

HOUSE BILL NO. 260

INTRODUCED BY M. REGIER, R. KNUDSEN

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING EXEMPT PERSONAL STAFF OF LEGISLATIVE LEADERSHIP LAWS; PROVIDING FOR ~~ONE~~ FOUR ADDITIONAL PERSONAL STAFF TO SERVE AS ~~SPECIAL COUNSEL FOR THE LEGISLATURE~~ EXEMPT PERSONAL LEGAL STAFF FOR EACH CAUCUS ON AN AS-NEEDED BASIS; PROVIDING A FUNDING ALLOCATION FOR THE ADDITIONAL PERSONAL LEGAL STAFF; PROVIDING SPECIAL COUNSEL MAY ENTER A ~~CONTACT~~ CONTRACT TO PERFORM THE DUTIES OF SPECIAL COUNSEL AFTER SERVING IN THAT POSITION AS AN EMPLOYEE; MAKING THE SPECIAL COUNSEL POSITION PERMANENT; REVISING A DEFINITION; AMENDING SECTIONS 2-2-201, AND 2-18-104, AND 5-5-110, MCA; REPEALING SECTION 6, CHAPTER 523, LAWS OF 2021; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

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

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

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

(2) In this section, the term:

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

(b) "contract" does not include:

(i) contracts awarded based on competitive procurement procedures conducted after the date of employment termination;

- 1 (ii) merchandise sold to the highest bidder at public auctions;
- 2 (iii) investments or deposits in financial institutions that are in the business of loaning or receiving
3 money;
- 4 (iv) a contract with an interested party if, because of geographic restrictions, a local government
5 could not otherwise reasonably afford itself of the subject of the contract. It is presumed that a local government
6 could not otherwise reasonably afford itself of the subject of a contract if the additional cost to the local
7 government is greater than 10% of a contract with an interested party or if the contract is for services that must
8 be performed within a limited time period and no other contractor can provide those services within that time
9 period.

10 (v) a contract with a former employee that served as special counsel pursuant to 5-5-110 if the
11 former employee is hired on a contract basis to fulfill the role of special counsel any period of time after
12 termination of employment;

13 (c) "directly involved" means the person directly monitors a contract, extends or amends a
14 contract, audits a contractor, is responsible for conducting the procurement or for evaluating proposals or
15 vendor responsibility, or renders legal advice concerning the contract;

16 (d) "former employee" does not include a person whose employment with the state was
17 involuntarily terminated because of a reduction in force or other involuntary termination not involving violation of
18 the provisions of this chapter."

19

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

21 **"2-18-104. Exemption for personal staff -- limit.** (1) Subject to the limitations in subsections (2) and
22 (3), members of a personal staff are exempt from parts 1 through 3 and 10.

23 (2) The personal staff who are exempted by subsection (1) may not exceed 10 unless otherwise
24 approved by the department according to criteria developed by the department. Under no circumstances may
25 the total exemptions of each elected official exceed 15.

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

28 (4) The number of members of the personal staff of the leadership of the legislature AND THE LEGAL

1 STAFF OF THE MAJORITY AND MINORITY CAUCUSES who are exempted by subsection (1) may not exceed:

2 (a) one personal staff for the speaker of the house of representatives;

3 (b) one personal staff for the minority leader of the house of representatives;

4 (c) one personal staff for the president of the senate;

5 (d) one personal staff for the minority leader of the senate; ~~and~~

6 (E) ONE PERSONAL LEGAL STAFF THAT SERVES ON AN AS-NEEDED BASIS FOR THE MAJORITY PARTY OF

7 THE HOUSE OF REPRESENTATIVES;

8 (F) ONE PERSONAL LEGAL STAFF THAT SERVES ON AN AS-NEEDED BASIS FOR THE MINORITY PARTY OF THE

9 HOUSE OF REPRESENTATIVES;

10 (G) ONE PERSONAL LEGAL STAFF THAT SERVES ON AN AS-NEEDED BASIS FOR THE MAJORITY PARTY OF

11 THE SENATE;

12 (H) ONE PERSONAL LEGAL STAFF THAT SERVES ON AN AS-NEEDED BASIS FOR THE MINORITY PARTY OF THE

13 SENATE; AND

14 ~~(e)(i)~~ one personal staff, ~~and one additional personal staff as needed~~, that ~~serve~~ SERVES at
15 the pleasure of the speaker of the house of representatives and the president of the senate for the purposes
16 provided in 5-5-110.

17 (5) SUBJECT TO LEGISLATIVE APPROPRIATION, THE FUNDING ALLOCATED TO THE PERSONAL LEGAL STAFF

18 FOR THE MINORITY PARTY IN SUBSECTIONS (4)(F) AND (4)(H) IS EQUAL TO ONE-THIRD OF THE FUNDING ALLOCATED TO

19 THE PERSONAL LEGAL STAFF FOR THE MAJORITY PARTY IN SUBSECTIONS (4)(E) AND (4)(G). THE EXEMPT PERSONAL

20 LEGAL STAFF FOR THE MAJORITY AND MINORITY PARTIES MUST BE LICENSED TO PRACTICE LAW IN MONTANA AND MAY BE

21 Hired ON A CONTRACT BASIS. (Subsection (4)(e) terminates June 1, 2023 – sec. 6, Ch. 523, L. 2021.)"

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

24 ~~"5-5-110. (Temporary) Special counsel – powers – appointment – reporting. (1) The speaker of~~
25 ~~the house of representatives and president of the senate may hire, at any time, one two personal staff under 2-~~
26 ~~18-104 for the purposes of serving as a special counsel. The speaker of the house of representatives and~~
27 ~~president of the senate must consent in writing to the appointment of the special counsel.~~

28 ~~(2) —~~ The special counsel serves at the pleasure of the speaker of the house of representatives and

1 the president of the senate. The special counsel must be licensed to practice law in Montana. The special
2 counsel may:

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

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

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

13 (d) ~~report to the speaker of the house of representatives and the president of the senate or any~~
14 ~~committee designated by the speaker of the house of representatives and the president of the senate, including~~
15 ~~but not limited to standing committees, select committees, or interim committees and any subcommittees of~~
16 ~~those committees. A special counsel that reports to a legislative committee must serve at the direction of the~~
17 ~~speaker of the house of representatives and president of the senate and not the assigned committee.~~

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

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

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

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

24 (b) ~~as directed by the speaker of the house of representatives or president of the senate, including~~
25 ~~but not limited to using funding from interim committee operating funds. (Terminates June 1, 2023--sec. 6, Ch.~~
26 ~~523, L. 2021.) "~~

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28 NEW SECTION. Section 3. Repealer. Section 6, Chapter 523, Laws of 2021, is repealed.

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NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval.

NEW SECTION. Section 5. Retroactive applicability. [This act] applies retroactively, within the meaning of 1-2-109, to special counsel AND EXEMPT PERSONAL LEGAL STAFF hired during the 68th legislative session.

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