

MINUTES OF THE MEETING OF THE HOUSE STATE ADMINISTRATION COMMITTEE
January 21, 1983

CHAIRMAN JOE BRAND called the meeting to order at 8 a.m. in Room 129 of the Capitol. All members were present.

HOUSE BILL 23

REPRESENTATIVE HAL HARPER, sponsor of the measure, began his statement by asking for a larger hearing room because of the "massive crowd" that had appeared for the bill. He said the crowd demonstrated the need and the plight of people on pension by the Public Employees Retirement System. He said a cost of living increase was needed. He said House Bill 23 would go from the State Administration Committee to the Finance Committee for action. He said surviving financially is tougher this day and age because it is tougher to live on a fixed income.

PROPONENTS

JOE ROBERTS, representing the Montana Association of Retired Public Employees, spoke in support of the measure. Roberts made two points: (1) a funding method proposed by House Bill 23 is actuarially sound. He said that Public Employee Retirement Division Administrator, Lawrence Nachtsheim would testify to that point; (2) the increase proposed by House Bill 23 would apply to all members of the system because it would be illegal to tax only a portion of the membership for benefits. Furthermore, the bill would call for an "ad hoc increase." He said it was the only way to fund an increase legally.

TOM SCHNEIDER, Executive Director of the Montana Public Employees Association, said his group represents 1,800 retired members. He said the Montana System is one of the best retirement systems in the country except for its provisions about cost-of-living increases. He said there were no provisions. He said that cost-of-living increases must be individually appropriated by the Legislature. He offered his assistance to the committee in working on House Bill 23.

JOHN McDONALD, former fiscal officer for the University System, who said he retired after ten years' service with the system, spoke for the measure. He said before he was with the University System he served in the U.S. Army. He said the amount that House Bill 23 would increase pension payments was a "minor fraction" of the amount that he first received when he retired.

DAN KELLY, of Helena, representing the Montana Association of Retired Public Employees, said his group was formed after the actions of last session.

Kelly said the average remittance under the pension plan each month is \$297. He said House Bill 23 would increase the average payment by \$66. He said it is an effective difference of \$3 in spending power looking at the change during the past four years. He said this was justified because the 1981 Legislature "didn't really give us anything."

JOHN HALE, representing the Montana Association of Retired Public Employees, said utility costs have doubled despite a weatherization program he instituted for his home. In his words, "Everything we touch has gone up."

JIM SAHINEN, representing the Montana Association of Retired Public Employees, supported the measure. Sahinen said he took full retirement from the state in 1975 after a career with the Highway Department. He said he retired at grade 15 after 32 years' service. He said his pension payment thus is comparably higher than most retirees because most retirees retire after 22 years. He said he considered retirees fortunate to get cost-of-living increases in 1979 and 1977. He said the total cost-of-living increase in 7½ years' time is \$167 per month or \$22 per month per year. He said that amounts to 3.4 percent, or slightly higher than the average. Sahinen said he is higher in terms of pension payments every month, but still has less than \$10,000 a year. He said it was not adequate to support three people. He said he went back to work for five years, three of which were full time. He said that at the time of his retirement in 1975 he could get by on his pension, but he cannot now.

MR. JAWORT, of Helena, who retired three years ago, said the 1981 increase, after an increase in insurance payments, amounted to about \$3 less than prior to the 1981 increase.

AUDREY LEVITAN, who said she retired in 1979 after 14 years' service and after purchasing three years' additional service time for her time spent in the military, said the increase in 1971 brought her a net increase of 91 cents a month.

LAWRENCE NACHTSHEIM, Administrator of the Public Employees Retirement Division, said the increase proposed by House Bill 23 would amount to 45/100ths of the total salaries paid into the system. He said it would cost the system \$1,188,000 the first year, with 45 percent of the increase being paid by the state and 55 percent being paid by local governments. Nachtsheim said it would cost \$1,192,000 the second year. Total payments the first year, Nachtsheim said, would amount to \$6,644,956. In the second year, he said, total payments would amount to \$6,444,000. Nachtsheim referred to the fiscal note attached to House Bill 23.

Chairman Joe Brand asked where cities and towns would get the money for the increase. Would they get it from local taxpayers? Nachtsheim said they would.

In closing, Rep. Harper said "These people wouldn't be here if an increase wan't needed." He said that during the 1981 session a bill was introduced to provide for an automatic cost-of-living increase for the Public Employees Retirement System, but in the last minutes of the 1981 session it was changed to retain the ad hoc increases. He said retirement system members don't feel they were treated adequately. Harper said the state is now talking about spending millions and millions of dollars on roads. He said, "These people served the system." He said the decrease in their spending power has caused personal anxiety. He said they cannot heat their home and put food on their table. Speaking to the committee members, Harper said, "You're the boss-- if these people are to get more payments, you're the ones who must do it. Otherwise it's a dead end."

COMMITTEE QUESTIONS

REPRESENTATIVE JERRY DRISCOLL asked about the assumptions contained in the fiscal note, whether they were made by Nachtsheim or by Dave Lewis, Director of the Governor's Office of Budget and Program Planning. Nachtsheim said the assumptions were made on actuarial figures provided by the Public Employees Retirement Division.

REPRESENTATIVE FRANCIS KOEHNKE asked if there would be an increase in payments for working employees. Nachtsheim said there would not be. Rep. Koehnke asked about excess interest income on the principle. Nachtsheim said that amount equals the amount spent in benefits.

REPRESENTATIVE GLENN MUELLER questioned Nachtsheim concerning sections 1 and 2 of the bill. Nachtsheim said that section 2 is minimum. Rep. Mueller asked that if a retired person did not qualify for the \$400 payment would his payment be kicked up to that described in section 2. Nachtsheim said yes, provided the person has 30 years' experience.

REPRESENTATIVE CHET SOLBERG asked how House Bill 23 would affect local government and where they would get money to pay for the increased funding. Nachtsheim said that local government can levy a special tax to pay contributions to the retirement system. The special tax would be levied against property.

REPRESENTATIVE FRANCIS BARDANOUE asked witness McDonald if he received three pensions. McDonald said he did, and that the PERS is not the only income he received. Rep. Bardanouve asked how many people in the room received more than PERS income. Most witnesses held their hands up at that question. Rep. Bardanouve asked if most PERS retirees qualified for energy assistance. Rep. Harper said most did. Rep. Bardanouve said "We have to look at the whole of what they get," because there are other supplemental income programs. Rep. Harper asked for a show of hands from those who get energy assistance. Rep. Harper noted that no one raised their hands.

Another witness, JERRY BOWERMAN said he had inquired about the energy assistance program. He said guidelines are quite stringent and people who receive more than \$10,000 per year are disqualified.

Chairman Brand asked what the maximum pension benefit is for Public Employee Retirement Systems' retirees, and what the minimum was. He said he wanted the committee to consider that information. Chairman Brand said he was more interested in increasing the payments to the people on the lower end of the scale than he is in making an across-the-board increase.

Roberts said a percentage increase across the board would structure cost-of-living increases as Chairman Brand suggested. Chairman Brand repeated that he wanted to help the lower end, and also those higher up on the payment scale depending upon their circumstances.

Sahinen said that those getting more than \$1,000 per month amount to 2-4 percent of the retired force. He said the remainder of the retirees get payments ranging from about \$7 per month to as much as \$1,700 per month.

Chairman Brand asked how the pension benefit system calculated monthly pension payments, and if it was similar to the Teachers' Retirement System where the highest three consecutive years were used to determine the pension payments. Sahinen said that was the system.

Schneider said that prior 1971 retirees got only a matching annuity, and therefore, retirees who had been retired for longer amounts of time get much less than newer retirees do.

Rep. Koehnke said that House Bill 23 would account for a difference of \$1.4 million between what is put into the system and what goes out of the system. He asked where the balance would come from to make up the difference.

Schneider said that more funding would be required of employers and employees.

Chairman Brand asked what kind of paybacks local governments have. Schneider said all employees are treated the same. Chairman Brand said that local governments would be asked to pay 55 percent of the increase. He asked about the effect on local governments. Rep. Driscoll said that at Billings, the amount increased by House Bill 23 would result in a 1/3 mill increase.

REPRESENTATIVE PAUL PISTORIA asked if there was an average minimum payment to retirees. Schneider said the average payment is \$296 per month, and that was "not fair." Rep. Pistoria said that some retirees get as little as \$25 or \$30 per month.

REPRESENTATIVE WALTER SALES noted that the bill would give pre-1981 retirees a \$2-a-month increase. Sahinen said the 1981 figure was an arbitrary date chosen primarily on the fact those later retirees already get higher retirement figures. Schneider said that since 1977 the rates have increased faster than before. He said the \$2 difference accounts for the fact that most of the relief was to go to the people on the lower end of the payment scale who needed more. Rep. Sales said it looked like the reverse is true.

Bowerman noted that in the earlier discussion of the Social Security benefits, there was a significant number of hands raised indicated those people who were receiving Social Security benefits. He said the point wasn't made then that a good share of those people on Social Security retired early, and thus received lower benefits because they could not wait to retire at 65.

THERE BEING NO FURTHER QUESTIONS FROM COMMITTEE MEMBERS, CHAIRMAN JOE BRAND CLOSED THE HEARING ON HOUSE BILL 23.

HOUSE BILL 78

Rep. Hal Harper said that House Bill 78 would add a sixth member to the Public Employees Retirement Board who must be a retired member of the system. But he noted that the Board did not necessarily need a balanced, six-member board. He suggested the bill be amended to replace one of the existing five members with a retired member of the system.

Joe Roberts, representing the Montana Public Employees Association, supported the bill. He said the representation on the Board would be good.

Chairman Brand asked about an amendment that would call for two retired public employees on the Board and two public members. Rep. Harper said he would take no position on that proposal.

Roberts said that proposal would be fine if there were three public employees and one was retired. Chairman Brand said that he had a problem with the idea. He said a sixth member for the Board would be appointed. He said the Governor would do the appointing, and could appoint anyone he desired. He said that perhaps the way to solve the problem that would be solved by House Bill 78 would be to have retired groups submit the names of three acceptable nominees and have the Governor choose. Rep. Harper said, "We gotta take the first step."

Sahinen said his association would be pleased to present its suggestions for nominees.

THERE BEING NO FURTHER QUESTIONS BY COMMITTEE MEMBERS, CHAIRMAN BRAND CLOSED THE HEARING ON HOUSE BILL 78.

HOUSE BILL 177

REPRESENTATIVE KATHLEEN McBRIDE said she was speaking for the bill today, because its sponsor, REPRESENTATIVE STEVE WALDRON, was scheduled elsewhere. Rep. McBride said House Bill 177 would amount to mainly a change of name for the motor pool in order to effect change in administration. She said the change was recommended by the Audit Committee, which thought it was more appropriate to have the motor pool operating from the Administration Department rather than the Highway Department since the motor pool serves state government. She also said the motor pool, within the Highway Department, suffered from an image problem among other state agencies. She said some state employees fear the Highway Department gets preference because the motor pool is administered by department officials. Rep. McBride said she had one amendment to the bill, to transfer the assets and liabilities of the motor pool to the Department of Administration.

THERE BEING NO STATEMENTS BY PROPONENTS, CHAIRMAN BRAND CALLED FOR STATEMENTS BY OPPONENTS.

Highway Department Director GARY WICKS said he was neutral on the proposal.

CHAIRMAN BRAND CALLED FOR STATEMENTS BY THOSE DESCRIBING THEMSELVES AS "NEUTRALS."

DAVE ASHLEY, Deputy Director of the Department of Administration, said there was logic for placement in either department. He said the Highway Department had maintenance facilities available. He said the Department of Administration has two concerns: (1) If the transfer happens, the Department of Administration must develop a computer system to properly manage the motor pool. He said the Highway Department now has one, but it would cost the Administration Department as much as \$100,000 to obtain such a system. He said the cost of that was not reflected on the fiscal note. (2) The matter of convenience. He said there was no on-site maintenance facility at the motor pool. He said future maintenance bays would be needed.

Gary Wicks, Director of the Highway Department, said the Administration Department would not find administration of the motor pool that pleasant. He said there is no great benefit to the Highway Department to have the motor pool as part of it. He suggested that "Maybe the costs of the transfer are not worth it." He said that problems cited by the Audit Management Committee have been corrected, and do not exist within the Highway Department now. He said the Highway Department has implemented nine of fourteen recommendations so far.

Chairman Brand asked Wicks why the motor pool was within the Highway Department. Wicks said that in 1974 the Legislature said the operation of motor vehicles outside Helena should be within those agencies that need them. He said that motor pool now serves agencies within Helena that need vehicles. He called on Don Gruel, who said that the Highway Department had the facilities for maintaining motor pool for Helena agencies.

Rep. McBride, in closing, said she believed the accounting system could be made available from the Fish and Game Department for free. She called on SCOTT SEACAT, a legislative auditor, who said that there had been talk about the Department of Administration getting such a computer program from the Fish and Game Department. He noted that the Administration Department runs the computer fleet.

Chairman Brand asked why it would cost as much as \$100,000 for such computer software. Ashley said that some sub-system of existing computer software could be used until the Administration Department decides what to do. He said a minimum figure for the software would be from \$40-50,000.

Rep. Paul Pistoria asked Gruel if the Administration Department would not need new buildings and mechanics to take care of the motor pool. GRUEL said that might be a more efficient way to take care of the motor pool.

Rep. Glenn Mueller asked about the cost of bays to be installed at the motor pool should Administration take over. Gruel said a bay would cost about \$30,000 to install.

Chairman Brand asked why the motor pool was not physically located at the Highway Department, and is instead two miles away near the Capitol. Gruel said that was for the convenience of Capitol complex workers.

Rep. Bill Hand asked about vehicles maintained and operated by the University System. Gruel said that the University System, Fish and Game and other agencies outside Helena maintain their own vehicles.

Rep. McBride noted that fragmentation results in increased costs.

Legislative auditor Seacat said that during the last three years the state purchased about 1,100 vehicles. 622 of those were for Helena use, and 468 were for agencies outside Helena. He said these were not purchased under a combined purchase system, and inefficiency resulted.

Wicks said the state now has 3,300 passenger cars and trucks (pickups). He said about 200 of those are operated by the Highway Department in Helena.

REPRESENTATIVE JOE HAMMOND asked if a computer would make it more feasible to manage the motor pool. Wicks said that was the biggest problem--having vehicles controlled out of Helena.

Rep. Solberg asked if the estimated cost of 21 cents per mile includes the cost of money that is tied up in the vehicles, and would it not be cheaper to lease vehicles. Wicks said the cost of money was not calculated into the mileage figure. Solberg suggested renting or leasing might be more appropriate because capital would not be tied up. Wicks said that leasing typically costs more.

REPRESENTATIVE JOHN PHILLIPS asked Gruel when vehicles were typically traded in. Gruel said they were typically traded after 75,000 miles, and that took about four years. Rep. Phillips asked if it was possible to send out near-trade vehicles to low-use agencies. Gruel said it was possible, but at present there was no operating system that would facilitate such transfers.

Chairman Brand asked why it costs more for agencies to operate their own cars than it does for the Highway Department to operate. He observed that the Highway system seems to be the best system yet. Wicks said his agency recovers all the costs. Chairman Brand noted that Wicks said he was willing to go along with Administration in the purchasing method. He asked if that would take care of the problems contemplated by House Bill 117. Legislative Auditor Seacat said no, typically state government orders include special orders which boost costs, and defeat the purpose of centralized control in purchasing.

Ashley said that purchasing in bulk allows the process to be put under bid, and the council has recommended developing common bidding specification package for vehicles.

Rep. Mueller asked whether moving the motor pool to the Administration Department would result in more vehicles being used. Legislative Auditor Seacat said he earlier testified in error, and that the changes recommended would contemplate using the same number of vehicles.

REPRESENTATIVE LLOYD "MAC" McCORMICK asked if it was a law that the University System had to have its own set of vehicles. The answer from various officials was affirmative.

Chairman Brand asked if "We're coming full circle." He suggested the trend seems to be to return to the system that existed prior to the 1974 organization of the motor pool.

Rep. Pistoria asked if the plans for the move would contemplate building a structure. Legislative Auditor Seacat said the amendment would include transfer of assets and liabilities to the Department of Administration.

Rep. Solberg asked if the discussion centered on 200 vehicles or 3,000. He noted there was a big difference.

REPRESENTATIVE CLYDE SMITH asked that if the transfer took place, what would happen to the separate budgets. Legislative Auditor Seacat said that by law the motor pool must recover its costs. He said the bill contemplates 200 cars, and Council of Management recommends considering 3,000 vehicles. Rep. Smith asked why the Administration Department cannot order all its vehicles together. Legislative Auditor Seacat said they can, but there were problems with agencies and special orders. He said House Bill 117 would get the Helena motor pool into the same department that purchases vehicles.

Rep. McBride said "We're dealing with the biggest single collection of those vehicles."

Responding to a question from REP. GAY HOLLIDAY, Legislative Auditor Seacat said the audits produced by his office looked only at the Helena based automobiles. Rep. Holliday asked if he would agree with the recommendations of the Council of Management that an entire 3,000-plus fleet be considered. Seacat said he was not sure.

THERE BEING NO FURTHER QUESTIONS FROM COMMITTEE MEMBERS, CHAIRMAN BRAND CLOSED THE HEARING ON HOUSE BILL 117.

EXECUTIVE SESSION

HOUSE BILL 218

Chairman Brand noted that its sponsor, Rep. Kitselman, was disappointed with the earlier recommendation on House Bill 218. Chairman Brand suggest that the bill should be held to see if the committee would reconsider the measure.

REP. MUELLER MOVED the bill be RECONSIDERED, REP. SMITH SECONDED. The question being called, the MOTION CARRIED by unanimous voice vote.

REP. MUELLER MOVED to hear additional information about the bill.

Chairman Brand appointed a subcommittee to work on the bill. He appointed Rep. Hammond chairman, with Representatives Phillips and Koehnke to serve on the subcommittee.

REP. McBRIDE MOVED appointment of the subcommittee. Question being called the MOTION CARRIED by unanimous voice vote.

HOUSE BILL 23

Chairman Brand recommended appointment of a subcommittee to work on House Bill 23. He urged Nachtsheim and Legislative Researcher Lois Menzies to help. Rep. Glenn Mueller agreed to serve on the committee but Rep. Holliday asked not to be appointed because she was "very busy."

Chairman Brand appointed Rep. McCormick chairman, and appointed Representatives Mueller and O'Connell to serve.

HOUSE BILL 78

Chairman Brand recommended there were two ways to go in amending House Bill 78: For a six or five member board.

REP. HELEN O'CONNELL MOVED the bill be AMENDED to read two members at large, three affiliated with the system. REP. KOEHNKE SECONDED.

Rep. Walter Sales spoke in opposition to the amendment. He said he wanted to see control of the Board remain with people who pay into the system. Rep. O'CONNELL said she favored control of the Board remaining with the taxpayers.

Schneider said the advantage of having a retiree on the Board is that the Board member would identify with group members.

Rep. O'Connell noted the Governor appoints Board members, and the Governor should worry about such a question. Schneider said it would take about one year to get a new appointee on the Board.

Rep. McBride suggested a transition schedule be created to take care of that concern.

Rep. Phillips said, "It doesn't matter which way we go and when."

REP. MUELLER made a SUBSTITUTE MOTION of DO PASS for the bill, REP. SMITH SECONDED.

Rep. O'Connell spoke in favor of the substitute motion, saying the Board itself should worry about its potential tie votes with a six member board.

The question being called, the MOTION CARRIED by unanimous voice vote. House Bill 78 was reported out DO PASS.

HOUSE BILL 177

REP. MUELLER MOVED DO NOT PASS, REP. O'CONNELL SECONDED.

Rep. Mueller said there was "no question this would cost the state considerably more money."

The question being called, the MOTION CARRIED by voice vote. REP. McBRIDE VOTING "NO." House Bill 177 was reported out DO NOT PASS.

The meeting was declared ADJOURNED.


REPRESENTATIVE JOE BRAND, Chairman

STANDING COMMITTEE REPORT

JANUARY 21,

19 83

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 8* 78

first

reading days (white)
color

"AN ACT AMENDING SECTION 2-15-1009, MCA, TO ADD A RETIRED
PUBLIC EMPLOYEE TO THE PUBLIC EMPLOYEES' RETIREMENT BOARD;
AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That HOUSE Bill No. 78

DQ PASS

STANDING COMMITTEE REPORT

JANUARY 21, 19 83

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 177

first reading copy (white)
Color

"AN ACT TRANSFERRING THE STATE MOTOR POOL FROM THE DEPARTMENT OF HIGHWAYS TO THE DEPARTMENT OF ADMINISTRATION; AMENDING SECTIONS 2-17-402, 2-17-411 THROUGH 2-17-413, 2-17-422, 2-17-423, AND 2-17-431, MCA; AND PROVIDING AN EFFECTIVE DATE."

Respectfully report as follows: That HOUSE Bill No. 177

DO NOT PASS

VISITOR'S REGISTER

HOUSE STATE ADMINISTRATION COMMITTEE

BILL 23

DATE 1/21/83

SPONSOR _____

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Nelson L... ..	630 N	AMPRE	✓	
Judith	1365	L	✓	
Dr.	1800-5 th	AMPRE	✓	
C.	900 BUTTE	✓	✓	
Frank	1414		✓	
Roy	1496			
CS FARR	1805 Soslyn	NO AMPRE	✓	
C.R.	3215 LEGKANDE	AMPRE	✓	
E.	AMPRE	✓	
... ..	#40 N.	AMPRE	✓	
... ..	1128 E 6 th	Public Emp.	✓	
James	Box 1005 Nelson	Public Emp.	✓	
... ..	1130 - 6 th	Public Emp.	✓	
... ..	Box 744	Chief	✓	
Melody Brown	MHA - Helena	MNA	✓	
P.A.	HELENA	PERS	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE STATE ARIZ COMMITTEE

BILL 23, 78

DATE 1/21/83

SPONSOR _____

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Ed Salinas	Helena	AMPRE	✓	
Edwin Mason	Helena	AMPRE	✓	
Harvey Mason	"	"	✓	
R. D. [unclear]	Helena	AMPRE	✓	
Don [unclear]	Helena	"	✓	
Paul [unclear]	"	"	✓	
P. J. Creech	Helena	"	✓	
L. M. [unclear]	Helena	"		
D. Blinnell	"	"	✓	
Portia Flint	Helena	"	✓	
Hattie Fells	Helena	"	✓	
E. J. Malenck	Canyon Creek	"	✓	
Rebecca Beck	Helena	"	✓	
Arnell [unclear]	Helena	"	✓	
Jessie [unclear]	"	"	✓	
A. T. [unclear]	"	"	✓	
Marie Ursin	Helena	AMPRE	✓	
Frank [unclear]	Helena	"		
Paul Poirier	Helena	"	✓	

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WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE State Admin.

COMMITTEE

BILL ~~HB 23~~ (PERS) HB 23

DATE Y 23 21

SPONSOR Rep. Harper

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
R. M. Warner	416 Clark		2	
Maurice W. Smith	3124 Vigilant Dr		2	
D. Biggsman	1011 Billings Ave		✓	
Rep. C. Smart	1019 Billings ave		✓	
E. Donovan	515 H. Highland		✓	
E. Erickson	1624 Cannon		✓	
John M. Melton	1800 E. 6 th Ave		✓	
G. T. MacInnis	-		✓	
Margaret H. Smith	1500 Garfield		✓	
Roberta Miller	1535 - Madison		✓	
Ranette J. Magnus	1415 Peosta		✓	
Jedra Karavan	515 Hegblanc		✓	
Lennis Jackson	2201 5 th Ave Helena		✓	
Al Slim Sattary	1711 6 th Ave		✓	
AAA Merley	Box 553 Helena		yes	
John Lagudach	630 N. 2 nd St. Helena		✓	
Judith Wellwe	1365 Rimini Dr.		yes.	
Robert S. Cooney	230 Wallace		yes	
OC Warner	522 Tamarick		yes	
J. D. Zimmerman	5495 RAINBOW DR.		✓ yes	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE _____

COMMITTEE _____

BILL (PERS) HB 23 _____

DATE 1/23 _____

SPONSOR Rep. Harper _____

NAME	RESIDENCE	REPRESENTING	SUP-PORT	OP-POSE
W. C. Blake	HN	✓	✓	
M. E. Blake	✓	✓	✓	
Margaret Hervey	103 Hensen	✓	✓	
Kenneth Dahl	1015 Hansen	✓	✓	
Ray Kessler	Box 663 Helena Mt	✓	✓	
Doris Rauch	1806 Capital	✓	✓	
Helena Schofield	1738 Hockey	✓	✓	
Robert W. Snow	23 So. Dakota	✓	✓	
Oscar P. Hanson	1001 Peosta	✓	✓	
Tess Meredith	1300 Leslie	✓	✓	
Maie Cottrell	608 Bruce	✓	✓	
Caroline Roberts	135 Davis	✓	✓	
Andrew Levitan	4877 Birdseye		yes	
Archie Jawn	1522 Knight	✓	yes	
Harold C. Trudney	1029 - 5th Ave	✓	yes	
Ben Snow	23 S. Dakota Ave	✓	✓	
Robert Zitting	937 12th	✓	YES	
Charles Buffo	Capitol Station	State Agr. Exd. / Gov.	✓	
Jim Sakin	523 - 6th Helena	ASSN. of Mont. Ret. Pub. Emp.	✓	
William T. Bernasch	522 Willow Helena	" " " " " "	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

HOUSE _____ COMMITTEE _____

BILL HB 23

Date 1/23

SPONSOR PER HARPER

NAME	RESIDENCE	REPRESENTING	SUP-PORT	OP-POSE
W ^m R. Bovee	318 W. Cross St. Helena		X	
Jesse F. Tola	100-50 th St. Helena		X	
Alvin L. Lammie	Helena		X	
Rhonda Beck	Helena		X	
Halli Diller	Helena		X	
Jack C. Benson	Helena	PERS	YES.	
Mertie Dier	"		X	
Bernice Margaret	1125 Boulder	PERS	yes	
John S. Hansen	212 So. Park		yes	
Gene H. H. H.	1030 Boulder		✓	
Karen Beckman	Helena	"	YES	
Jana M. Boman	406 2 nd St. Helena	PERS	yes	
Jan Suter	Helena	PER	YES	
Margaret Ward	"	"	✓	
Dorothy Waramaker	"	"	✓	
Alice Ziem	"	"	✓	
A.O. Lammie	"	PERS	✓	
Christina Barbeau	308 Center Ave. W. Helena Mont	PERS	✓	
Myrtle V. Barbeau	" " "	" "	✓	
Arden Herdin	1805 Judy th Helena	Mont Retired Employee	yes	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

WITNESS STATEMENT

Name Joe Roberts Committee On _____
Address 729 Eleventh Ave. Date _____
Representing Mt. Jesse & Ret. Public Employees Support
Bill No. 23 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

- 1.

- 2.

- 3.

- 4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name John J. Hale Committee On St. C. L.
Address 1808 - 5th Ave. N.W. Date 1/21/83
Representing Assoc. of Md. R. E. Comm. Support ✓
Bill No. H.R. 3 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1.

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Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name DAE P Kelly Committee On _____
Address 145 Fairway Date _____
Representing AMRRF Support _____
Bill No. HB 23 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

- 1.
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Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name C.A. GARVER Committee On _____
Address 106 - STABER Date _____
Representing _____ Support _____
Bill No. _____ Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

- 1.

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Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name C. W. Brinck Committee On State Admin
Address 1234 Main - Helen Date Jan - 21, 1985
Representing Self Support X
Bill No. HB - 23 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

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Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name J. D. BOWERMAN Committee On _____
Address 5495 RAINBOW DR. Date 1-21-83
Representing RETIRES Support yes
Bill No. HB-23 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

- 1.

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Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name Tom Schuuda Committee On St. Albans
Address Box 716 Date 11/21/83
Representing Helena Support X
Bill No. HB 23 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

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Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

Larry Nachtshem
PERD

FISCAL NOTE

NO POSITION

HB 23

SOME FACTS AND FIGURES ABOUT HB 23

The request for a cost-of-living increase as described in HB 23 is based on offsetting the increase in only two of the essential needs of P.E.R.S. retirees. These are: 1) energy and 2) medical insurance. The following cost increases are purely basic. They do not reflect accompanying escalated costs such as doctor, hospital and drug bills not covered by medical insurance. Additionally, no allowance was made for decreased insurance coverage, for the deductibles which the retiree must pay out of pocket, nor for dental work or eyeglasses. The recent 5 cents per gallon gasoline tax has not been considered.

The year 1979 was used for comparison purposes because no appreciable increase has been received by P.E.R.S. retirees since July 1 of that year.

1. ENERGY

Average 1979 and current statewide energy costs are as follows:

- a. Gasoline per gallon (1979) = 99 cents — Current cost = \$1.32 — Increase 33 cents/gal. Consumption is based on 10,000 miles/year @ 15 mpg which = 56 gals./mo.
- b. Electricity per kilowatt hour (1979) = 2.7 cents — Current cost = 3.6 cents — Increase 0.9 cents/kwh.
- c. Natural gas per 1,000 cubic feet (1979) = \$3.04 — Current cost = \$4.68 — Increase \$1.62/mcf. Average monthly residential consumer energy use is 750 kilowatt hours of electricity and 10.6 thousand cubic feet of natural gas as per the Montana Power Company.

2. MEDICAL INSURANCE PREMIUMS

- a. September 1979 for retiree and spouse covered by Blue Cross plus Medicare the rate was \$43.20 per month — Current rate = \$73.78 — Monthly increased cost = \$30.58.
- b. September 1979 for retiree and spouse covered by Blue Cross (under age 65 not eligible for Medicare) the rate per month was \$65.99 — Current cost = \$114.22. Monthly increased cost \$48.23.

The above rates were obtained from the Montana Power Company for natural gas and electricity, from the Montana Automobile Association for gasoline and from the State Department of Administration for medical insurance premiums.

SUMMARY OF MONTHLY COST INCREASE

Gasoline — 56 gals. X 0.33	=	\$18.48
Electricity — 750 X \$0.009	=	6.75
Natural Gas 10.6 X 1.62	=	17.17
Medical Insurance (Avg.)	=	<u>39.41</u>
TOTAL	=	\$81.81 per month

No attempt was made to ascertain the increase in costs of other essentials such as food, clothing, telephone etc. because it was felt that the above increases adequately demonstrate the dire need for the cost-of-living increase requested in HB 23.

VISITOR'S REGISTER

HOUSE State Admin.

COMMITTEE

BILL HB 78 (PERS)

DATE 1/21

SPONSOR Rep. Harper

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
John Peggitt	1539 Stanford Helena	HB 78	yes	
Mae Cottrell	608 Buckenridge		yes	
Caroline Roberts	13 S Davis		yes	
Oscar P. Hanson	1001 Peosta		yes	
Tess Meredith	W 300 Leslie		yes	
Andrew L. Levitan	4877 Birdseye		yes	
R. R. James	211 So. Maryland		yes	
W. E. J. J. J.	1522 Helena		yes	
Cletus Barber	308 Center Ave. W.		yes	
Myrtle Barber	" " "		yes	
Charles Hardin	1805 Jasper St Helena		yes	
E. D. Westing	722 Orange Ave		yes	
W. S. E. D. Westing	722 Orange Ave		yes	
Robt E. Debut	Box 1010 Helena		yes	
M. A. Marley	Box 553 Helena		yes	
Ida Long	6301 D. St Helena		yes	
Judith Williams	1365 Rimini Dr.		yes	
Ernest L. Garity	105 Howard		..	
Doris Ranch	1806 Capital		yes	
Helen Schofield	1738 Hockey		yes	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE _____
 BILL HB 78 (PERS) p. 2
 SPONSOR Rep. Harper

COMMITTEE _____
 DATE 1/21

NAME	RESIDENCE	REPRESENTING	SUP-PORT	OP-POSE
Roy Kennell	Box 663 Helena mt		Yes	
Harold Treasaway	1029 - 5 th ave		Yes	
R. H. Snow	23 So. Dakota	✓	Yes	
Ben Snow	" "	✓	Yes	
Robert Faltermeyer	937 12TH	✓	YES	
Charles Bruff	Capital Station	State Aging Coord. Gov.	✓	
Jim Gehring	523-6 th	AMTRIPS	✓	
Mark Hopkins	1317 Shirley Rd - Helena	PERS Retirees	Yes	
Ed Carakula	Box 4133 Helena	" "	✓	
Gene M. Bergman	406 Hilder	PERS	yes	
Al Slatford	1711 6th Ave	PERS	yes	
Paul Asch	1030 Hilling	PERS	yes	
Kevin S. Harn	212 So. Federal	✓	Yes	
Bernice Wright	1625 Boulder	✓	yes	
W. J. Ernst	Helena	✓	yes	
Harvey Buchanan	"	✓	yes	
Edwin Johnson	"	"	✓	
Jack Taylor	2215 E 6th Helena	PERS	Yes.	
Ed Halembek	Canyon Creek	A.P.P.	Yes	
Ed Blom	450 S. Park Helena	AMTRIPS	yes.	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

WITNESS STATEMENT

Name John P. Rude Committee On SA CP
Address 1508-8th St. Helena Date 1/21/83
Representing M. R. Rines Support ✓
Bill No. HR 78 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

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Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

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PROPOSED AMENDMENTS TO HOUSE BILL 177

SPONSORED BY REPRESENTATIVE WALDRON

BY REQUEST OF THE LEGISLATIVE AUDIT COMMITTEE

1. New Section. Section 8. Upon the effective date of this act all assets and liabilities of the motor pool, as recorded in the department of highways' motor pool revolving account, will be transferred to the department of administration.

2. Renumber subsequent sections.

