

MINUTES

**MONTANA SENATE
52nd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By Chairperson Eleanor Vaughn, on April 22, 1991,
at 10:30 A.M. in room 331.

ROLL CALL

Members Present:

Eleanor Vaughn, Chairman (D)
Bob Pipinich, Vice Chairman (D)
John Jr. Anderson (R)
Chet Blaylock (D)
James Burnett (R)
Bill Farrell (R)
Harry Fritz (D)
Bob Hockett (D)
Jack Rea (D)
Bernie Swift (R)

Members Excused: None

Staff Present: David Niss (Legislative Council).

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Announcements/Discussion: None

EXECUTIVE ACTION ON HOUSE BILL 293

Motion:

Senator Burnett made a motion to TABLE HOUSE BILL 293.

Discussion:

Senator Blaylock said that Representative Grinde should be commended for trying to improve the process. This would put the legislative session into the even numbered years, we would be elected in November, we would come up here, organize, have pre-session caucus, elect officers and establish committees. We would go home for a whole year and talk to our constituents. I doubt if that would improve very many things. As an example, the U.S. Congress meets every year for a full year and they still have a crunch at the end of the budget deadlines. One advantage would be that a new governor would have a full year to prepare a budget instead of 2 months. In Montana there are other possible ways to improve and change for the better. We do have annual sessions when necessary through special sessions.

Senator Farrell explained that when you are elected in November and begin serving in January it is very difficult to get all the groups contacted that want to talk to you, or meet with you. An effective legislator would have a year to meet with constituents, talk with them and work up the legislation.

Senator Farrell said on the other side of this legislation is the fact that incumbents will be in Helena in session grandstanding when others are campaigning.

Senator Pipinich said that from November through December the elected officials are in demand by concerned groups. He has multiple counties to cover. Senator Swift has the same problem in his area.

The committee discussed moving the election dates, primary dates, and other official actions that have been tried to improve the legislative processes. Senator Blaylock said the legislature could be made smaller down to 80 representatives and 40 senators.

Senator Fritz said the major reform of the legislature was made 20 years ago under the new constitution when they moved from 60 calendar days to the current 90 day, 15 or 16 week schedule. There are reforms that can be made within our current system that would ease some of the problems that House Bill 293 seeks to solve.

Recommendation and Vote:

The VOTE was UNANIMOUS in favor of TABLING House Bill 293.

EXECUTIVE ACTION ON HOUSE BILL 294

Motion:

Senator Fritz made a motion to TABLE House Bill 294.

Recommendation and Vote:

The VOTE was UNANIMOUS to TABLE HOUSE BILL 294.

EXECUTIVE ACTION ON HOUSE JOINT RESOLUTION 50

Motion:

Senator Farrell moved that we DO CONCUR IN HOUSE JOINT RESOLUTION 50.

Discussion:

Senator Farrell thinks it is time to have a study to compare the retirement systems and make them more equitable. We are

going away from what we did in 1975. If the State Administration Committee is going to administer the retirement systems, we must have a consensus of what the legislature wants. Some of the items we approved this year, will be requested by other systems, and the state will see premium costs rise. In 1974 we consolidated many city retirement systems into statewide groups.

Senator Blaylock said he doesn't think we should always promote studies. Studies are often a way to avoid asking for taxes to fund something.

Senator Farrell supports the study because there are significant differences between the retirement systems. Some of those systems could elect to join Social Security, or they could require them to stay in the system, etc.

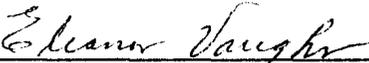
Senator Hockett agrees that there are many inconsistencies among the retirement systems. He questions some of the unfunded liability potential. He strongly supports House Joint Resolution 50. (Exhibit 1)

Recommendation and Vote:

The VOTE was UNANIMOUS in favor of concurring in House Joint Resolution 50. Senator Farrell will carry HJR 50 to the Senate floor.

ADJOURNMENT

Adjournment At: 11:05 A.M.


ELEANOR VAUGHN, Chairman


DOLORES HARRIS, Secretary

ELV/dh

ROLL CALL

STATE ADMINISTRATION COMMITTEE

DATE 4-22-91

52 LEGISLATIVE SESSION

NAME	PRESENT	ABSENT	EXCUSED
SENATOR ELEANOR VAUGHN	X		
SENATOR BOB PIPINICH	X		
SENATOR JOHN ANDERSON	X		
SENATOR CHET BLAYLOCK	X		
SENATOR JAMES BURNETT	X		
SENATOR "BILL" FARRELL	X		
SENATOR HARRY FRITZ	X		
SENATOR BOB HOCKETT	X		
SENATOR JACK "DOC" REA	X		
SENATOR BERNIE SWIFT	X		

Each day attach to minutes.

SENATE STANDING COMMITTEE REPORT

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April 22, 1991

MR. PRESIDENT:

We, your committee on State Administration having had under consideration House Joint Resolution No. 50 (third reading copy - blue), respectfully report that House Joint Resolution No. 50 be concurred in.

Signed: Eleanor Vaughn
Eleanor Vaughn, Chairman

JAL 4-22-91
Ad. Coord.

SP 4-22
Sec. of Senate

1:50

COMPARISON OF MONTANA PUBLIC RETIREMENT SYSTEMS

SENATE STATE ADMIN.

BASIC BENEFIT FORMULA

RETIREMENT ELIGIBILITY / EXHIBIT NO. /

Regular: age 60 w/ 5 yrs. service DATE 3-26-91
 age 65, regardless of EARLYNO AB711
 30 yrs service, any age = Avg of highest consecutive 36 months salary

1.79% x FAS** x yrs of service
 **FAS = Final Average Salary

Same as above, actuarially reduced from age 60 or 30 years of service

1.67% X FAS X yrs of service
 Same as above, actuarially reduced from age 60 or 25 years of service

3.33% x FAS x yrs of service to 15 + 1.00% x FAS x yrs over 15
 (+1.785% x FAS X yrs over 15, eff. 7/1/91)

Same as above, actuarially reduced from age 65

2% x FAS x yrs of service
 Same as above, actuarially reduced from age 60

2% x FAS x yrs of service to 25 + 1.35% x FAS x yrs in excess of 25 up to max. of 60% FAS
 2% x FAS x yrs of service, actuarially reduced from age 50 or 24 years service
 2% x FAS X yrs of serv, actuarially reduced same as early retirement

2% x FAS x yrs of service
 2% x FAS x yrs of service

2.5% x Fin. Comp. x yrs service to 20 + 1% x Final Comp. x yrs in excess of 20, up to a max of 60% salary

2.5% x Final Comp. x yrs serv to 20 + 1% x Final Comp. x yrs over 20, to a max of 60% (Pre 7/1/81 hires)
 2.0% x FAS X yrs of service, to a max of 60% (Post-7/1/81 hires)

SOC. SEC.

Yes
 Employer 6.3%*
 Employer 6.417%*
 * (Both employee & employer contribution rates are scheduled to increase to 6.7% by 7/1/93)

Yes
 Employee 7.044%
 Employer 7.459%

Yes
 Employee 7.0%
 State 6.0%
 Dist.Crt.Fees 31.0%*
 Supreme Crt. 1/4 fees
 *34.71% of Salaries on 7/1/91

No
 Employee 7.59%
 Employer 26.75%

Yes
 Employee 7.00%
 Employer 7.67%

Yes
 Employee 7.90%
 Employer 7.15%
 + fines

No
 Employee 6.0/7.5%
 Employer 13.02%
 State 15.06%

No
 Employee 6.0%
 Employer 13.02%
 State 22.98%

SYSTEM

PEERS

TEACHERS'

JUDGES'

HIGHWAY PATROL

SHERIFFS'

GAME WARDENS'

MUNICIPAL POLICE

FIRE-FIGHTERS' UNEMPLOYED