

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

February 28, 1979

The thirty-first meeting of the State Administration Committee was called to order by Chairman Pete Story on the above date in Room 442 of the State Capitol at 10:00 A.M.

ROLL CALL: All members present, with the exception of Sen. Greg Jergeson who was excused and Senator George Roskie who was absent.

CONSIDERATION OF HOUSE BILL No. 51: The Chairman called on Rep. Gene Donaldson, House District 27, Helena, sponsor of the bill, to present his testimony.

Rep. Donaldson advised that this was requested by the Department of Administration and would allow the state PERS to pay out of an employee's refund any amount owing his employer by written agreement signed by both parties. This could be allowed only when an employee was leaving the state employment and did not have the number of years required to qualify for state retirement, so had a refund coming. Page 2, line 11, sets out the terms by which an agreement signed by both the employee and the employer relating to an employment-related claim may be processed by the PERS. This should correct a problem with delay in processing refunds and payment of this type of claim.

The Chairman called for proponents.

Jim Turcotte, Assistant Administrator, PERS, submitted written testimony supporting the Bill, copy of which is attached, and stressed that this would not allow anyone other than the employer to receive these funds.

There being no opponents, closing statement was called for.

Rep. Donaldson felt the points had been adequately covered, unless there were questions.

In response to Sen. Hafferman's inquiry, Rep. Donaldson responded that PERS had always been subject to being withdrawn upon termination of employment if the employee chose to do so. Mr. Turcotte added that this would apply only if an employee was eligible to withdraw these funds, not if he were still working in some capacity for the state. If the employee were drawing retirement benefits, he couldn't withdraw these PERS funds.

There being no further questions, the Chairman closed the hearing on House Bill No. 51.

CONSIDERATION OF HOUSE BILL No. 119: The Chairman called on Rep. Audrey Roth, House District 10, Big Sandy, sponsor of the Bill, to present her testimony.

Mrs. Roth stated this would require that statements of intent

accompany all bills introduced at the request of an executive branch agency, not individuals. This is in an effort to decrease and make more responsible the executive requests for bills. The statement should express exactly what the bill proposes to do and concerns only the executive branch agencies.

There being no further proponents, and no opponents appearing, the hearing was opened for questions by the Committee.

In response to inquiries from Sen. Story, Rep. Roth replied that these statements would be attached to the bill when it is submitted just as committee statements of intent are now, and this should pertain also to the governor and should be a form of explanation.

Answering Sen. Brown, Rep. Roth advised the Legislative Council or legislators themselves could draft these statements, just as long as they were attached before the bill reached the floor. In explaining further, she stated that the large number of bills introduced by agencies this session had presented a problem which this Bill hoped to deal with. These would not pertain just to those dealing with rule-making authority, but should be an explanation of the bill's intended purpose.

There being no further questions, the hearing on House Bill No. 119 was closed.

CONSIDERATION OF HOUSE BILL No. 169: In the absence of Rep. Kvaalen sponsor of the Bill, Joan Mayer, Legislative Council attorney, presented testimony.

It was explained this was at the request of the Code Commissioner and pertained to generally revising to make more clear the laws relating to public retirement systems. Most of the changes are minor and clarify language, eliminate ambiguous words and up-dates the language to conform to the current laws. The first important change is at the top of page 13 where the definition of "actuarial equivalent" is changed; this pertains to sheriffs' retirement systems. Going through the Bill, she mentioned the points of notable difference and the reasons for the changes as listed in the copy of the Summary provided by the Legislative Council which is attached to these Minutes.

No further proponents of the Bill were present; no opponents appeared and the Committee did not indicate they had questions relating to the Bill. Therefore, the Chairman closed the hearing on House Bill No. 169.

CONSIDERATION OF HOUSE BILL No. 188: In the absence of Rep. Fagg, sponsor of the Bill, Jim Madison, Miscellaneous Tax Division, Department of Revenue, presented testimony.

Mr. Madison stated that there had been a rather back-door requirement that the Revenue Department had to determine the residency of contractors before they were legally allowed to bid on public works projects; this gives Montana resident contractors somewhat of a preference, but really had no great bearing on issuing of public

contractors licenses or qualification for licensing as a contractor. The Department is requesting this requirement be removed by this Bill as they had not been fully able to comply with it. It would allow the Department of Revenue to make the determination when it is requested. He also advised this measure was discussed with the Revenue Oversight Committee, and they did not object to it.

Neither further proponents, nor any opponents appearing on the Bill, the Chairman opened the hearing for questions by the Committee.

To clarify Sen. Story's question as to whom this would apply, Mr. Madison advised it pertained to the actual builders, not architects or engineers and only on state contracts.

Sen. Story further inquired if the Department had to determine the residency of any contractor who did business with the state, to which Mr. Madison responded that the rules now require the Department to determine the residency of every contractor who does any work for any of the public systems in the state, including schools, cities, etc., which was difficult to comply with and took up an unnecessary amount of time.

There being no further questions, the hearing was closed on House Bill No. 188.

FURTHER CONSIDERATION OF HOUSE BILL No. 51: Sen. Bill Hafferman moved that House Bill No. 51 BE CONCURRED IN.

Chairman Story explained the testimony presented for the benefit of Sen. Ryan who was late to the Committee meeting and missed the testimony.

Upon roll call vote, the motion passed by unanimous vote of the members present, with Sen. Jergeson being excused and Sen. Roskie absent.

FURTHER CONSIDERATION OF HOUSE BILL No. 119: Sen. Brown questioned how the Legislative Council felt about the increased work this Bill would cause them. Sen. Story thought the Council could tell the agency to write its own statement of intent.

Sen. Rasmussen did not want state agencies writing their own statements as they could give an extremely prejudiced viewpoint.

Discussion was held on amending the Bill to change statement of "intent" to "purpose" to clarify the two functions.

Sen. Bob Brown moved to amend House Bill 119 on page 1, title, line 6, to replace "intent" with "purpose" and correct this wording throughout the Bill. He felt this idea of a "statement of intent" was so new and had been only a committee function up to now, so didn't feel the confusion should be added to or cause a rule change, and they should call this something else.

Upon roll call vote, the motion passed by majority vote, with Sens. Ryan and Story voting "no".

Sen. Hafferman then moved that House Bill No. 199, AS AMENDED, BE CONCURRED IN; motion failed, with Senators Story, Brown, Rasmussen and Ryan voting "no" and Sen. Jergeson being excused and Sen. Roskie being absent.

Sen. Rasmussen stated they should reconsider their action as this would create more paper work and shouldn't be on the statutes, and that they should strip the amendments.

Upon reconsideration and withdrawal of amendments, Sen. Story moved that House Bill No. 119 BE NOT CONCURRED IN; motion carried by majority vote, with Sen. Hafferman voting "no" and Sen. Jergeson being excused and Sen. Roskie being absent.

FURTHER CONSIDERATION OF HOUSE BILL No. 169: Sen. Ryan moved that House Bill No. 169 BE CONCURRED IN; motion carried by unanimous vote of the Committee members present.

FURTHER CONSIDERATION OF HOUSE BILL No. 188: After discussion, Sen. Bob Brown moved that House Bill No. 188 BE CONCURRED IN; motion carried by majority vote, with Sen. Ryan voting "no", Sen. Jergeson being excused and Sen. Roskie being absent.

Sen. Story stated he would carry HB 188 on the floor.

The Chairman explained that on Saturday, March 10th, the Committee would meet at the Highway Auditorium to hear the controversial bills; he had set 4 bills for hearing and hoped to keep testimony to a maximum of one-half hour for each bill. Short discussion was held on this schedule.

The Chairman then announced that Sen. Hafferman would sponsor HB 51 on the floor, he would take HB 119 and 118, and Sen. Ryan would sponsor HB 169.

ADJOURNMENT:

There being no further business, the Chairman adjourned the meeting at the hour of 11:10 A.M.



Pete Story, Chairman

ROLL CALL VOTE RECORD

SENATE COMMITTEE ON STATE ADMINISTRATION

Date Feb 28, 2022 W W Bill No. 1174 Time 10:00

On the mountains and the
Highways on the slopes

Jennie L. Palmer
Secretary

Pete Story
Chairman

Motion: Senator Bill Hafferman moved that House Bill No. 51

BE CONCURRED IN: motion passed by unanimous vote of the

members present, with Sen. Roskie being absent and Sen. Jergeson

being excused. Sen. Hafferman will carry the Bill on the

(include enough information on motion--put with yellow copy of committee report.)

Sections 15 through 23 and 25 through 28. Chapter 10. Police Retirement -- Local Funds. Changed "police reserve fund" to "police retirement fund" to update. (See Section 3, Chapter 489, Laws of 1977, which mandated changing "reserve officer" to "retired officer" and "reserve list" to "retired list".)

Section 17. 19-10-203. Investment of fund. In subsection (1) changed "reserve police officers" to "retired police officers" to update and correct oversight in implementing Section 3, Chapter 489, Laws of 1977. Deleted subsection (3) as obsolete -- the transfers have been completed.

Section 22. 19-10-304. Gifts and money to be applied to fund. In subsection (1) changed "such police departments" to "the police department" to clarify and make consistent with the rest of the section.

Section 24. 19-10-406. Election to qualify previous military service. In subsection (1) added "as a police officer" in two places to clarify "service". (Clarification suggested by representative of police officers.)

Section 25. 19-10-501. Service retirement allowance. In subsection (2) changed "payment" to "payments" to correct apparent typographical error. In subsection (3) changed "subsection (1)" to "subsection (2)" to correct an apparent error. (See also Section 26, 19-10-502.)

Section 26. 19-10-502. Disability retirement allowance. In subsection (2) changed "19-10-501(1)" to "19-10-501(2)" to correct an apparent error. (See also Section 25, 19-10-501(3).)

Section 27. 19-10-503. Death benefits. Changed "or" to "and" for consistency. (See, e.g., 19-10-502(1).)

Section 28. 19-10-506. Supplement to certain pensions. In subsections (1) and (3) deleted temporary language, "commencing with the fiscal year beginning July 1, 1977".

Section 29. 19-11-603. Partial service pension. In subsections (4) and (5) changed "completes" to "would have completed" to clarify.

Section 30. 19-11-612. Protection of benefits from legal process -- nonassignability. Removed brackets around "this chapter", added during recodification because there was some doubt whether 11-1925.1, R.C.M. 1947 (enacted in 1977 and recodified as 19-11-603) was intended to be included.

Section 31. 19-12-104. Penalty for false statements or claims. Changed "and" to "or" to clarify and correct grammar.



SENATE MEMBERS

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FRANK HAZELBAKER
VICE CHAIRMAN

CHET BLAYLOCK

PAT M GOODOVER

NA S. DOWLING
EXECUTIVE DIRECTOR
CODE COMMISSIONER

ANOR ECK
ADMINISTRATIVE ASSISTANT

SERTA MOODY
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DIRECTOR, LEGAL SERVICES

ROBERT PERSON
DIRECTOR, RESEARCH

SHAROLE CONNELLY
DIRECTOR, ACCOUNTING DIVISION

Montana Legislative Council

State Capitol

Helena, 59601

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LC 0046

1979 Legislature
Code Commissioner Bill - Summary

House Bill No. 169

AN ACT TO GENERALLY REVISE AND CLARIFY THE LAWS RELATING TO PUBLIC RETIREMENT SYSTEMS.

(This summary does not include discussion of routine form or grammatical changes.)

Section 1. 7-3-1344. Prior rights of law enforcement officers. In subsection (2) changed "police reserve fund" to "police retirement fund" throughout for consistent terminology. (See Sections 15 through 23 and 25 through 28 of this bill.)

Section 2. 19-1-104. Retirement systems to be considered separate. In subsection (2) made same change as in Section 1, 7-3-1344; changed "unit of the statewide police reserve fund" to "city participating in the municipal police officers' retirement system" to update -- The statewide police reserve fund was replaced by the latter system in 1977; and deleted "of the state of Montana" as redundant.

Section 3. 19-3-104. Definitions. In subsections (11) and (22) deleted obsolete references to the lieutenant governor, who used to be part-time. In subsection (23) changed "by" to "from" to clarify.

Section 4. 19-3-204. Tax levy to meet employer's obligation. Reworded last clause of subsection (2) to correct inconsistency with subsection (1), which does not impose a duty.

Section 5. 19-4-803. Mandatory superannuation retirement. In subsection (2)(c) changed "average final salary" to "average final compensation" for consistent terminology (See definition 19-4-101(5)).

HOUSE BILL NO. 51

The purpose of this change is to allow the employee to receive a refund of their retirement contributions as expeditiously as possible even though there may be money owed the employer for travel, overpayment of wages, etc. In many instances, the refund application will be held up until the employee and employer reach a mutual agreement as to the payback of any monies owed.

However, should this legislation pass, it will provide a means that an employee and employer may reach an equitable agreement by using the Public Employees' Retirement contributions to pay any monies owed the employer by the employee and allow the employee to receive the balance of his retirement contribution through the regular refund processing and not cause abnormal delays in transmitting a refund to him. This provision does not allow anyone, other than the employer, to receive or use a portion of the employee's contribution and only to the extent that the employee agrees to this.

-end-

STANDING COMMITTEE REPORT

2-28-79

March 1, 1979

MR. President.....

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

having had under consideration House Bill No. 163.....

Respectfully report as follows: That..... House Bill No. 163,.....

Third Reading Bill,

DO PASS.

BE CONCURRED IN

ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date Feb 17, 1982 Bill No. 1092 Time

Jennie L. Palmer Pete Story
Secretary Chairman

Motion: Senator Bob Brown moved that House Bill No. 138
BE CONCURRED IN; motion carried by unanimous vote of
the members present, with Sen. Roskie being absent and
Sen. Jergeson being excused. Sen. Story will carry the
Bill on the floor.
(include enough information on motion--put with yellow copy of
committee report.)

STANDING COMMITTEE REPORT

2-28-79

.....March 1, 1979.....

MR.Presiding.....

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

having had under considerationHouse.... Bill No. 162.....

Respectfully report as follows: That.....House Bill No. 159.....

Third Reading Bill,

APPROVED

BE CONCURRED IN

ROLL CALL SHEET RECORD

SENATE COMMITTEE STATE ADMINISTRATION

Date Feb 28-74 Bill No. 1000 Time

NAME _____ YES _____ NO _____

Senator Pete Story, Chairman	✓	
Senator George F. Roskie, V. Chairman	✓	
Senator Bob Brown	✓	
Senator A. T. (Tom) Rasmussen	✓	
Senator Patrick L. Ryan	✓	
Senator Greg Jergeson	✓	
Senator William F. Hafferman	✓	

Jennie L. Palmer
Secretary

Pete Story

Motion: Senator Pat Ryan moved that House Bill No. 169 BE
CONCURRED IN: motion carried by unanimous vote, except for
Sen. Roskie who was absent and Sen. Jergeson who was excused.
Sen. Ryan will carry the Bill on the floor.

(include enough information on motion--put with yellow copy of committee report.)

STANDING COMMITTEE REPORT

2-28-79

March 1.....1979.....

MR.President.....

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

having had under considerationHouse..... Bill No.112.....

Respectfully report as follows: That.....House Bill No.112.....

Third Reading Bill,

DO PASS: DO NOT CONCURRED IN

ROLL CALL VOTE RECORD

10

SENATE COMMITTEE STATE ADMINISTRATION

Date 2-28-19 Name Bill No. 119 Time

Jennie L. Palmer
Secretary

Pete Story

Motion: Senator Bill Hafferman moved that House Bill No. 119
BE CONCURRED IN AS AMENDED; motion failed with Sen. Story,
Brown, Rasmussen and Ryan voting "no" and Sen. Roskie being
absent and Sen. Jergeson being excused.

(include enough information on motion--put with yellow copy of committee report.)

(2)

ROLL CALL VOTE RECORD

SENATE COMMITTEE STATE ADMINISTRATIONDate 2-28-79 House Bill No. 119 Time 10:00 AM

NAME	YES	NO
Senator Pete Story, Chairman	✓	
Senator George F. Roskie, V. Chairman	✓	
Senator Bob Brown		
Senator A. T. (Tom) Rasmussen	✓	
Senator Patrick L. Ryan	✓	
Senator Greg Jergeson	✓	
Senator William F. Hafferman		✓

Jennie L. Palmer Pete Story
 Secretary Chairman

Motion: After reconsideration of action to amend and withdrawal of amendments, Sen. Story moved that House Bill No. 119 BE NOT CONCURRED IN: motion carried by majority vote, with Sen.

Hafferman voting "no" and Sen. Roskie being absent and Sen. Jergeson being excused. Sen. Story will carry the adverse report on the floor.
(include enough information on motion--put with yellow copy of committee report.)

STANDING COMMITTEE REPORT

MR. President.....

We, your committee on ~~Health Administration~~.....

having had under consideration House..... Bill No. 51.....

Respectfully report as follows: That....., (4,450).... Bill No. 51,.....

Third Reading Bill,

DO PASS:

BE CONCURRED IN

COMMITTEE ON

1878

DATE February 28, 1979
State Administration

House Bills 51, 119, 169 & 188
U.S. LEWIS & CLARK TRAIL

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppos
Lee Matheson	Sponsor	HB 51	✓	
Jim Tuccotte	PERD	HB 51, 169	✓	
Joan Mays	Code Commission	HB 169		
James Matheson	Dept of Revenue	HB 188		
Dry Salvage		HB 51	✓	
Peter G. Rola	Sponsor	HB 119	✓	

Date Feb 28 1979

ROLL CALL.

STATE ADMINISTRATION COMMITTEE

46th LEGISLATIVE SESSION - 1979

Each Day Attach to Minutes.