

MINUTES OF THE MEETING
SENATE STATE ADMINISTRATION COMMITTEE
MARCH 25, 1977

The meeting was called to order by Senator Towe, Chairman, at 11:00 a.m. in Room 410 of the Capitol Building. Committee members present were Senators Towe, Story, Brown, Roskie, Jergeson, Blaylock and Devine.

The following bills were discussed: HJR 20
HB 788
HB 794
HJR 59

HOUSE JOINT RESOLUTION 20

Representative Kimble, District 94, sponsor of the bill, presented his written remarks to the committee (attached #1).

PROPOSERS

Loren Ferris, Department of Natural Resources, stated his support of the bill.

There being no further proposers and no opponents to the bill, the hearing was closed.

HOUSE BILL 788

Representative Ann Mary Dussault, District 95, sponsor of the bill, stated the purpose of the bill is to provide for the final selection of state architects and consulting engineers by a selection committee and the criteria for selection.

PROPOSERS

Harrison Fagg, District 63, Representative, stated his support of the bill and reviewed past history in selection methods of architects.

OPPOSERS

Marty Crenan, Helena Architect, stated his opposition to the bill.

Sonny Hanson, representing the Montana Technical Council, stated opposition to the bill.

There being no further proposers and no further opponents, the hearing was closed.

HOUSE BILL 794

Representative Brand, District 28, sponsor of the bill, stated the bill was introduced at the request of the Department of Administration

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and is a bill defining the trustee and fiduciary responsibilities of various boards.

PROPOSERS

Larry Nachtsheim, PERS, presented a review of the bill to the committee (see attached #2).

There being no further proposers or opponents, the hearing was closed.

HOUSE JOINT RESOLUTION 59

Representative Scully, District 76, sponsor of the bill, stated the bill requests an interim study of the organization of legal services within the executive branch of government.

PROPOSERS

Mike McGrath, Department of Justice, stated his full support of the bill. He stated over 100 attorneys are on retainer for various agencies of the state and no one really knows why or how much is being spent on those services.

There being no further proposers and no opponents, the hearing was closed.

Senator Roskie moved to amend the resolution as per the amendments on the attached committee report. THE MOTION CARRIED UNANIMOUSLY.

Senator Roskie moved HJR 59 Be Concurred In As Amended. THE MOTION CARRIED UNANIMOUSLY.

There being no further business, the meeting adjourned to reconvene on adjournment, March 25.



Thomas E. Towe, Chairman

Abd. Administration COMMITTEE

Date 3/28/77

[illegible]

DATE _____

COMMITTEE ON Art Administration

VISITORS' REGISTER

[illegible]

HOUSE JOINT RESOLUTION 20

REQUESTS THE DEPARTMENT OF STATE TO CONSIDER AND EVALUATE
POTENTIAL IMPACTS FROM THE PROPOSED CABIN CREEK COAL DEVELOPMENT.

THE FIVE WHEREAS CLAUSES STATE THAT PROPOSED COAL DEVELOPMENT
IN CANADA COULD HAVE SIGNIFICANT IMPACT UPON THE NORTH FORK
OF THE FLATHEAD RIVER, A PRISTINE RIVER WHICH BORDERS GLACIER
NATIONAL PARK AND IS INCLUDED IN THE NATIONAL WILD AND SCENIC
RIVERS SYSTEM. THE ISSUE INVOLVES INTERNATIONAL RELATIONS AND
QUESTIONS THROUGH THE PROVISIONS OF THE 1909 BOUNDARY WATERS
TREATY.

THE FIRST BE IT RESOLVED CLAUSE RESOLVES THAT THE U. S. DEPARTMENT
OF STATE CONSIDER AND EVALUATE POTENTIAL TRANSBOUNDARY IMPACTS
OF THE PROPOSED COAL DEVELOPMENT.

THE SECOND BE IT RESOLVED CLAUSE RESOLVES THAT THE POLICY
TASK FORCE BE CREATED.

THE THIRD BE IT RESOLVED CLAUSE RESOLVES THAT THE EXISTING
FEDERAL TECHNICAL INTERAGENCY TASK FORCE BE EXPANDED TO INCLUDE
PARTICIPATION BY THE SALISH-KOOTENAI CONFEDERATION AND BY STATE
AND LOCAL AGENCIES HAVING JURISDICTION IN THE NORTH FORK DRAINAGE.
IT FURTHER RESOLVES THAT THREE AGENCIES, REPRESENTING FEDERAL,
STATE AND LOCAL GOVERNMENTS, BE DESIGNATED TO DIRECT THE
TECHNICAL TASK FORCE BY COORDINATING THE EFFORTS OF INVOLVED
AGENCIES.

It also resolves that representation on the task force be limited
to technical personnel and that the task force assist in
environmental monitoring and evaluation.

THE FOURTH BE IT RESOLVED CLAUSE RESOLVES THE STATE DEPARTMENT TO ENCOURAGE THE INTERNATIONAL JOINT COMMISSION TO EXPAND ITS INTERPRETATION OF THE 1909 BOUNDARY WATERS TREATY SO THAT THE REVIEW OF POTENTIAL IMPACTS TO MONTANA CAN COMMENCE BEFORE THE COAL DEVELOPMENT BEGINS.

THE FIFTH BE IT RESOLVED CLAUSE RESOLVES THAT THE U. S. CONGRESS APPROPRIATE FUNDS TO THE STATE OF MONTANA AND LOCAL GOVERNMENTS IN MONTANA TO GATHER INFORMATION AND TO PREPARE FOR AND RESOLVE PROBLEMS THAT MAY RESULT FROM THE CABIN CREEK PROJECT.

THE FINAL BE IT RESOLVED CLAUSE DIRECTS THE MONTANA SECRETARY OF STATE TO SEND COPIES OF THIS RESOLUTION TO VARIOUS AGENCIES AND INDIVIDUALS INVOLVED AT ALL THREE LEVELS OF GOVERNMENT.

ORRIN FERRIS

3-24-77

32 S. Ewing

449-2872

DNR

DO YOU:

✓

OPPOSE?

COMMENTS :

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Harry Mochelheim

Information - House Bill No. 794.

This bill is a combination of definitions clarifying the fiduciary responsibilities for the Board of Administration which is the governing board for the following:

Highway Patrolmens' Retirement System - H.P.R.S.
(Title 31)
Game Wardens' Retirement System - G.W.R.S.
(Title 68, Chapter 14)
Public Employees' Retirement System - P.E.R.S.
(Title 68, Chapter 15 thru 25)
Sheriffs' Retirement System - S.R.S.
(Title 68, Chapter 26)
Judges' Retirement System - J.R.S.
(Title 93)

A. A great deal of the language changed in this bill is to comply with language and style changes in the recodification bills.

The substantive changes in this bill were suggested by the Internal Revenue Service as a prerequisite for formal qualification and may appear to be redundant but are actually the same changes in 4 or 5 different retirement laws. They may differ slightly from system to system as these were amendments to existing statutes rather than new sections in most instances.

(1) Final salary definition to clarify handling of lump sum payments at retirement:

- (a) H.P.R.S. - Page 3, line 1
- (b) G.W.R.S. - Page 6, line 25
- (c) P.E.R.S. - Page 13, line 8
- (d) S.R.S. - Page 26, line 23
- (e) J.R.S. - Does not define salary in this manner

(2) Board defined as trustees:

- (a) H.P.R.S. - Page 4, line 12
- (b) G.W.R.S. - Page 9, line 3
- (c) P.E.R.S. - Page 18, line 5
- (d) S.R.S. - Page 28, line 19
- (e) J.R.S. - Page 30, line 9

(3) Formal statement of non-discrimination clause:

- (a) H.P.R.S. - Page 4, line 18
- (b) G.W.R.S. - Page 10, line 18
- (c) P.E.R.S. - Page 17, line 9
- (d) S.R.S. - Page 29, line 1
- (e) J.R.S. - Page 30, line 20

(4) Non-diversion of assets and distribution in the event system is terminated:

- (a) H.P.R.S. - Page 4, line 25 thru Page 5, line 12
- (b) G.W.R.S. - Page 9, line 19 then Page 10, line 6
- (c) P.E.R.S. - Page 19, line 17 thru Page 20, line 4
- (d) S.R.S. - Page 29, lines 7 thru 19
- (e) J.R.S. - Page 31, lines 3 thru 15

(5) Non-duplication of benefits:

- (a) H.P.R.S. - Page 5, line 20
- (b) G.W.R.S. - Page 11, line 8
- (c) P.E.R.S. - Page 25, line 10
- (d) S.R.S. - Page 30, line 2
- (e) J.R.S. - Page 31, line 23

B. Substantive changes to P.E.R.S. only.

(1) Change in regular retirement benefit providing for cash refund in event of death similar to regular retirement benefit under Teachers' Retirement System replacing present option 1. Page 21, line 3 - Page 22, line 25 and Page 23, lines 13 and 17.

(2) Changing date of payment to fall on first of month. Page 20, line 11 and Page 25, line 7.

(3) Change of non-duty disability formula from 1/65 to 1/60. Page 21, line 20.

C. Repealer - Page 32, line 3.

Section 68-1425 of the Game Wardens' Retirement System is a subrogation provision in the event of third-party actions in disability situations. A similar provision was repealed in 1973 in the Public Employees' Retirement Act because it was unenforceable. The retirement system administration has no means to monitor civil suits within the State of Montana let alone in other states. To the best of my knowledge the retirement systems have never successfully pursued an action in this area.

STANDING COMMITTEE REPORT

.....March 31..... 1977.....

MR. President.....

We, your committee on State Administration.....

having had under consideration House Joint Resolution..... Bill No. 59.....

Respectfully report as follows: That.....House Joint Resolution..... Bill No. 59,...
third reading, be amended as follows:

1. Amend page 2, line 18.

Following: "economy"

Insert: "without interfering with the rightful prerogatives and program responsibilities of the governor and other elected officials"

APPROPRIATE AND AS SO AMENDED, BE CONCURRED IN