2-18-  
18 104 for the purposes of serving as a special counsel. The speaker of the house of representatives and  
19 president of the senate must consent in writing to the appointment of the special counsel.

20 (2) The special counsel serves at the pleasure of the speaker of the house of representatives and  
21 the president of the senate. The special counsel must be licensed to practice law in Montana. The special  
22 counsel may:

23 (a) be appointed to ~~investigate and examine~~ and review state governmental activities and may  
24 examine and inspect all records, books, communications, and files of any department, agency, commission,  
25 board, or institution of the state of Montana at the request of a legislator or legislative committee. A  
26 governmental agency shall assist the special counsel in any activity conducted by the special counsel as  
27 provided in this section.

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1 (b) exercise the investigatory powers under Title 5, chapter 5, part 1, on behalf of a standing  
2 committee, select committee, or interim committee and any subcommittees of those committees;

3 (c) if assigned to a legislative committee, hold hearings, administer oaths, issue subpoenas,  
4 compel the attendance of witnesses and the production of papers, books, accounts, documents, and testimony,  
5 and cause depositions of witnesses to be taken in the manner prescribed by law for taking depositions in civil  
6 actions in district court;

7 (d) report to the speaker of the house of representatives and the president of the senate or any  
8 committee designated by the speaker of the house of representatives and the president of the senate, including  
9 but not limited to standing committees, select committees, or interim committees and any subcommittees of  
10 those committees. A special counsel that reports to a legislative committee must serve at the direction of the  
11 speaker of the house of representatives and president of the senate and not the assigned committee.

12 (e) make recommendations for revisions of laws or rules for consideration by the legislature.

13 (3) The speaker of the house of representatives and president of the senate may designate the  
14 attorney general or an employee of the attorney general to serve as the special counsel.

15 (4) Costs for the special counsel must be paid:

16 (a) by the department of justice if the special counsel is the attorney general or an employee of the  
17 attorney general as provided in subsection (3);

18 (b) as directed by the speaker of the house of representatives or president of the senate, including  
19 but not limited to using funding from interim committee operating funds. (~~Terminates June 1, 2023 - sec. 6, Ch.  
20 523, L. 2021.~~)"

21

22 **NEW SECTION. Section 4. Repealer.** Section 6, Chapter 523, Laws of 2021, is repealed.

23

24 **NEW SECTION. Section 5. Funding.** The legislative services division may use available funding  
25 appropriated during the biennium ending June 30, 2023, for legal counsel, including any expenses authorized in  
26 Chapter 523, Laws of 2021, to pay for legal expenses incurred by the speaker of the house of representatives  
27 after commencement of the 2023 legislative session.

1

2 NEW SECTION. Section 6. Appropriation -- contract legal staff. (1) There is appropriated  
3 \$400,000 from the general fund to the legislative services division for the biennium beginning July 1, 2023.

4 (2) The appropriation must be used to pay for expenses associated with personal legal staff, as  
5 provided in 2-18-104(5).

6 (3) The legislature intends that the appropriation in this section be considered in the legislation  
7 appropriating money for the operation of the 2025 and subsequent legislature during the 2025 legislative  
8 session.

9 (4) Money from the appropriation that is not spent during the biennium must revert to the general  
10 fund.

11  
12 NEW SECTION. Section 7. Appropriation -- special counsel. (1) There is appropriated \$100,000  
13 from the general fund to the legislative services division for the biennium beginning July 1, 2023.

14 (2) The appropriation must be used to pay for expenses associated with contracting for special  
15 counsel, as provided in 5-5-110.

16 (3) The legislature intends that the appropriation in this section be considered in the legislation  
17 appropriating money for the operation of the 2025 and subsequent legislature during the 2025 legislative  
18 session.

19 (4) Money from the appropriation that is not spent during the biennium must revert to the general  
20 fund.

21  
22 NEW SECTION. Section 8. Appropriation -- legislative staff training. (1) There is appropriated  
23 \$15,000 from the general fund to the legislative services division for the biennium beginning July 1, 2023.

24 (2) The appropriation must be used to pay for training expenses associated with exempt staff, as  
25 provided in 2-18-104, with \$15,000 allocated as follows:

26 (a) \$5,000 for the speaker of the house of representatives;

27 (b) \$2,500 for the minority leader of the house of representatives;

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1 (c) \$5,000 for the president of the senate; and

2 (d) \$2,500 for the minority leader of the senate.

3 (3) The legislature intends that the appropriation in this section be considered in the legislation  
4 appropriating money for the operation of the 2025 and subsequent legislature during the 2025 legislative  
5 session.

6 (4) Money from the appropriation that is not spent during the biennium must revert to the general  
7 fund.

8  
9 **NEW SECTION. Section 9. Appropriation -- legislative leadership expenses.** (1) There is  
10 appropriated \$30,000 from the general fund to the legislative services division for the biennium beginning July  
11 1, 2023.

12 (2) The appropriation must be used to pay for leadership expenses, allocated as follows:

13 (a) \$10,000 for the speaker of the house of representatives;

14 (b) \$5,000 for the minority leader of the house of representatives;

15 (c) \$10,000 for the president of the senate; and

16 (d) \$5,000 for the minority leader of the senate.

17 (3) The legislature intends that the appropriation in this section be considered in the legislation  
18 appropriating money for the operation of the 2025 and subsequent legislature during the 2025 legislative  
19 session.

20 (4) Money from the appropriation that is not spent during the biennium must revert to the general  
21 fund.

22  
23 **NEW SECTION. Section 10. Effective date.** [This act] is effective on passage and approval.

24  
25 **NEW SECTION. Section 11. Retroactive applicability.** [This act] applies retroactively, within the  
26 meaning of 1-2-109, to special counsel AND EXEMPT PERSONAL LEGAL STAFF hired during the 68th legislative  
27 session.



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- END -

AMEND