

Maureen and Mike

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Bob Brown: Today I'm interviewing senator, former state Senator Fred Thomas from Stevensville. Fred, when and where were you born?

Fred Thomas: I was born in Hamilton, Montana, June 27, 1958.

BB: And what motivated you toward public service? What interested you in public service?

FT: Well, the family had been involved in politics all over the years, I suppose. My grandfather had served in the Montana State Legislature in the House in the '40s I think it was, the middle '40s. And then my dad served in the early '70s. And so I think it was kind of in the blood. You're kind of raised that way. I don't know how it works, but I did have that background and was involved in student government in high school and college and then went on. And I always wanted to serve in the State Legislature in the House. So I ran in 1984. I think I was 24 or 25 then. I was 24, and then elected [when] I was 25.

BB: You were 25 years old at the time of the caucus?

FT: Yes.

BB: Before we get too far ahead here, did you ever know your grandfather?

FT: I never met him. He actually died just two weeks before I was born, oddly. But you know, I guess you gotta die at some point. But yes, just in 1958, just a couple weeks prior.

BB: So your dad, of course, was interested in politics because his father had served in the legislature, and then you caught some of the same disease from your own dad.

FT: (Laughs) Exactly.

BB: Now sometimes people will say there was an incident or an experience or a person that inspired them to do something in their life. And it could just be in your case that it is your family, and it was the general way of your dad and so on. Is that the whole story, or is there more to it than that?

FT: Must be the whole deal there because I just don't remember meeting Governor Babcock or something like that that sparked something that, "I'm gonna go into politics." I don't remember that, going back.

BB: But you were interested even in running for class office and that sort of thing when you were in grade school and high school and college?

FT: Yes, and in high school I was student body president and head of the FFA chapter and class president and all that stuff. And then in college I swore off student government because I was so involved in high school (laughs). And then I found myself in the very first quarter, we were in quarters then, running for the student senate in the fall of '76. I lost that night. We elected ten. The top ten candidates were elected to the student senate, then there was ten elected in the spring, so there was 20 total. And that was fine until I found out I gotten 11th (laughs). I just barely lost, you know. But a good friend of mine got tenth and that was Gale Stensvad out of Melstone, Montana. So I always felt good that he got elected. And then they appointed me later on to the student senate, and I was elected a couple of times and then student body president there.

BB: Wow, so you've really been a politician, it sounds like, since the time you were an adolescent.

FT: Must have been.

BB: And I think I just mentioned now to you—I think I've mentioned this to you before—that the first time I met you—and of course I served in the State House with your dad—but you were up in the Flathead Valley and I was manning the Republican booth at the Northwest Montana Fair. And here this geeky little kid comes over to me about, I don't know, 13 years old or something. I don't know how old you might have been then. And you were brimming with questions about politics and about Republicans and that sort of thing. And I had a ten-minute conversation with you, I suppose, 'til your dad found you again. So that was the first time I met you. And then you were probably a page.

FT: Oh, that's right. I was a page, I think. You had to be 14 or something to be a page. When Dad was in the legislature in '70, oh gosh, '71 or whatever that was, there was a special session in the summer. You might remember, but there was a special session. It was dealing with the budget, it was dealing with apportionment, and it was dealing with the sales tax. You know at that time that was the year Big Ed Smith, who ran for governor in '72.

BB: Right, he was a maverick Republican who opposed it.

FT: He was a maverick Republican who opposed sales tax, right on. And so I was able to go and page. I was going to be an honorary page and then I got over and they said, "Well, why don't you stay." They accepted me as younger and I paged the whole session, if I remember right, or close to the special session. So that was pretty cool. Got to go get cigars for Representative Gary Giesick or something like that.

BB: Yes, from Billings. He used to campaign for John Deere tractors. He was rancher somewhere near Billings and he'd come chuggin' into town on a—'course it was legal to drive a tractor around town—so he'd drive around town in this big 'ol tractor and wave to people. He was a big guy with a big tummy sittin' on that big gold-green John Deere tractor. He could do a lot of campaigning in one day just driving around Billings.

FT: (Laughs) Yes, I remember he was always kind of on the far aisle towards the outside of the seats so he had plenty of room.

BB: (Laughs)

FT: (Laughs) I don't know if I've seen him since but...

BB: I remember I asked Sonny Lockrem, I said, "You got a new guy from Billings. Who is he?" He says, "Gary Giesick. He weighs one-eighth of a ton." (Laughs)

FT: (Laughs) Yes, that sounds right. He was a big boy.

BB: Well, tell me. Describe your political philosophy and what shaped it.

FT: Well, I suppose the shaping was family politic and discussion and our economics at the time. We grew up probably pretty moderate income, maybe a lower income to be honest, in the valley there in Bitterroot. We grew up there and so—but we were kind of from the do-it-yourself type of a raising. Dad and my grandfather were farmer-ranchers. We raised cattle and horses and hay and crops, and then Dad raised pigs later on. So we were the do-it-yourself type of people that were opposed to the FDR New Deal-type of things. I know that was built into the deal when you grew up because it wasn't the right philosophy and all. So that's where the philosophy, I suppose, came from. My general philosophy is real bedded in the less-government, the less-taxes, the better off we are as a society. More than anything, not having to do with the government but as a society, we're just so much stronger and more self-reliant and reliant on our community versus the government.

BB: You went into private business yourself. You didn't become a farmer and rancher.

FT: No, after college, I'd looked at it real hard and decided it. And in a couple of summers I'd worked in the insurance industry selling life insurance, actually. Talk about tough stuff, but to get through college. And then the third summer that I was involved in the insurance side of things, it was the property and the casualty. You know: home, auto, ranch, business insurance, and I liked that. So I thought that through, and I thought, "Well, I'm interested in politics, candidly." That made it into the equation. "I like this insurance stuff, working with people." So I thought, "Well, I'm gonna go home and take that part of the business, the family business over."

BB: You're dad had gotten somewhat into the insurance business too?

FT: Yes, he had started into life insurance. He was mainly a life insurance agent and did well at that. But he had a little property and casualty, home and auto, ranch, business. And the front gal in our office mainly ran that. So I came home. And while I'd worked that the one summer before, then when I came home for good after college graduation, I took that part of the business over and grew it up. And so private business of developing your own business, taking care of your clients. And it's been real fruitful and real successful over the years, for sure.

BB: Now when you got to the legislature the first time—well, maybe I should ask you this, and I think you've already pretty much told me that you were motivated to run for the legislature just by this interest that you'd had since you were a kid.

FT: Yes, very much.

BB: And you went into a business that made it possible for you to take time off.

FT: Yes, self-employed really.

BB: Self-employed, but you were self-employed in a way that you weren't indispensable from the business. You know you could get away at least for the time of the legislative session. Now you'd been to the legislature before when you were a page, and you'd been there before when your dad was a member. But I'm still interested in your first impression of being a legislator. What was it like or not like? How was it like, or not like you thought it would be, to actually be inside the legislative process and you serving as a legislator?

FT: That's kind of an interesting question because I don't know when I wanted to be a legislator. But I know it was maybe after I was a page when I was 13, or whatever age it was then, that I always wanted to be in the House of Representatives in Montana. It was a big goal of mine from a young age. I can still remember driving up Montana Avenue headed up to the Capitol the first session, and I thought, "I'll be darned. I'm actually gonna be there." (Laughs) That's kind of one of the check-offs on my lifetime deal. And then—obviously I had that goal and so that was accomplished—but obviously the real work was in what you wanted to be there because of all the things that were to be done. And so it was an absolute delight to be involved.

I suppose that the difference between wanting to be there and then being a part of it. I don't know. It was probably just a normal thing. I mean, it just seemed natural to be there and push the buttons yes and no. I don't know, maybe it was the involvement with student government, which is a minor thing in high school, but in college you had a decent budget and you had to work these things through and you had a student senate to work with. As a president, you had to work with the student senate to get your things through there. And as a senator before that, a student senator, you had to work with each other to get something done. So it just seemed

natural going into the legislature; it is a great process, as you know. So it was fun, obviously a great time to be involved.

BB: What legislators from your experience in the House of Representatives stand out in your memory?

FT: Well, you do. One of my old buddies that—yours too—was Elmer Severson, state senator from Stevensville.

BB: My dear friend.

FT: One of the most classics of all time. Elmer always stands out for me because he lived in the same community. I was able to help him with his campaigns a little bit over the years, and then of course, he was very supportive of me getting involved and doing that in '84. And I think he was elected in the '70s and served into the '80s, you know, a good stint of time. Elmer always stood out. But the local delegation of Elmer and Bob Thoft and Bernie Swift were always real close and dear to me. They were just great people.

BB: Unlike some legislative delegations, you guys got along well and supported each other generally?

FT: Generally we do, or we did. And there was always a little bit of a conflict in the Burnt Fork where they'd fight over water.

BB: And that would be Elmer and Bob?

FT: Elmer and Bob. (Laughs) One time we had a retirement party for Phil Bratton, our vo-ag teacher, and everybody was—

BB: Vo-ag teacher in high school?

FT: Yes, yes in high school. I was the emcee of that. I'd brought little glasses of water full of water, of Burnt Fork water, and I put cellophane over them so I could give one to Bob and one to Elmer and they could fight with water and not get each other wet.

BB: Now Fred, someone hearing this sometime in the future might not know what we're talking about, but the Burnt Fork is the Burnt Fork of the Bitterroot River.

FT: Yes, Bitterroot Valley.

BB: Bitterroot Valley. Well the Bitterroot River, but the Burnt Fork flows into the Bitterroot River, right?

FT: Correct, yes.

BB: And so there are farmers and ranchers who irrigate out of that stream and other streams there, and there was sometimes conflict between irrigators that were trying to get their share of the water out of the same fork of the river.

FT: Yes.

BB: And there were two legislators who had ranches on that fork, Representative Bob Thoft and Senator Elmer Severson. And it was known that they had had conflicts over water. (Laughs)

FT: Well, and they work with different groups there. And they kind of both had their own group of allies that saw water and the use of water and water rights their way. And they were both leaders in the community. And so they didn't see water often the same way, and so they kind of fought over it.

BB: They were like a couple of big old bulls that would lock horns sometimes. Because I knew about that in the legislature. I didn't even live in your community, but I knew that there was somewhat of an old beef between Thoft and Severson over water.

FT: But they were truly both good people.

BB: Oh yes.

FT: And good leaders. They just saw things differently. (Laughs) And I can go down there today, and I can find the same people with just different names. They're fightin' over water too.

BB: Still fighting over water.

FT: They just don't get elected.

BB: Elmer was killed by a bull, wasn't he?

FT: Yes, yes.

BB: I think he was older and becoming more frail and that sort of thing. And I heard he was moving some cattle in a corral and a bull crushed him against the fence.

FT: Yes, that was a sad deal. But you know, if you're a farmer-rancher or cattle raiser, you think, well you get to an age and you're like, "Well, that's okay. You gotta go somehow." And he was a great man. And so this bull had banged him up pretty well and for me—I know his story, I wasn't there. When Elmer, after the accident happened, he's in the hospital and you know

you're in some state of coherence. And then I think with the point in time when he became coherent enough to figure things out and really understand what had happened to him and what the prospects were, because he had his back broken and all kinds of things, I think after that, once he figured everything out that he's not gonna really be able to be mobile, I think he just said, "That's good. I'm gonna check out." I have no doubt that that's what went through his mind because he's the kind of guy, I mean, he's a World War Two veteran.

BB: Yes, shot down over Germany during World War Two.

FT: He was a dandy. He was a dandy.

BB: Now all the people you've mentioned, representatives of Ravalli County in the legislature, could you isolate or spotlight some of the important interests to you and your delegation during that period of time?

FT: Well, always stuff that we worked on: there were some ag issues, but like the stream access law in that first session in '85, that was a tough one. But then there were tax issues, the water issue.

BB: Can you explain the stream access issue, just basically?

FT: Well, there'd been a Supreme Court ruling on that. I don't remember the ruling, but it had stemmed off the Dearborn River where an owner there had started to string barbed wire across the river and rafters would flow into it.

BB: So you had guys who were fishing on rafts going down the Dearborn River and when they'd get to this guy's property line, he didn't want them going through his ranch, so he strung barbed wire across the channel of the river.

FT: Like for a fence.

BB: Like for a fence. So that resulted in some litigation and the Supreme Court ruled?

FT: Well, they ruled that if it was a navigable stream or river, under the Montana Compact, that then it was open to the public to be able to navigate through there. Therefore, you couldn't put barriers and impediments of that nature in there. That kind of blew open the legal scenario of what can happen in that kind of case because this is all done on private property, because these rivers, the river beds and the banks, are owned by an individual or family.

BB: And a rancher could claim that if the water went through his ranch, that he was paying taxes, property taxes literally on the river bed.

FT: Exactly, and they do. It's platted to them and everything.



BB: So the Supreme Court ruled, "Well, you're entitled to the river bed, but you're not entitled to the water that flows over it. So as long as the rafter stays in the water or doesn't trespass beyond..." I think it was called—

FT: High water mark

BB: The high water mark, he's not trespassing on your property. So you've got lots of the Bitterroot River and its forks and tributaries. You've got a lot of this in the Bitterroot Valley. You had sportsmen who you had to be concerned about, but you also had property owners to be concerned about.

FT: It's still a divisive issue today; we're still having repercussions from it. But I voted for the bill, and I don't really have any misgivings over that because I felt it was a decent—

BB: It was a compromise that held for 20 years.

FT: Yes, and it still holds today because we did that in '85.

BB: Well, they massaged it again a little bit in 2005 or something like that. I think so, but not much. As you say, it's essentially the same.

FT: The premise is the same. And there's a little bit with bridges that they just did last session as well. It's funny how these things—in '85 when it was debated they said, "Well heck, down the road people will turn county roadways where they cross the river into public accesses where the bridges are." Everybody said, "Well no, that'll never happen." Well, it has happened. It's the law today. The things that we do, and these arguments when people bring these up, with time you realize that you gotta pay attention to those things because they do have a, they can come back and haunt.

BB: Long-term implications.

FT: Long-term implications.

BB: You've mentioned the legislators, but were there some key figures, some key leaders when you first started out in politics?

FT: Well, in the House...

BB: No, I'm not talking about in the legislature yet, but I talking about still back in Ravalli County.

FT: Oh, former legislator, a couple of those people, former legislator, Bill Groff, a state senator.

BB: Who had been a Democrat.

FT: A Democrat from Victor. He was a standout leader all throughout his—until he passed away.

BB: Had big influence in the valley.

FT: Yes, big time.

BB: He was a small banker there, but it was a prosperous bank even when I was...

FT: Very successful bank and they had big vision. Even passed it on through his family, his friend. A bigger operation than ever now.

BB: How would you describe his influence? I mean, what made him as influential as he was? There are a lot of bankers in small towns and some of them aren't, some of them are controversial. But Bill Groff seemed to have a huge influence in the Bitterroot Valley.

FT: Yes, he was just a sage, wise guy. I don't know how else to put it. But he just had a—he could take in the details of whatever it was at hand and spit out the good sage advice.

BB: And people trusted him generally?

FT: Very much so (unintelligible).

BB: Now Democrat that he was, you still obviously respected Bill Groff.

FT: Yes, yes. He was more conservative, a true conservative Democrat—that really meant—the meanings of that, of those terms applied to him. And it was genuine. And he kept a tight rein on the budget when you were in the finance committee.

BB: In the State Senate.

FT: In the State Senate. Then the other guy that was one of those standouts locally was Norris Nichols, who was in the House of Representatives from Stevensville. Bill was from Victor, and Norris was from Stevensville. Norris ran the House Appropriations Committee, and was a chair there in the House. He was Republican, and so the two of them, they obviously worked out a lot of details. I've heard the stories; I wasn't there. But that Groff would have, kind of have the budget on a couple of cards in his pocket. If you came up and said, "I want to spend so much money on something," he'd say, "Well, we'll see what we can do." I think he'd put that request on one card or another, the A list and the B list. If there was enough money to fund the A list, maybe he got to the B list, I don't know.

BB: Well, I literally did something like that myself.

FT: Oh really?

BB: When I was a young member of the House of Representatives, I'd heard about this Bill Groff, who was the wise old sage and the money manager of the state. And this was before there were computers to amount to anything, so you're right. Bill, just [used] like a regular piece of white stationery, he'd have them torn up into about 3-inch square pieces. And he'd carry, it'd probably be about a dozen of them around in his shirt pocket, and they might be the budgets for the highway department and the prison system and that sort of thing. There'd be a few key figures on each one, and that was pretty much the budget of the state of Montana.

If you needed to know something, he'd sit down over by the water cooler. And he was patient with me as a Republican—you know the other party, freshman legislator—and we went through it. And I looked at his figures and he showed me how he was arriving at them. This was essentially the whole state budget right there in that guy's pocket. And what I was concerned about, I remember specifically, was I wanted to hang up a traffic light on an intersection that was very dangerous up in the Flathead Valley; people had been killed. And I didn't know how much it would cost and I needed his advice on how to go about that because I didn't know if I needed to introduce a bill, or if I could go before the committee and see if I could get them to put that amount of money in with the Highway and Transportation Department's budget. So in the process of having that conversation with him, I remember we looked at the Department of Transportation budget and he said, "Oh goddamn, I don't think there's any problem with that. I think we can do that pretty easy." Anyway, that just happened, and things were really pretty easy in the legislature then. (Laughs)

FT: (Laughs). The guy that has the list.

BB: That's right. That's right. You know, you'd think we'd make terrible mistakes in a situation like that. But I don't think we made maybe as many as we make today when we get all the cooks with all the broth and all the figures and everybody's informed. I'm not even sure it works as well.

FT: I agree.

BB: Did you ever know Miles Romney?

FT: I never did. I just knew who he was. He was a standout guy, a Democrat who was a newspaper man from the Darby area, if I remember right, Hamilton-Darby. And stood his ground. He's probably a pretty liberal Democrat of that time, which wouldn't compare to today. A liberal Democrat would be more liberal today.

BB: (Laughs). Yes right.

FT: But he was a well-known guy and the Bitterroot had been kind of a Democrat area earlier on in. I don't know what years, if they were '30s, '40s, if it was a hangover from the Civil War. I don't know what. But in the, I think it was in the '70s, when it started flopping over to the Republicans—and I don't know what exactly drove all that change, maybe a wave a growth back there then. But that was kind of like when Elmer got elected. It was in the early—it was like '72, '74, that the valley started to shift over to being Republican. He beat a local Democrat named Sam Wolfe, who had edged out maybe Norris or something. John Driscoll, who was a real bright guy, served in the House, and he was from Hamilton. He was, back then we ran it as a county-wide in the House.

BB: But Driscoll and Wolfe were both Democrats back in that '70s, '60s-'70s era.

FT: And if I remember right, it was kind of like, before it was Norris and somebody who was from the valley, Norris Nichols and, I'm sorry, I don't remember. And then John Driscoll won in the next election with Norris. And then the next election I think it was Driscoll and Sam Wolfe got elected. And that's when, maybe it was '74, but Elmer ran, and the districts came into play in '74, if I'm right about that.

BB: That's right.

FT: Then Elmer took out Sam Wolfe and that's when they started taking out the rest of the—the valley then reverted to Republican after that because the other House district, whoever it was, became a Republican. And then Elmer won the Senate race and Bob replaced Elmer in the House. And then you had this—I don't know if there's been a Democrat. Well, no, there's been one Democrat House member from Ravalli County since then and that's Wayne Stanford from Stevensville.

BB: Wayne was there for, I think, one two-year term. That's been in about 20 years, too, hasn't it?

FT: Yes, it has been 'because that was all since—or maybe 30, because really, with Elmer, since '74, there's been very, very...Wayne may be the only Democrat legislator from the valley.

BB: I'd have to think about it.

FT: And that's really been 40 years.

BB: Yes, that is pretty amazing.

FT: Seventies, eighties, nineties—

BB: Given that the valley did have some history, as you mentioned, of electing Democrats, Lee Metcalf was a legislator from there back in the 1930s. Miles Romney, of course, served in the

legislature from there. Then Bill Groff served as a Democrat for, I don't know, 24 years or something.

FT: Long time. I'd vote for him today.

BB: (Laughs) So you got into the House of Representatives. This was a life-long ambition even though your life was young. You're about 25 years old. And you're finding it comfortable more or less because this is something you've been preparing for essentially since you were in your early teens. So now, you're seated there with people who have served in the legislature with your dad. I'm not sure if anybody was still there with your grandfather; I doubt it by then. But anyway, I'm just gonna mention a couple of names here and just get your reactions, maybe just kind of a brief summary of your impressions: Francis Bardanoue.

FT: Really a gifted, bright guy. And he ran the appropriations in the House for the Democrats. And when they were in the majority, he had chaired the committee, of course. A talented man who had probably one of the most astute political minds of the state. And he had that special—kind of a speech impediment, a little tiny bit—that we all know.

BB: He had a cleft palate.

FT: He had a cleft palate. And his wife was the teacher who had helped him learn to speak better, and then they got married. So it's kind of a cool story.

BB: It's a good story. And he was rancher, relatively uneducated I think, maybe had a high school education.

FT: But brilliant.

BB: Brilliant. And he dressed kind of like an old sodbuster, almost always had a couple of fence posts in the back of an old, beat-up pickup.

FT: He liked to play that role. I don't know if he knew how damn smart he was or not, but he was. But he liked playing the old rancher role. I caught him one day—I came off the House—I came onto the House floor one day in the middle of the afternoon when there was committees going on, and he's slouched over on the Republican side of the House chatting' it up with some new Republican rancher from eastern Montana. I could tell exactly what he was doing'. He was just building' up rapport with new people (unintelligible). And he's over there yakking' it up on the Republican side of the aisle. And I spoiled his deal because I went up and I said to this new guy, whoever he was, I told him, I said, "Look it, this is the most gifted, talented politician in this floor. Just know it. He's just trying' to get to know you and so you'll vote with him at some point in time."

BB: (Laughs)

FT: And he goes, “Oh, oh,” you know, and he throws his hands forward and downward pointed with his hands. He was a classic. He had a great way of dealing with stuff.

BB: Shrewd.

FT: He really was.

BB: Jack Ramirez.

FT: When I first got to the legislature, Jack was one of the leaders of the House side. I remember it was Jack and Bob, and I think that we had, gosh I don’t know if we had the majority that year.

BB: Jack and Bob who?

FT: Well, I’m sorry. Bob Marks [from] Clancy and Jack Ramirez were the two leaders in the House on the Republican side. Bob was a self-employed businessman, rancher, real savvy, knew the process, knew the government; he did a great job. And Jack was a lawyer from Billings and he was a real bright, very, very bright guy; his depth of knowledge and intellect was more than his personality at times. Sometimes he was—he never could start at square one. He was always starting’ in the middle of the story and going beyond because he assumed everybody else was with him in that regard. He always had a little bit of a harder time, but boy if you ever needed a good lawyer, you’d want to hire him. One of the neat things about how Bob Marks ran—because he was the Speaker there in one of those years—(laughs) like it or not, it’s kind of nice to run the legislature like a locomotive. You start at 8 and you end at 5 or the end of the work day, but he liked evenings up there. So he would take the House—the Senate was different. The Senate, if I remember right, ran it more like a, you know, the 8-to-5 or 8-to-6 or 8-to-7 day. But Bob would call us back for an evening session. So we’d come back in at 6, after committee, and have floor sessions in the evenings.

BB: Keep you there till ten o’clock at night.

FT: Oh, man. But I think back at the times, they were great times. We were eating out there on the floor and there were just all kinds of things going on. And it wasn’t probably the best way to run it, but there were a lot of memories with that. We ordered a lot of chicken from Tony’s deep-fat fried chicken place, or whatever that was, and whatever, because you had to have food. You came from committee right back to the floor and went into session to do second reading. And it was a different way of running it.

BB: I remember you mentioned Tony’s chicken.

FT: Tony’s.

BB: And I'm not sure I know what I'm talking about here, but Tony's was a great place to eat chicken. But the story I remember was that one of my Democrat friends by the name of Joe Brand from Deer Lodge, and Joe loved chicken. And he looked like it. Remember he had a big tummy, but he loved that fried chicken. Well, it was pointed out to him that there was another place in Helena that was a union place that made chicken, and since he was a loyal union Democrat, he felt he should no longer be ordering the chicken he was having. And I remember one day I was over there talking to him, and these guys had had a night session. Maybe it was the following morning or something. And I'd asked him how things were going, and he just made a face and he said he just hated that damn union chicken. (Laughs)

FT: (Laughs) Because it wasn't as good as Tony's.

BB: Oh, it wasn't anything near as good as Tony's. And the other guys were eating' the chicken that he loved, and he had to be loyal to the union and eat that miserable union chicken.

FT: What's that tell you? (Laughs)

BB: (Laughs)

FT: Bad union chicken.

BB: Jack Ramirez didn't have a reputation as a loveable guy on the Democratic side of the aisle, maybe not so much on the Republican side of the aisle. Can you enlarge on that at all?

FT: Well, I think that in a floor debate, Jack was a tough dude because he'd cut you up and spit you out. He was a just very, very bright guy, and his ability to debate and to dissect things on the floor was done in an instant. So going' up against him was, for a lot of people, unfair. When he's there kicking the heck out of you on the floor in a debate, you don't like it, and the other people don't like it either. We always liked it on the Republican side because, "Yes there goes our guy; there's our sword fighter; he's winning' that one; he won that one." So he was not enamored by the Democrats because he was a really tough debater. And you get down to brass tacks, and that's what things are a lot about, except that you leave out this deal: Well, let's sit down and try and work some of this stuff out. But you get into the legislature, it gets so divisive that there's people just gonna stand behind their fence and throw rocks at each other.

BB: But I think some people think that that period of the more intense partisanship began somewhat with Jack's leadership.

FT: Oh, it did.

BB: That Jack was a really an intensive partisan fighter, and that some of that—that there wasn't as much of that prior to him. I don't know whether you agree or not?

FT: Yes. Well, I don't know because I can't say prior to Jack.

BB: Yes, sure.

FT: Because I think Jack was, he was definitely one of our leaders when I went over there. I think very highly of him and Bob Marks. I remember—let's see, it was in that one session—it was Jack that led the Call of the House (laughs) that one time that we did that. And it was over a tax bill. We just about blocked that via the rules by having a Call of the House and that was—God, I wish I could remember the year for sure, but...

BB: Just so someone listening to the tape would know, the rules allow for some member to stand up, and he moves a Call of the House. That means that all of the members, whether they're off the floor or in a committee meeting or whatever they're doing, they've gotta be in their seats. And I don't remember how many members were gone, but I remember one member we've mentioned before, Representative Bob Thoft, was at his daughter's wedding in California, as I remember. At least, he was in California on family business. And so when this was learned, the Highway Patrol, I think, in California was notified to notify Representative Thoft. And somehow or other Bob was headed back, I think, when the Call of the House was imposed. And he was somewhere south of Nampa, Idaho, or something or other. So he drove all night, and he got there about 3 or 4 in the morning, and then the call was lifted. So—but everybody remembers that story. (Laughs)

FT: (Laughs)

BB: And the members couldn't get in or out. I mean you're—

FT: No, you're sequestered on the floor.

BB: You're sequestered in the House until the call is lifted, and I think it requires 15 seconds to the motion, doesn't it, or maybe it's 30?

FT: To remove it takes a majority, if I remember right. I'm not dead sure of that, but I haven't read that rule in a long time. But when somebody makes a call, then it takes so many seconds to enact it. Then to remove it, it takes a higher vote; I'm assuming it's a majority, I'm not sure. And so as long—or you know, to remove it, it might only take a three-quarters. I think it takes a two-thirds majority to remove a call because there is just a chunk of us that could stop it—

BB: Yes.

FT: —from being removed and stopping the call from going forward. And so Bob was on his way back. He was moving his daughter home from whatever was going on in California. And he had a good old cantankerous side to him, let alone being tired from driving all night and all day. And



then to be coming home and have this crap going on, and kind of taking advantage because he was out of state and the rest of us were around town. I don't know if anyone else was gone very far. I remember one on that call. I just gotta throw it in for insight. Because there was one gal, one lady legislator from the state, she was having a heck of a time. And that's when everybody figured out that really all she needed to do was get a bottle from her car and then she was fine. (Laughs)

BB: (Laughs) So they had to send one up with a rope or something?

FT: Yes, put it down in there with a rope and then she was fine.

BB: Well, I'd heard that story (unintelligible) happened with a bottle or not, but I think there were some articles of food and maybe beers and so on, that somebody got a rope from the Capitol building and suspended it down and you guys brought some things up into the House.

FT: You could get food in because there's nothing wrong with that. I think a little bit of alcohol maybe (unintelligible).

BB: Must have come up on the rope.

FT: Somehow, I don't know.

BB: Well, the incident you just mentioned is one I think that when you bring up Jack Ramirez to a legislator who's served in the period that you did in the 1980s would remember. And it's kind of typical of the hard-ball politics that Jack knew how to play. And I remember too—I may be wrong about this—but I thought I remember that when Thoft got back, he didn't vote the way Jack wanted him to.

FT: No because when, when Bob—

BB: Bob was a fellow Republican and a pretty conservative one at that. But as you mentioned, Bob was a tough customer himself and maybe he felt a little imposed on by that whole deal.

FT: He did and—

BB: And felt that Jack was a little bit of a tyrant. So he thought, "Well, I'll show him."

FT: Yes, because there was a group of guys that, in the Republic caucus, there were four or five of them that kind of wanted to do their own thing and, conservative or liberal, what does it matter? They just didn't like what was going on, if I remember right.

BB: They were kind of resentful of Ramirez's leadership.

FT: Yes, and so they didn't appreciate that, and once Bob, once it was found out that evening or that morning that Bob could be here in Helena in an hour or in two hours, whatever, then it's like, well, it's over then because once he gets here then everybody's here and the call's done. So knowing that he was physically gonna be here in a few hours, we removed the call of the House and everybody went home and probably came back pissed off and that's about it.  
(Laughs)

BB: (Laughs)

FT: Life went on after that. But it was truly one of the things that you think about and talk about over the years. It's kind of like a family squabble that, well, you've got to have something to talk about.

BB: Well, that's part of the folklore of the Montana Legislature during that period.

FT: That's right.

BB: Hal Harper.

FT: Hal was always pretty gifted on his feet.

BB: Democrat legislator from Helena.

FT: Democrat legislator from Helena. I think he was a Republican way back when and converted over.

BB: That's right, he switched parties.

FT: We always kind of thought he was a little slippery with his facts and that sort of thing. But capable guy—

BB: Served as Speaker of the House [1991].

FT: Yes, yes (unintelligible).

BB: Was he Minority Leader or Speaker during the period of Jack Ramirez [Harper was Speaker when Ramirez was Minority Leader]?

FT: I think it was, I think after Jack. And then there was John Vincent was the Speaker of the House, I think at that time.

BB: Did Vincent precede Harper? I think he did. [Vincent was Speaker in 1989; Harper was Speaker in 1991.]

FT: I think so. And Harper was the Majority Leader [in 1989] and then later the Speaker.

BB: Okay. John Vincent.

FT: Nice guy, real capable Democrat speaker. Ran things, ran a good show and was really good to work with and easy to work with as a person of the state, on the other side of the aisle and all that. He's just a good guy.

BB: I remember him as being personally well-regarded.

FT: Yes exactly.

BB: Larry Grinde.

FT: Real capable guy too.

BB: Republican legislator from Lewistown.

FT: Republican legislator from Lewistown.

BB: Majority Leader for many years.

FT: Yes, when John Mercer was the Speaker for all those years, I think Larry was the Majority Leader and, all those years, just did a fine job helping run that place on time and delivering.

BB: John Mercer.

FT: There's one of those other guys that just has all that intellect and that extraordinary savvy to strategic—to pull a President Bush's "strategery". (Laughs)

BB: (Laughs) I think perhaps the greatest legislator of all time. Certainly the greatest one I ever served with.

FT: He had, his strategies were probably sessions down the road. I mean, they were that long and intensive—I might be exaggerating—but his ability to think things through and develop the strategy to carry things out and get things done—I think that he probably carried on a bit of that divisive politics, at least (unintelligible) associating. He might not have Called for the House, but—Call of the House—but that kind of thing. And I know that—

BB: Well, there's some who feel he was influenced by Jack Ramirez's leadership style. He certainly—they were there together at the same time. And a lot of people admired Ramirez, as you did yourself.

FT: Yes. Well, John was whip when Jack was—the last I was there, Jack was the, I think, the Minority Leader and John was the second-in-command as the whip.

BB: So John would have been his understudy at that time.

FT: Yep. But both of them extraordinarily bright and both had good strategy and abilities. But what John could do, John Mercer could do, is I think he brought the Republicans together in a very good way and was able to—because he served in a tenure in the '90s as Speaker that he had majorities to work with. And he was able to pull them together and keep them together and keep that thing going and accomplish a great deal in the state's current history. That was just pure intellect and a strategy to get things done. He had to work with the Republican Senate too, so that was a great time to get this stuff done.

BB: And a Republican governor.

FT: And a Republican governor, that's right.

BB: Dave Brown.

FT: One of the more interesting guys, and unfortunately Dave's passed on now.

BB: Democrat from Butte.

FT: Democrat from Butte. If I remember right, he was the Speaker pro tempore way back when [1991]. And it could have been Speaker, but won both. All those stories go around. I forget who beat him. I think...doesn't matter—

BB: Harper, Vincent probably.

FT: Yes, I just don't remember.

BB: I don't remember for sure.

FT: But a very, very capable guy, and very strategic in his thinking too. I always remember the one story, I think I was developing a...I was trying to get a judgeship through for Ravalli County way back when. I think it was the first session. I don't remember how that bill. I might have got it done the first session when we started the first district in Ravalli County. But I'd had a bill out, and I'd built two pieces into it so if one failed I'd have the other one, you know, in the same bill. And they're both about the district: one was to create the district in Ravalli County and the second one was to apportion the district courts of the state. So they could be in the same bill because they're related.

So getting it through the House was hard because they didn't want to spend any more money, didn't have any money. So I got this bill out of judiciary and onto the floor with the study commission in it, but without my judge in it, the judge district. I remember Dave was with me because he was on, probably on judiciary, and I had his vote on the bill to get it through. Then, because it had to do with his running for Speaker next time actually. But he couldn't stick with it because if I remember right, the Missoula Democrat delegation was putting pressure on him to back off supporting my bill. I needed some Democrat votes on it to get it through the legislature.

BB: They didn't want another judge in Ravalli County?

FT: Yes, I think we were moving one out of the fourth district in Missoula.

BB: Oh, Ravalli County was part of the Missoula district then, and they wanted to leave it that way.

FT: We were carving one out of (unintelligible) if I remember right. It's been a while. But the key thing with him was that he was just good to his word and that's that. He couldn't continue to support my bill. He felt he needed to peel off and not vote with me because he wanted to vote with the Missoula delegation so that they would help him in the next election for Speaker. Well, the thing that was key was that he came over and he said, "Look it, I'm under pressure. Here's what it is; I can't vote again for your bill. But I did prevail. And I got that bill passed by the skin of my teeth and got it over to the Senate. if I remember right, it was with Senator [Dick] Pinsoneault at that time. He crafted it 'because he was on the judiciary committee and went there. They didn't want to apportion the district judges.

BB: Pinsoneault was a Democrat from Missoula.

FT: Yes, or from kind of the north end here in Missoula, Arlee. Okay, they didn't want to apportion, but he said, "Look it, let's just go with the judge and set up that district down there." And then we delayed the funding of it so it was built into the next time. The election happened. And anyway, we got the thing done. But Dave Brown was good to his word, and I never ever forgot that. And that's always good for any of us, whether we're in the legislature or anything else. Let them know. If we're gonna switch, let them know ahead of time.

BB: Dave had a reputation, as you know, as an operator.

FT: Yes.

BB: He was a guy that knew how to do stuff as a very resourceful, sort of subterranean operating sort of a guy. And I remember that he wasn't a particularly good orator or anything like that. But he could put together deals and agreements and that sort of thing.

FT: He really did.

BB: Dennis Iverson.

FT: The doctor, as we called him later on when he was head of the DPHHS, the Department of Public Health [Department of Health and Human Services]. We called him Doctor Iverson because I think you needed to be a doctor to be the head of that. We gave him an honorary doctorate or something.

BB: But he was a Republican legislator from up on the Hi-Line.

FT: From Inverness, Montana. He was the Speaker Pro Tem when Marks was the Speaker of the House and just a really able guy, one of the absolute best people in Helena. I don't remember any particular stories, other than Dennis was just a good operator and always counted on, you could always count on his assistance in getting stuff done.

BB: But when you say his assistance in getting stuff done, how would you compare him to Dave Brown? Would you say they're somewhat comparable?

FT: Yes, very comparable, and if I remember right, they got along real well. I wouldn't bet on it, but I think they did. It's because they had that same ability to put stuff together and probably sought each other out to do it.

BB: Kind of behind the scenes, but sometimes some outcome might take place over in the House of Representatives, and you might think, "Well, how the heck did that happen?"

FT: Yes, it's because those guys were talking, working something out.

BB: (Laughs) Okay, now there also were lobbyists as a part of the legislative process. Do you have any, just thoughts on lobbyists in general?

FT: With lobbyists, they're always getting kicked around because it's this theory that they're there just to take care of themselves, which is accurate in good degree. When you back away from the lobbyists from MPC, Montana Power Company, or ARCO at that time, the heavy-duty lobbyists that were just pure representing those companies...when you back away from that, there's so many lobbyists that are over there representing a group of Montanans, whether it's the chiropractors or the bankers or the—

BB: Snowmobilers.

FT: The insurance guys, the snowmobilers, the hunters. I mean, they're there to represent that group of Montanans' interests to the legislature and find facts and research legislation and history and bring those facts to the committees and the legislature. They provide an invaluable

service, particularly to a citizen legislature, as we are, that you don't have much staff to research these things and staff to go dig all this stuff up. You've got to rely on your legislative staff that we have, but also those people bring stuff, facts and figures, back to you, and you rely on that. I remember one case was Stan, oh gosh, how do we pronounce Stan...

BB: Kaleczyc?

FT: Kaleczyc. Stan's a lawyer from—

BB: The Browning, Kaleczyc and Hoven Firm in Helena.

FT: In Helena. I remember, I think it was a video gaming bill of some sorts. My god, who knows. And he was a lobbyist for the video gaming industry. Not the video gaming, the video—you know, the ones you play on TV, whatever you call that—the video industry, the TV videos, movie videos. And he was the lobbyist for them.

And they had come in on a bill and some local...there was some portrayal of something that I questioned. And I went to him on that issue and I said, "It doesn't seem right to me what—that that's the case."

He says, "I'll check it out for you, and this is what they had said was the case."

I said, "It doesn't seem right to me."

He's a high-powered lawyer in Helena, and he researched it, and he came back and he said, "No, it wasn't right. And here's the truth, here's the real story. And we're really sorry about it." He made it public to the committee. So that's a true, good lobbyist. The next time when he said, "This is the way it is," you took it for that unless there was something odd about it that you thought that you—but you knew he would be honest with you, as honest as he could be.

BB: I had a similarly high regard for him too. Jerome Anderson.

FT: Oh, one of the best, one of the absolute best. There was the kind of Denny Iverson, Dave Brown on the outside, the guy that could work outside and put stuff together and get things done. He did a lot in the tax area and represented the US Tobacco, if I remember right, some tobacco interests and some energy interests. Gosh, he really represented the who's who.

BB: He was a contract lobbyist, so he represented primarily business interests. He had been the House Majority Leader some time before and was an exceptionally shrewd, knowledgeable, capable lobbyist.

FT: Big time. One of the best things I ever did with Jerome was that...I think it was one of my last sessions either in '01 or '03. We'd been working a lot of those energy issues, and I think he

was working for PPL at that time. We had had some real dog-eat-dog events over that, I remember one time he'd said, "I've never been screamed at like that in my life." (Laughs)

BB: (Laughs)

FT: Screaming in my office over PPL but—

BB: Now that's Pennsylvania Power and Light.

FT: Yes, who bought all the dams from Montana Power. But one of the neat things I was able to do with him was that—he'd gotten probably so sick and tired of me, and I'd gotten sick and tired of energy issues. But I called him one morning. Somebody had made up a bunch of little buttons that had his picture on it, and it was his birthday. It was his 80th birthday. So we had a Saturday session that morning, that Saturday of that week. I called him that morning and I said, "Jerome, I'm sorry but I gotta see if I can talk to you this morning."

And you could just tell over the phone that he was like, "Oh, for god's sake, what now?" And with a few adjectives following that. He said, "Okay, well we're going to go do something, but I can come over. What time?"

I said, "Well, why don't you make it ten o'clock. We'll be done off the floor by then. I'll just meet you out back. And if we're still in session, I'll just meet you out back and we'll arrange a final time."

He said, "Okay, whatever." So he came up there and we knew he was out back, so I moved to suspend the rules to allow a lobbyist onto the floor to the whole of the Senate to sing "Happy Birthday" to him.

BB: And he had no idea.

FT: He had no idea. (Laughs) He thought I was gonna get him back in the vise and beat him up over PPL stuff. And it was a grand little time. I was so glad because he was truly one of the very best in the legislature probably and outside, you could always work with him. He was an excellent. Too bad he's passed on.

BB: Eric Feaver.

FT: Eric has been the lobbyist with Montana Education Association. I remember telling him long ago...They actually endorsed me two or three time over the years as a Republican. You know it was kind of unusual, but I got two or three endorsements from the MEA over the years. And I'm sure that he particularly begrudged it. I remember his predecessor was Jake Block, if I remember right. And I always remember when I was first in the legislature I thought, "Boy, that



guy is so soured on everything.” He just seemed like it to me that he’d converted into a real—he was just really negative on the process and what was going on.

BB: And who was this?

FT: His name was Jake Block. And I remember talking to Eric about that, and he said, “Yes, I know,” and this and that and the other, because he was the new MEA guy replacing Jake.

BB: Well, I think Jake, Fred, was the lobbyist for the administrators.

FT: Oh, was he? But he might have associated with the MEA. Well, the former MEA guy, whoever he was, had a bad attitude towards everything.

BB: John Board, is that who you’re thinking of?

FT: Maybe that’s who it is.

BB: I think instead of Jake Block it was John Board.

FT: John Board. You’ve got a better memory than me. Good. And we talked about that, and unfortunately with Eric it just seems like he’s converting. There’s that same conversion from a good attitude of working with everybody and trying to do the good stuff to kind of where that guy was when he left. He just has that—he’s converted over to a bad attitude about stuff. Because I know he had some snarly things to say about me and what have you.

The trouble with education funding is in the county, Ravalli County, all’s you got down there to tax for schools is homeowners. There’s very little industry to pass the taxes off on. So it’s tough to pass mill levies. You’re always trying to do the best you can for your local schools and it’s a tall order. It’s kind of like if you aren’t always just trying to grasp at flags for the school district, that you’re not really supporting education. That’s not the case. You putting something together and having an increase is better than not. Throwing these things on the wall that shoot for the moon, that are just hollow, doesn’t do any good for anybody. But they seem to want to patronize that kind of action over the real stuff that gets done. I think there’s—I guess what I’m saying in there—I kind of didn’t value the kind of leadership later on that Eric brought to the picture.

BB: He’s been regarded, I think, in Republican circles as somebody who unnecessarily politicized the education.

FT: Because we could sit down with some of the other members of the education lobby, Lance Melton and Dave Pryor of this day and age, and work things out and work on stuff together. And they weren’t patsies, but they’d work with you so you go there and work with them.

BB: Fred, in the period that you were in the House, there may be a piece of legislation or two that stands out in your mind. But I think a piece of legislation that's had long-term impact that you're associated with—it may not have been a bill, actually as I think about it, maybe it was an initiative—but it pertains to term limitations. Tell us just briefly about that.

FT: Well, I always thought term limits were the right thing to do in that I'd carried a resolution in the House three sessions, just a resolution, and sent it to Congress saying, "Hey, enact term limits blah blah blah." Never got anywhere because legislators and lobbyists don't like term limits. The public does but the inner circle doesn't.

Here's a funny story for you though. I remember that one session, I think it was the third time I carried that bill, I'm in the State Administration Committee, and I'm waiting to do my little resolution on term limits. I look down and I've got a suit on, but my pants and my suit jacket don't match. (Laughs) I told the committee that, "Well, maybe that's indicative of the path of this bill. It's not gonna go anywhere." Anyway, I favored them. Then in '92, term limits kind of took off as a national movement in '90 and '92. So we promoted that as an initiative around the state to get it on the ballot to term limit federal legislators of U.S. Senate and Congress and in the state legislature and then the state-wide office holders of governor through—

BB: But you gathered enough signatures to get it on the ballot.

FT: Got it on the ballot as an initiative, and it passed at the public's muster and then the state—

BB: In 1992 I think.

FT: I think it was '92. And then in Arkansas, that was an Arkansas case because they passed term limits. And it got to the Supreme Court and they ruled that term limits weren't, you couldn't do it, they said. Even though the 10<sup>th</sup> Amendment would allow the states to do it, it's not mentioned in the Constitution. They didn't address the 10th Amendment in their ruling, but they just ignored that. Unfortunately really, the federal level was the target, and then the state.

BB: Fred, the Arkansas case said that the states couldn't limit the terms of the members of Congress, the federal level, but it didn't apply in the state.

FT: We could do our own thing, of course.

BB: We could do our own thing. So what happened was, your initiative was successful in limiting the terms of state officials, state-elected officials.

FT: It's always a double-edged sword because you want the senators, like U. S. Senator Daniel Patrick Moynihan, to be there as long as he could because he does such a dang good job, or [Pete] Domenici from New Mexico to run the budget side in the U. S. Senate. People like that. You want them in there because they're such a good guy and they're that medium politics, so

they're not just liberal or conservative. They're kind of looking out for the country, though I'm sure they have their own philosophy. You want them, but then you don't want this forever things of just spend and spend and spend. And we're in worse shape today than not.

BB: And a good way of getting re-elected is to spend and spend and spend.

FT: Yes, well that's right. And so I don't know if that's the right answer anymore or not. We did get stuck in the state legislature side. I think it's hampered the state legislature because the length of service is not long enough.

BB: If it was 12 years, it'd be a lot better than eight, I think.

FT: I agree with you, and we proposed that. And the public didn't adopt it yet. I think if you went back to the public at some point and said, "We need to lengthen the eight years to twelve years," you could probably get that done. Because right now you serve, you can serve four sessions in this eight-year period. And your first two you figure things out, the third and fourth one you get to shine, and then you've got to leave. And it's just too short.

BB: You moved from the House to the Senate.

FT: Yes, in '96.

BB: Something that your dad and grandfather hadn't done.

FT: Right.

BB: And soon after, you arrived in the Senate because of your experience in the House. And because of your ability as a legislator, you were chosen by the Republican caucus to be the Senate Majority Leader. I think you held that job for what, two or three sessions?

FT: I was whip and then I was Majority Leader for two sessions, for four years.

BB: So for most of the time you were in the Senate, you were in the leadership. I think the legislation that you're most associated with in the Senate was the electrical deregulation bill. And I believe you probably touched on that when you commented about how Jerome Anderson was in your office and you were screaming at him. (Laughs) So talk a little bit about that.

FT: Well in '97, my first session, I was asked to carry that bill by the Montana cooperatives and Montana Power, that group in the Senate leadership. For some reason they decided that they would ask me to carry that bill, which I've had some regrets about being asked that or answering with a yes. But tough subject, learned it, learned a lot. In hindsight, I wish we hadn't done that at that point in time or had done it significantly different. But big picture is that, the real bottom line is that issue. It was a big bill to pass. Everything was going fine until the effects

of California legislation hit in 2000 and 2001. They had monkeyed down there and created some crazy scheme of regulating their—

BB: Deregulating.

FT: Well, people say they deregulated, but they created another regulatory regime that was a control, that gave control to the supplier. And then the suppliers manipulated the supply, and the prices shot through the roof. I mean, something that you would pay 20 dollars today was going for 2,000 dollars on the open market in January 2001. It was crazy as heck.

BB: It was a killer for the Columbia Falls Aluminum Company, of course, a company that used a lot of electricity.

FT: Well, anybody. Then what had happened was that many of our industrial users who wanted this deregulation—

BB: Because they felt they could get it cheaper if they could buy it in big bulk quantities.

FT: They did, but they had no protection in their contracts. And so when these prices shot up, because they had agreed to buy power on this daily index, mid-Columbia index, and whatever that is [what] they'll pay. And when these prices shot up due to California, it just sent things—I mean it was literally what people were paying 20 bucks for, or 10, 15, 20 bucks, for a megawatt of power, these charges were 300, 500, 700 dollars. It got up, I think, over 2,000. It was absolutely crazy. It was because they were manipulating the market in California and that—

BB: Was it Enron? Was that the company that was fingered for manipulating?

FT: Well, everybody points at them cause they're gone (unintelligible). But it was all of those companies that were supplying power into what was called the power exchange in California. Because what they would do is they'd take a plant out of the supply and stop the power from being generated. And then there'd be less power. And they bought on this daily market thing down there called the power exchange. So if tomorrow there's not going to be enough power, then everybody's bidding higher, higher, higher to get whatever they can. It was just a crazy idea. And when that hit, it sent everything—because we had been ahead of the game here, which was a problem. And we'd allowed the industrials out to buy on their own [power]. And they had no protections in these contracts and the prices were skyrocketing, and what do you expect? It was a bad, bad scenario. It was literally how they bought their ballot (?). No one would have envisioned that.

BB: Then because this was in 2001, and when the bill passed the Montana Legislature was in '97?

FT: Yes.

BB: So there's a story and it's even been, there was a recent television program about this on public television about some kind of a meeting that took place over at the Colonial Hotel in Helena to work out the details of the legislation that ultimately was introduced and passed. Was that the bill you carried?

FT: Yes, there was a big consortium working on that because I had signed on that the co-ops, the Montana Electric Co-ops Association, had legislation that they proposed that we would study this issue for the next two years in '97. And I said, "Well, that sounds fine to me." So I co-signed on their bill, and then—

BB: Onto their study resolution.

FT: Their—yes, to do this. I think it was a bill at the time because they were funded and everything to make sure it happened. So that was fine. Well, there was a consortium of MPC, the cooperative electrics and everybody else whoever was involved in energy.

BB: MPC is Montana Power Company.

FT: Yes, and they were all over there working, putting, you know, they kept working on a bill because that's what they wanted to do. There'd been the four-state study—I forget what the name of that—the four states of Washington, Oregon, Montana, and Idaho studied it and issued a plan. So that plan was to do what was enacted by Senate Bill 390 that I was the leading sponsor on. So they—

BB: And Senate Bill 390 was the [deregulation] bill that emerged from the—

FT: —from all that workings and going on. And so then they came to an agreement with the—primarily the key players were the Montana Power Company and the Montana electric cooperatives. They were able to come to an agreement. And then there were others that got exempted out and whatever, and then it was okay with them and that sort of thing. But that came together and then that bill was completely drafted.

And that's when, at some point, I don't remember when it was, but in January when I was asked to carry the bill, that bill to carry that forward was called electrical restructuring and whatever act [of] 1997. And that came out of that. Included environmental groups and public service commissioner. I mean, it included everything. The public service commission endorsed this bill and all kinds of things. But everybody ran for the hills when the prices were going through the roof. And I knew though, I knew that if there was ever a time that rates really went up, not just a couple bucks for inflation, but if rates ever really went up, it would not matter why, they would blame this on that [legislation]. And that's kind of what happened.

BB: Now, what happened, if I remember correctly, too, is that sometime after the bill passed the Montana Power Company sold out or converted its business into another business.

FT: Well, yes, that's exactly right. The first thing they did was that they announced that they were gonna sell their generation facilities. And this is a company that had been bullish on power; they were into electricity. They had won some large contract in California to market to manufacturers down there. They were bullish on electricity and this new deregulated market. So no one envisioned, including me of course, that they would sell these generation facilities in Montana. But they did. Through the legislation they were able to sell that separate from the utility, the regulated utility. So they did that and of course later on they sold the utility, the regulated utility, which by law would always be regulated because it needs to be.

But a lot of people have blamed that bill on causing them to get out of the electrical industry in Montana. And then of course, that's silly because it was only persons [who] could decide to sell anything and that was the board of directors of Montana Power. No one else could do that. The state didn't make them, didn't cause them, anything of that nature. If there's anybody that could be blamed for getting them out of the business in Montana it would be the Public Service Commission and the regulation that they worked with over those years. And you can even ask John Driscoll that, the former Public Service Commissioner. He told me one time, not that long ago, that if there's anything that ever caused them to get out of it, the industry in Montana, was the regulation to us—

BB: I see, I see. They became too impatient with the regulations, they thought, "To heck with it. We'll go into another business."

FT: Yes, and they'd started into this Touch America thing with the phone. Somebody—because they had other investments, gold mines in whatever, Chile. But one of their people had started this Touch America thing where there were those long distance phone calls at that time. It was a big deal to have that at that time. I know in talking with them at one point, they'd said, "Look it, what's going on with us is that Touch America now is a huge chunk of our profit, but it's a little tiny piece of our company as an investment. So we're really interested in going into that."

So what they did is that they took their generation assets, they sold them and invested all this money into fiber optics to augment the Touch America deal. And then, they'd gone in debt-free on that deal, where they didn't have any debt against Touch America. And then they sold everything because they had to keep this thing going to finish this fiber optics network in the country that they were investing into. They felt that that's what they needed to do. So they were putting all their eggs into Touch America, and unfortunately the telecommunications industry collapsed in, I don't know what year it was, '05. It must have been before that, '03, somewhere in there. And it collapsed, and it just wiped out Touch America. And it was a sad, sad thing.

BB: So what you had was people would think, "Well, we had a stable and reasonably priced supply of electricity for residential use and business use and so on." Then deregulation passed. And in the aftermath of that, the Montana Power Company sold out to another company, out-of-state, at about the time that these electrical prices spiked. And then when they collapsed, all the people—and there were many of them from Montana—who owned stock in the Montana Power Company lost their stock and some people were ruined. And so whether there was a direct cause-and-effect relationship or not, people pointed to de-reg as the cause for all of this stuff.

FT: Yes, and it was, and there were press that were happy to jump on that bandwagon just because it was politically good, I guess. But it wasn't accurate 'because the only people who could sell anything were the board. And they did. In hindsight, they weren't good moves.

BB: I wanted, we're coming to the end of the tape here, and I want to make sure I get your thoughts on the governors with which you served.

FT: Oh yes, there's one other bill, though, that we should touch on.

BB: Oh sure, sure.

FT: The last session in '03, Governor Martz had introduced—this ties into the governors—she'd introduced the remodel of the income tax legislation. And that bill was probably the best one that we were able to pass and get in, probably the whole time, because it finalized all the tax reform through the '90s and early 2000s. And it was the big bill because you can do vehicles and do personal property and different things; the biggie is the income tax. We always knew if we could cut our rates down and cut capital gains, we would attract more filers in the state that were here, that were wealthy but they're filing somewhere else because they get a better deal somewhere else. Ours looked bad because we had high rates, but we had federal deductibility in (unintelligible) your income taxes. And that made us look bad on a competitive basis.

So through getting all that done, there's a long good story in that one, but that's probably the best legislation. I didn't carry it myself, but I manipulated it through the whole legislative session. And it died a couple of times, and I had to resurrect that baby. But it was really well worth it because it's led to having a very competitive income tax in the state. It's brought in hundreds of millions more.

BB: Our marginal rate was what?

FT: The top rate was 11.

BB: And this got it down below ten?

FT: Well, it got to 6.9 is the top rate. And mainly that reduction was caused by not allowing us to deduct our federal income tax in the state. So it wasn't a cut from 11 to 6.9, but it—

BB: When we can deduct the federal income tax, that marginal rate appeared higher than it really was because most states don't allow federal deductibility.

FT: Exactly. So you're comparing them, but when you—

BB: So you gave up federal deductibility in the legislation, but they got a lower rate.

FT: For a lower rate. But when you looked at all the analysis before when they'd compare the states, we were in there at 11. So we got no takers.

BB: Sure, people would think they want to move to Montana, they'd think, "Well, golly, 11 percent." Pay 11 percent of your income in income tax, a high income person would say, "God, I can't live with that."

FT: And there was no caveat there that you have federal deductibility, and it's really only 6.9. That wasn't there. We came out always at the top of the list of the highest taxes in the country. So through this remodel, we came in at a very competitive rate, and hundreds of millions have come in ever since. It's raised our take, and that's helping our schools and our highway department and all that stuff across the state. It's helping a great deal.

BB: You served as a legislator during the governorships of, you started out with Schwinden?

FT: Yes.

BB: Did you meet him?

FT: Oh yes.

BB: Any impressions?

FT: Schwinden was, again, one of the best politicians in this state's history. A true guy, true for his word type of guy. You know, it's funny, I think I called—outside of the session—I called his office twice to talk to him and in both cases they put me right through to him. I was able to talk to him.

BB: Directly.

FT: Personally. First call, got right through to him and talked our business and it was done with. No one have I been able to do that with other than Ted Schwinden.



BB: Well, I can tell a similar story, not on the telephone. But I had, I think, maybe two or at most three conversations with him in his office. But you know from the experience we both had with governors, generally, they need to know and it's a courtesy to them to know what you need to talk to them about beforehand. And then you make an appointment. You come over to Helena. And they typically got a guy or two in the office that knows a lot about that to help you with the conversation, to arrive at some kind of a conclusion.

Well Schwinden would just say, "Come on in." And he knew as much about the DPHHS budget or the personnel problem over at the Department of Transportation as the director did. He was incredibly in touch, and yet I don't think he was particularly a micromanager. But he just had an incredibly powerful intellect, and he was really engaged and on top of things. So he wouldn't have any problems, "Sure put Senator Thomas through." Just talk to you on the telephone, or Representative Thomas. And he could probably directly answer your question and was also very direct, you remember that? He didn't mess around with a lot of words or a lot of BS. He'd just listen to you, matter-of-factly tell you what he thought, and that was it.

FT: But obviously he made it a priority.

BB: Yes, to meet with legislators, to talk to legislators.

FT: And why not? We're the board of directors, in essence, of the state. And he was the head guy. But you want to talk to the board of directors, of course, and anyone else. And he did. And I always remembered that. And I always remembered Elmer saying that when Governor Schwinden was making an appointment, he was appointing Elmer's former opponent in a race to a board, a key board, and he called Elmer and [he] wanted to make sure it was okay with Elmer ahead of time. And Elmer said, "Of course, yes."

BB: What a great courtesy.

FT: Absolutely a great courtesy. I always have high regard for Governor Schwinden. He had that problem with work comp, but when you kind of set that on the wrong pace for quite a while. But other than that, he was a good governor.

BB: And we had incredible budgetary problems when he was governor. And the budget was in the red all the time. And he was determined not to raise taxes; he was determined [not] to. But he was also determined not to cut government beyond the point of where it could function. So he had a real challenge. And we had, I don't know, three or four legislative sessions, special sessions, on the budget during his governorship. And I remember he always involved the legislators in those important decisions. He didn't just unilaterally decide to make some cuts, which the constitution allows the governor to do, but he was very careful to work collaboratively with the legislature in those processes.

FT: He had that big bill, that proposal in one session. It must have been '87, '85 or '87 when he was proposing that the coal tax reduction. What would we call that? A window?

BB: A window of opportunity.

FT: A window of opportunity; that was the one. It was his proposal on it.

BB: To reduce the tax on coal if there was more productivity.

FT: And it worked out. And it was a good, very bold measure for a Democrat governor to do. And it was the right thing to do.

BB: Governor Stephens.

FT: Governor Stephens was kind of one of our favorites, you know, because being a Republican and because he was a legislator for a long term. And so you could talk with him, you could work with him. And he was just one of those favorite guys that you just felt like one of you were in the governorship. And so I always have had just high degree of affection for his time as governor of the state.

BB: How would you describe his leadership style? And you had a hiatus where you weren't in the legislature, so I'm not sure. Were you, did you serve with Stephens?

FT: Yes, I did because Stan was elected in '88. And then I left the House in '92.

BB: Oh, so you were there the whole time he was.

FT: I think his whole tenure. It was kind of a bit (unintelligible) for us because here we had Steve Yeakel in as the chief of staff, who had been the director of the Republican Party, and Allen Kolstad was Lieutenant Governor. So a lot of our friends were now in the government running it, and so it was a great time. And Conrad Burns had been elected to the Senate in '88, so we felt we were moving along in the state. (Laughs) Stan, he was just easy to work with, and we got a lot of things done with him.

BB: Marc Racicot.

FT: Of course I revere the guy. I think so very highly of him. He was the kind of governor that, he may have been busier than Governor Schwinden because you weren't able to get to him like when I made my little phone call story on Governor Schwinden, but Marc always called you back. It could be 9 at night; he'd call you back. I think that was a practice of his. Anytime you wanted to talk to him, you could get in there. You could have that conversation. He didn't need that cadre of people around at all.

BB: Okay, that was your experience with him at that time? One-on-one?

FT: Yes, one-on-one.

BB: I did a few times too. I knew him the best of all the governors.

FT: You could even argue with him, just like we are talking now. And you could have a good, strong argument with him and it was fine because you'd work something out and then you'd move forward in that regard. He was one of the best to work with and got it all; there's nothing that he didn't get. And you could push him on stuff, and he'd push back. I always tell the story that I said he was the very best at answering questions and disagreeing with a group of people. He would lob their head off, hand it to them on a platter, and they would leave with it on the platter, happy as little clams. They just thought he was the greatest thing since sliced bread. I'm like, they don't know whatever happened.

He was a truly great governor, in my opinion. We got a lot done and he offered a balance because in that '90s time when he was governor, from '92 to 2000, we had those big Republican majorities in the legislature. And he was a little more moderate. But he offered a balance to that time frame. He didn't let these Republican, big Republican majorities, go wild. He kept it in balance, and we got a lot of things done under him. We really modified a lot of taxes to make the state more competitive so that business could happen and people could have jobs, better paying jobs. He handled the corrections issues; he built prisons and stopped the cycle of going in one door and out the next door the next week and getting' on the streets and causing' other crime. He'll lock you up for a little while, and you might not get back out there. And he did a good job with correction just as an example.

BB: Fred, you met him, I know, and had numerous conversations with him and that sort of thing. Can you maybe recount an incident or an experience or a story about him that might kind of typify the way he was? You've said some things in a general way, but is there anything that crosses your mind?

FT: Well there's a lot of things. I just can't think of one that was so good to tell as a specific story.

BB: Governor Martz.

FT: Governor Martz was handed probably the toughest situation, in that historical sense that you're following this beloved governor, Governor Racicot. And I remember people saying, "It doesn't matter who gets elected following Racicot, they're a one-term governor," because you're following this loved guy. So she had a tough time from that and got off on the difficult footing with the press after that first session that she had. It seemed like they just kind of dog-piled on her. I think it was unfair.

I don't think that it was right because I think that she had an excellent philosophy of what to do as a governor and as a legislator. She had that excellent philosophy. She was in sync with the Republicans in the state, and in general most of the population of the state, you know—conservative, right state.

There are just things that happened. We had that horrible automobile accident where Representative Paul Sliter was killed, and that just kind of sent another set of circumstance rolling forward that were just really tough. There really wasn't a recovery from that, so it was a tough time to be governor. But I'll tell you what, in the end, like that income tax bill I talked about earlier, she signed that bill and that was one of the greatest pieces of legislation for the state, for having well-funded schools and county government well-funded. That income tax bill she signed was one of the best pieces, I think, that's happened to the state because it's brought in revenue that was always here, just wasn't coming in.

BB: Now Fred, Governor Martz's term in office, when it expired it began—I don't know if it's clear or not—the end of the period of Republican dominance. We've talked about several Republican governors in a row that you served with. Governor Martz was the last in that series, so there was a period, or has been a period since then, when the Democrats have done better in state-wide politics. One of them was someone you served with in the State Senate, State Senator Jon Tester. What are your recollections of him?

FT: John's a, you know, kind of that true-blue guy from the Hi-Line, a good guy. He was good to work with. He's the kind of guy that you'd want to have a meal with, sit down and have a beer with. He's the kind of guy you'd want in your fraternity in college, for example. The issue I had with him was he was trying to climb the ladder politically, and so he was trying to appeal to that liberal side of the Democrat party. And I think they're a tough crew to satisfy; they're just never happy with you. And I was always a little bit disappointed because he was more of a moderate-type guy, but he's always pulled to the far left because of them. And I think that's a curse in this state for somebody like him because it's really not him, but it's what he has to do. It's too bad.

BB: When you look at the successful Democrats, it seems as though they've got some credibility with the agricultural community. Senator Baucus, even though a somewhat liberal Democrat, is still from an old ranching family. So there's some of Montana that thinks, "Well, Max may be a Democrat, and he may be liberal, but still he's not really way out there." The same with Governor Schweitzer, again with an agricultural background. The same with Senator Tester, the same with Ted Schwinden, who was probably of all of them one of the most genuine—

FT: Agriculture.

BB: —agricultural governor, maybe, Montana's ever had. So there seems to be that component to this thing. And certainly Tester fits into that. Got time for just a couple more questions. What do you see now with the future of the Republican Party?

FT: Well, I think it's probably on its way back in an essence. And that's a couple reasons: The apportionment that'll take effect in '14, done by this current commission, will probably be in better shape, the more constitutional shape, than the districts are now. That's gonna start majorities back in Republicans versus this 50-50 things (unintelligible). So there's pluses there.

We've had Governor Schweitzer for the last five years, maybe six years, and he'll finish up in '12. And he's kind of the fellow that came along, no political background, and could kind of say anything he wanted to and then fell in a bed of clover because, frankly, we did have that income tax bill passed. The revenue just flopped in here and it's been a big maker of...It's like, well, he came to town and look at all the money that followed him. I mean, he fell in a bed of clover. Then he's had just kind of an absolute get-out-of-jail-free card from the press so he's had a free ride. I've never seen anybody that was so interesting—and just using that term interesting—get away with, like, everything. (Laughs) So you gotta give him credit for that. Somebody said the other day that he is absolute the best at spin control.

BB: Speed?

FT: Spin, spin. You know, political spin—of controlling that with the press and getting out ahead of it, whatever. I don't know how he does it.

BB: So getting his interpretation on a controversial issue in a way that benefits him, or any kind of an issue.

FT: Yes, right, any kind of an issue. He's just the best at it, or his staff, plus him. So you got to give him credit for that. But a very good time to have missed being in the legislature with him as governor, I'd say that.

BB: (Laughs) Why do you say that?

FT: He's the kind of guy you don't want to work with as a legislator. He's a bully. He wants to push you around and just dictate stuff. When you're at the last couple of weeks of a legislative session, you're always haggling over the budget. Usually, it's not if you have a billion-dollar budget. You're only still haggling over the last 15 million. But it's important. It's important to everybody. And I just can't imagine.

You know, governors like Racicot were tough, but you knew you could work something out. So he'd hold his cards 'til the last day or two, but then you'd figure something out. Schwinden was that way. Governor Martz—it was different for me because I was always working with her budget director, Chuck Swysgood, who was awesome to work with.

BB: And who you had served with in the State Senate and knew very well.

FT: So we kind of started out on the same page and ended on the same page. But there's always haggling to be done to work things out. But none of them were true, what you call bullies, or what have you. And from what I've seen, and I've seen a lot over the last two decades in the state government, I think that's not the kind of governor we want. You want a governor who you can work with and talk with and not have some agenda all the time. Because this is just state business. It's not rocket science, but it's the public's business. And it just needs to be dealt with in a better level than what has been done.

BB: All these people who've gotten to the level of governor, in particular, will have a fair amount of attention focused on them by historians in the future. And there'll be an interpretation, a historical interpretation, of what kind of governors they were and what kind of men they were. And so your perspective is appreciated on all of them. Fred, just looking back at your involvement in politics, how do you want to be remembered?

FT: Well, if there's anything, I'd want the constituents back in my district to think back and say, "I was comfortable when Fred was representing us. I felt good that he was over there taking care of our business." If that works out, that's good enough for me. Because I know I look back, and I had the electrical deregulation that didn't work out, the big subject—you kind of hate that. But if there's a rule of benchmark of acceptance, it'd be the constituents. And if they were comfortable, then I'm good.

BB: Well, I think you are good. Thank you for your public service.

FT: You bet.

[End of Interview]