

MINUTES OF THE MEETING
LOCAL GOVERNMENT COMMITTEE
MONTANA STATE SENATE

March 2/, 1977

The meeting of the Local Government Committee was called to order by Chairman McCallum on March 2/, 1977 at 9:30 a.m. in Room 410 of the State Capitol Building.

ROLL CALL: Absent, Story, Lockrem and Thiessen

The following visitors were present:

Bob Holding	Montana Wood Products Assn.
Joe Kanduch	Legislator (Representative)
Aubyn Curtiss	Montana Christmas Tree Assn. (Representative)
Gerald T. Neils	Montana Logging Assn.
Larry Nachtsheim	Department of Administration
Alton Hendrickson	Self
David Hunter	Mont. League of Cities and Towns
Gerald T. Dunbar	Montana Police Chief Assn.
Jack Williams	Montana Police Chief Assn.
Dan K. Mizner	Montana League of Cities and Towns

CONSIDERATION OF HOUSE JOINT RESOLUTION 78: Representative Kanduch of District #89 appeared before the Committee to explain the bill. He explained the problem of the wilderness areas being planned for the area of western Montana and the decrease in timber cuts. There is no market for timber and many lumber industries will have to be closed. The purpose of this Resolution is to request some clear answers from the Federal agencies that are making these decisions. Montana's economic and political future is at stake. He urged a "do pass" from this committee.

Robert Holding, Montana Wood Products Association, appeared before the committee as a proponent of the Resolution. He supplied the Committee with a folder containing information concerning the lumber products industry from the Inland Forest Resource Council. (Attached). The lumber industry is a very important source of income in Montana. There are still 1100 unemployed timber workers in Montana on the unemployment rolls. This industry can have a very serious effect on the state of Montana. The persons in Montana should have the right to discuss these things that affect us economically, socially and politically. The timber cut in Montana has been reduced about 70%. He suggested that hearings be held on all proposed wilderness areas. If this Resolution should pass, it is felt that letters be addressed to different Federal agencies asking them to present what their long-range outlook is for Montana.

Gerald T. Neils, Montana Logging Association. An area that runs down into the Tetons and back to Hebgen Lake containing around 100 million feet of lodgepole pine that is overmature but has not been sold. These trees are dead or dying. There has not been a sale in that area for 6 years. There is also an area between White Sulphur Springs and Great Falls that contains approximately 200 million feet of lodgepole pine that died from natural causes.

It is merchantable at this time but in a period of 1 to 1 1/2 years it will not be merchantable for anything other than pulp. He urged adoption of this Resolution.

There were no opponents present.

A general discussion by the Committee was held.

DISPOSITION OF HJR 78: Senator Dunkle moved that HJR 78 "Be Concurred In", seconded by Senator Thomas. Motion carried unanimously.

DISCUSSION OF HB 438: Dennis Taylor explained the proposed amendments that have been put before the Committee. No action taken at this time.

CONSIDERATION OF HOUSE BILL 801: Representative Bardanouve appeared before the Committee as chief sponsor of HB 801. He felt this is a milestone in Montana for pensions. At the present time the fund is underfunded by almost 21 million dollars. There are only three cities in Montana that have paid up at the present time. Some cities balance their budget by underfunding the police retirement. This would establish a centralized system for payment of these pensions. It creates a single board responsible for the retirement. The policemen support it but do wish some amendments to the bill. Urges support of this bill.

Larry Nachtsheim from the Department of Administration supplied the Committee with an explanation of what the bill is designed to do. (Attached)

Dan Mizner, Montana League of Cities and Towns. Urged support of the bill.

Jack Williams, Montana Police Chief's Association felt this should have been done a long time ago. He submitted some proposed amendments to this bill and especially stressed an amendment on page 8, line 22 to read the same as page 2, line 20. They would like to see the 1% incentive increased to 2%. This would keep an officer on after 20 years, which in turn, would save the cities money because they would not have to hire a new patrolman, at a cost between \$3500 and \$5000 to train. Also suggested an amendment on page 31, line 7 changing the 60% to 70%.

Alton Hendrickson had been asked what would be the cost consideration if the increase went from 1% to 2%. He stated that the increase would give an incentive to officers to stay on. The contributions would still be made to the fund but the payout periods would be less. He felt there should be an additional contribution if it goes from 1 to 2% to get the system on a sound basis.

Don Judge appeared in favor of the bill. (Testimony attached). He felt that the 36 months should be amended to 12 months on page 2, line 25. He also felt that the policemen had little, if anything, to say on this bill. They support the bill and the amendments proposed by Mr. Williams.

Tom Harrison, representing the Montana Police Protective Association appeared in favor of the bill, especially the exclusion sentence

which Mr. Williams mentioned, He felt the 2% would keep these people on the job and in the service of the public. He felt the 36 months for computation of retirement should be amended to 12 months. He is in favor of the bill with the amendments mentioned.

There were no opponents present.

Representative Bardanouve pointed out in closing that "excluding" is used in the sentence on page 2, line 19. He also stated that this is a reform bill, not one to add cost to the present system. A 1% increase would cost at least \$50,000 more per year.

A general discussion by the committee was held on HB 801.

CONSIDERATION OF HB 659: Representative Lynch appeared on behalf of HB 659 as chief sponsor. It has been amended to include first and second class cities. This would allow a police officer that has been injured to be put in a different job or transferred to another department so that he does not have to use his sick leave. This would only be for accidents that would take less than one week to heal.

Tom Harrison stated that this would apply only to a city where the force is large enough to do this.

Mr. Williams expressed support for the bill.

Dave Hunter, League of Cities and Towns stated that they are not opposed to the bill but felt it should be left to the locality and the collective bargaining process.

Representative Lynch felt that after what has happened to HB 122, the Local Government Code revision, that it is up to the legislature to take care of this. He expressed hope that the Committee would give this bill a favorable report out of Committee.

ADJOURN: The meeting was adjourned at 10:55 a.m.


Senator George McCallum, Chairman