



Montana State Legislature

65th Legislature

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April 19, 2018

Dear President Sales and Speaker Knudsen,

We would like to address the formation of a select committee to look at the issue of "employee settlements". We strongly agree with the recommendation of Director Fox that, prior to any further action, the matter should be placed on the agenda for the May 2018 Legislative Council meeting. Further, until that meeting, we would ask that no public resources be expended on any preliminary conference calls or meetings.

Here's why:

First, as we have been advised, it is only a majority of members of the Legislative Council that can authorize spending funds from the Emerging Issues account, which by the way, was severely cut back in the last round of budget decreases. Further, we certainly will not support any plan to seek a supplemental appropriation to pursue this Select Committee. As you know, public resources and staff time are at a premium, and we have already had to cut back on resources for the work of our standing interim committees. There has been no discussion with Democratic leaders about the formation of this Committee, and it was not mentioned at all at the last Legislative Council meeting in Polson. It was indeed a surprise to read the "announcement" of the Select Committee the day after we adjourned in Polson.

Secondly, we have received notice from the Legislative Audit Committee that a performance audit on the settlements issue has been in the works for some time and is scheduled to commence in May. It would appear to be far more prudent, at the very least, for the legislative leadership to wait until that audit is complete before any additional public resources, including staff time, are expended on the issue. A select committee may prove to be entirely redundant with the work of the Audit Committee.

Thirdly, Montana statutes provide substantive powers to our Audit Division and our Audit Committee to pursue these types of investigations. Our staff at the Audit Division have the skills, experience and knowledge to get this performance audit done effectively, and produce the requisite findings and recommendations. We suggest we let that process work. We need to keep in mind that the subject matter is very sensitive for both the State and the employees that have been involved with settlements. These privacy concerns lead us right back to the Audit Division, with the skills and know-how to deal with sensitive subjects without compromising the objectives of a performance audit.

Fourthly, any notion that this Select Committee has been proposed as "bi-partisan" was undermined immediately with the unilateral appointment of 6 Republicans and only 4 Democrats. We would think as legislative leaders, we would have the sense to keep politics out of a process like this (as we are able to do through the Audit Committee). We remind the leadership that there are offices and departments run by elected officials from both sides of the aisle.

In summary, based on the above, we would ask that the Conference Call noticed for April 25, 2018 be cancelled until such time when the Legislative Council meeting convenes in May and there is an official determination by the Council on whether to pursue a Select Committee and how to pay for it. Until then, the four Democrats invited to the Conference Call and the Democratic leadership team will be directing our attention to other, more pressing legislative matters.

Sincerely,

Democratic Leaders, Senator Jon Sesso and Representative Jenny Eck