

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

January 16, 1981

The seventh meeting of the Senate State Administration Committee was called to order by Senator Pete Story, Chairman, on the above date, in Room 442 of the State Capitol Building at 10:00 a.m.

ROLL CALL: All members present excepting Senator Johnson.

CONSIDERATION OF SENATE BILL 92:

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT THE DECLARATION FOR NOMINATION TO PUBLIC OFFICE CONTAIN A STATEMENT ATTESTED BY THE CANDIDATE THAT HE KNOWS THE SALARY OF THE OFFICE;"

Senator Paul Boylan, Bozeman, District 38, sponsor of the bill, stated that when one files for political office, the salary should be understood by the candidate. He feels government should turn inflation around. Individuals should not try to change salary after assuming office. There should be wage and price control. He said, "It is up to us in the political field to hold our salaries in control. It has to start with us." His reason for introducing this bill is so people will acknowledge what the salary is for the job for which they are running.

PROPOSERS: None.

OPPOSERS: None.

There were no questions from the committee so the hearing was closed on this bill.

CONSIDERATION OF SENATE BILL 93:

A BILL FOR AN ACT ENTITLED: "AN ACT EXCLUDING CERTAIN EMPLOYEES WHO ARE RECEIVING OR ARE ENTITLED TO RECEIVE RETIREMENT ALLOWANCES FROM OTHER PUBLIC RETIREMENT PLANS FROM MEMBERSHIP IN THE PUBLIC EMPLOYEES', TEACHERS', JUDGES', HIGHWAY PATROLMEN'S, SHERIFFS', GAME WARDENS', MUNICIPAL POLICE OFFICERS', LOCAL POLICE, AND FIREFIGHTERS' RETIREMENT SYSTEMS."

Senator Boylan, sponsor of the bill, says it is a new concept, maybe a misnomer. It is known as double dipping or

triple dipping into pension funds in cities, counties, and government. Montana has high unemployment, and he feels that people who retire are tired. He claims the biggest inequity is that federal people are coming into the State of Montana with big federal retirement and getting into retirement systems here. This hurts the state because our young people have to leave the state because they cannot find employment. He stated he is not a real authority on pension plans, so he had asked a member from PERS to come and explain what it does. This person could not come but will come another time if it goes into a subcommittee.

PROPOSERS:

Don Incoronato stated the Senator had amply explained why this bill should pass.

OPPOSERS:

Tom Snyder stated that the biggest problem that we are dealing with on this bill is the false statement that it is a cost to the system. This is not true because it is the same cost to all. He thinks the bill is unconstitutional.

Ed Sheehy enclosed testimony.

Mike Morris, a retired Anaconda police chief, said the bill could make it impossible for state institutions and agencies to find employees willing to take difficult jobs such as school bus driving, housekeeping, or working at the prison. Presently, he says, the retirees take the jobs on a supplemental basis and they need all the benefits they can get.

Jack Williams, Montana Chiefs of Police, gave the example of a widow who makes \$400.00 a month has to work to put children through college. If she is restricted to only the private sector, she is deprived of the job market. This bill forces the retirees to go outside the state to secure further pensions. Many cannot put in another 20 years.

Art Korn, whose business has several people who are going to retire and will receive \$100.00 a month, wanted to put in a bill to raise it but cannot.

Questions from the committee: Senator Towe asked Senator Boylan about a teacher who retires after 30 years, then goes to the state. They are entitled to retirement, but this would effectively prohibit teachers from changing jobs.

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Senator Boylan gave an affirmative answer and admitted that some things are mechanically wrong, but he would be willing to work on them.

Senator Boylan closed by saying he is not against the retirement system but feels people can go out in the private sector and get work. Many people in this realm are employable people, and he thinks they need to get some employment. What he wishes to bring to this community is to keep the youth in the state and keep employment up by all.

Chairman Story announced an executive meeting will meet Monday, January 19. If it does not kill the bill, it will be in a subcommittee. He notified the people in the room that it will not go out without more questions.

ADJOURNMENT: 10:50 a.m.



SENATOR PETE STORY, CHAIRMAN

7th meeting
O

ROLL CALL

STATE ADMINISTRATION COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date 1-16-81

NAME	PRESENT	ABSENT	EXCUSED
Senator Pete Story, Chairman	✓		
Senator Allen Kolstad, V. C.	✓		
Senator William Hafferman	✓		
Senator H. W. Hammond			
Senator Jan Johnson			✓
Senator Patrick Ryan	✓		
Senator Thomas Towe	✓		

Each day attach to minutes.

1-16-81

ADMINISTRATION

BILL NO. *56* 93

VISITOR'S REGISTER

NAME	REPRESENTING	Check One	
		Support	Oppose
Ed Sheehy Helena Mont	NATL ASN RETIRED EMPLOYEES		✓
Jack Williams	Mont. Chiefs of Police		X
John Morris	Sen. Hallgren		
Don Quisenberry	Self	X	
Robert Peterson	Mont. Retired Police Officers Assn		X
Mike Morris	"		+
Margaret Davis	Vol. Montana 8B92		
Leslie Remington	Secretary of State		
Thomas Schumler	MTPEA		X
Leo R. Tate	MT. chiefs of Police		X
Jerry Orsioll	Labors Union Local 98		X
Sam J. Mulrady	Self		X
Mike Abley	Self		X
Gene Graf	SELF	X	
Mike Wilson	"	X	
Art Korn	MT. STATE VOL FIREMEN ASSN		X
Al Sampson	MT. State Fire Chiefs ASS		X

Please fill out the other sheet
if you have to today.

(Please leave prepared statement with Secretary)

I am Ed Sheehy, of 1731 Fifth Avenue In Helena Montana.

I am currently serving as the legislative chairman, for the Montana Federation Of Chapters, National Association of Retired Federal Employees. The national membership of this non profit incorporated organization has grown in 50 years time from 14 charter members to over 400,000 Federal annuitants. In Montana we have 1600 members in one Federation of nine local chapters. I am also the local 1 Helena Chapter President with over 170 members in our local chapter.

As instructed by the local chapter members, I am here to oppose Senate Bill 93 and urge this committee to recommend that it do not pass.

Existing law protects applications for employment against the practice of age discrimination. Specifically the Federal Age Discrimination in Employment Act of 1967 protects persons ages 49--65 against discrimination involving hiring, discharging and wages. If the legislature passes SB 93, we will take whatever steps are necessary at the National Level and the local level to protest this discrimination.

I may also remind the Committee that Montana has a statute that grants an Honorably discharged Veteran preference in employment.

A handwritten signature in cursive script, reading "Ed Sheehy". The signature is written in dark ink and is positioned in the lower right quadrant of the page.

NAME:

Thomas E. Schneider

DATE:

1/16/81

ADDRESS:

Box 5600

PHONE:

442-4600

REPRESENTING WHOM?

MPHA

APPEARING ON WHICH PROPOSAL:

SB 93

DO YOU:

SUPPORT?

AMEND?

OPPOSE?

X

COMMENTS:

1. No Difference in Cost to System -

Would only occur if credit was given in two systems.

2. Legal Problems

3. H.P. Situation - Highway Patrol doesn't have Social Security.

4. Hiring preference - Would save hiring body to hire a retiree because they wouldn't have to pay employer contribution. City of Great Falls would be totally staffed by Air Force retirees.

DATE: 1/16/81

1735 Wendell Hiking Mount

442 6563

5221

Senate 93

SUPPORT?

AMEND?

OPPOSE?

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

NAME: EO SHEEHY DATE: 1-16-81

ADDRESS: 1731 5TH AVE, HELENA, MONT.

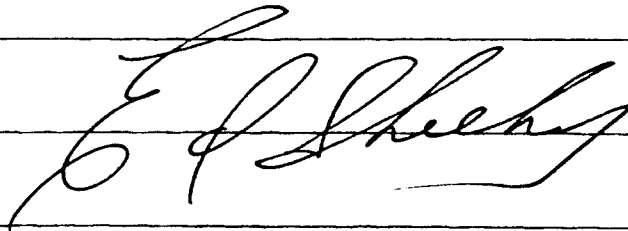
PHONE: 443-5782

REPRESENTING WHOM? NAT'L ASSN. RETIRED FEDERAL EMPLOYEES

APPEARING ON WHICH PROPOSAL: SB 93

DO YOU: SUPPORT? AMEND? OPPOSE? ✓

COMMENTS: EXISTING LAW PROTECTS APPLICANTS FOR EMPLOYMENT
AGAINST AGE DISCRIMINATION. SPECIFICALLY THE
FEDERAL AGE DISCRIMINATION IN EMPLOYMENT ACT
OF 1967 PROTECTS PERSONS AGES 49-65
AGAINST DISCRIMINATION INVOLVING HIRING,
DISCHARGING AND WAGES. IF THE LEGISLATURE
PASSES SB 93 WE WILL CONTINUE OUR
PROTEST.



NAME: Ed Williams DATE: 1-16-81

ADDRESS: 3727 Ithaca Drive

PHONE: 478 5304 Bus 442-3231

REPRESENTING WHOM? Montana Highway Police

APPEARING ON WHICH PROPOSAL: SB 43

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: Not here