

STATE OF MONTANA
Legislative Audit Committee

RULES OF CONDUCT OF PUBLIC MEETINGS
for
PROPOSED PRIVATIZATION PLANS

PREAMBLE:

The privatization plan review process requires the Legislative Audit Committee to hold a public hearing on proposed privatization plans to provide the agency and members of the public an opportunity to testify. Prior to the public hearing, the agency must submit a privatization plan to the Committee. State agency plans must be released to the public and the Committee at least 180 days prior to the proposed implementation date. Each plan must include the criteria contained in Montana statute (section 2-8-303, MCA).

The Legislative Audit Committee is required to hold a public hearing on each privatization plan at least 90 days prior to the proposed implementation date. During the public meeting, the Committee will hear testimony from the agency, and any individuals, groups, or organizations who desire to offer their views or comments. The members of the Committee may have questions for the agency or anyone who presents testimony. In addition, Committee members may request additional information they consider necessary to complete assessment of the privatization proposal. The exact date and location of each public hearing will be set by the Legislative Audit Committee. Interested persons will be notified of public hearings *10 days* prior to the hearing date through paid advertisements in eight Montana area newspapers.

The Committee will consider information presented in the agency's privatization plan and testimony given at the public hearing. A summary of the results of the public hearing and the findings and conclusions of the Committee will be released to the public at least 45 days prior to the proposed implementation date. At least 30 days prior to the proposed implementation date, the Committee will vote to recommend approval or disapproval of the privatization plan. The Committee's recommendation, which is advisory only, will be transmitted to the Governor, in writing, within this 30-day time frame.

In addition to agency submitted privatization plans, the Legislative Audit Committee may direct the Legislative Auditor to conduct a review of a program and prepare a privatization plan. The report on the Legislative Auditor's review will be released to the Committee and the public. Not less than 30 days after release of the report, the Committee will hold a public hearing. Rules for this type of public hearing are the same as for agency submitted privatization plans.

The Legislative Audit Committee has established the following rules to govern privatization public hearings:

RULES:

1. The location of the public hearing will be determined by the Legislative Audit Committee.
 - A. The Chairman of the Legislative Audit Committee, in consultation with members of the Committee and the Legislative Auditor, shall decide what city, or cities, may be impacted by the proposed privatization.
 - B. The Legislative Auditor will schedule the time and location for a public hearing in the city, or cities, impacted by the proposed privatization.
2. The Legislative Auditor will notify the public, and all affected state employee unions, of all privatization public hearings.
 - A. Notification will be provided to the Associated Press and be published in the following Montana newspapers:

Billings Gazette - Billings
Bozeman Chronicle - Bozeman
Montana Standard - Butte
Great Falls Tribune - Great Falls
Helena Independent Record - Helena
The Daily Inter Lake - Kalispell
Miles City Star - Miles City
The Missoulian – Missoula
 - B. For the city or cities impacted by the proposed privatization, the advertisement will be placed in a section of the newspaper other than the legal notice section.
 - i. For the other newspapers, the notification will be advertised in the legal section.
3. The basic order of the public meeting will be *at the discretion of* the Chairperson of the Legislative Audit Committee. However, the following steps provide an overview of the normal order for privatization public hearings:
 - A. Introductory comments by the Chairperson of the Legislative Audit Committee.
 - B. Oral comments by the agency making the proposal for privatization.
 - C. Oral comments by proponents of the proposal.
 - i. The normal order for proponents will be:
 - 1) staff, board members, and individuals from state agencies affected by implementation of the proposal;
 - 2) persons associated with, representing, or speaking on behalf of businesses, organizations,

- and other entities involved with providing goods and services for the program proposed for privatization; and
- 3) the general public who are not representing or speaking on behalf of an affected state agency, or an entity involved with providing program goods and services.
- D. Oral comments by opponents of the proposal.
- i. The normal order for opponents will be the same as for proponents.
- E. *Discussion, deliberation, formulation of recommendations, and voting by the Legislative Audit Committee will take place at a subsequent Committee meeting.*
- i. No decisions will be made by the Committee until at least 14 days after the public hearing.
 - ii. All Committee deliberations subsequent to the public hearing will be conducted at a formal meeting of the Legislative Audit Committee.
4. Those desiring to testify should, to the extent possible, give advance notice to the Legislative Audit Division (406-444-3122). This will facilitate time and space planning for the public meeting.
 5. All testimony should be as concise, factual, and as brief as possible.
 6. All testimony must focus on the proposed privatization plan and criteria in the privatization law. These criteria include:
 - A. Employed personnel and estimated effect on employment status, including changes in wages and benefits.
 - B. Program assets and proposed disposition.
 - C. Cost savings or additional costs including future monitoring costs and costs to the state to resume administration of the program.
 - D. Current and future economic impacts of implementation on other state programs.
 - E. Increases or decreases in costs and quality of goods and services.
 - F. Ways to deliver the same or better services at a lower cost.
 - G. Benefits of the proposed privatization plan.
 7. Both oral and written testimony will be accepted. Minutes will be taken of oral testimony provided at public hearings. A summary of the minutes will be incorporated as part of the public record.
 - A. Those presenting oral or written testimony **must clearly state** whether they are a proponent, opponent, or an informational witness of the proposed privatization.
 - B. Written testimony will be accepted prior to the public hearing and for 2 weeks (14 calendar days) after the date of the hearing. No testimony will be accepted after this 2-week deadline.

- i. Written testimony should be mailed to the following address:

Legislative Audit Division
Attn: Privatization Proposal Comments
Room 160, State Capitol
PO Box 201705
Helena, MT 59620-1705
E-mail: lad@mt.gov

8. Those presenting oral or written testimony must give their name, address, and the name of the agency, group, organization, or business they are associated with, represent, or are speaking on behalf of.
9. Groups or organizations desiring to testify must select a spokesperson to present their testimony. Repetitive testimony by members of the same group will not be allowed.
10. The Legislative Audit Committee reserves the privilege of questioning those who offer testimony. This privilege is limited to members of the Legislative Audit Committee.
11. In the interest of time, the Chairperson of the Legislative Audit Committee may, with Committee approval, set time limits on oral presentations.