

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

January 30, 1985

The meeting of the State Administration Committee was called to order by Chairman Sales at 9:00 a.m. on the above date in Room 317, State Capitol.

ROLL CALL: Seventeen members present with Rep. Janet Moore excused.

CONSIDERATION OF HOUSE BILL NO. 269: Rep. Hubert Abrams, District #24, explained the purpose of the bill which would be to exempt incorporated cities and towns and counties from publishing the comments of the audits.

PROPONENTS: Bill Verwolf, representing the City of Helena and the Municipal Finance Officers and Clerks Association, appeared in support of the bill. He said the city of Helena has their audit done by a CPA firm and the publishing costs are around \$400. It is costing about the same amount for the small towns for publishing. They are asking that a summary be published and a notice also be published stating that the entire audit is available for inspection by any one who wishes it. This would take some of the burden off the small towns.

Gordon Morris, Montana Association of Counties, said he was in favor of the bill. He had a question in regard to the word "it" on page 1, line 23 and asked what "it" referred to. He said the Association would like to see the same option for the counties by way of the option for the comment section.

Alec Hansen, Montana League of Cities and Towns, expressed strong support for the bill. He handed out a random survey that showed the audit costs for different cities in Montana. See Exhibit #1. He said that the 1983 Legislature exempted most political subdivisions from printing audits. He read the list of those exempted and said that if the others are to be exempted the cities and counties should be also. This won't impair the public's right to know - all it does is relieve cities and towns from publishing their audits. This is a lot of money to some small towns. The reporters can analyze the audits and write a news story if that is what the newspaper wishes.

OPPONENTS: Mike Meloy, Montana Press Association, which represents all weeklies and five dailies in the state, referred to the fiscal note and said that an audit is done every two years and the figures on the fiscal note are yearly figures and should be divided in half. These figures when divided by the number of counties or number of cities, are quite nominal. He passed out the audit reports for the City of Great Falls and Cascade County (Exhibits #2). He said that these audit comments are read very thoroughly, especially in the rural areas, this

is a positive thing and it really doesn't cost much when it is factored out.

There being no further opponents, the hearing was opened for questions from the Committee.

DISCUSSION OF HOUSE BILL NO. 269: In answer to a question from Rep. Cody, Mr. Hansen said that this bill applies to cities, towns and counties, not just cities and towns. The cost of doing the audits is becoming outrageous. He gave an example of Saco, whose budget was \$6,000 and the audit cost them \$4600.

Mr. Meloy told Mr. Jenkins that the summary of the Great Falls audit is published every two years in the legal advertisements - not the entire audit. The newspapers make very little profit off these publications. Most of the weeklies do it for less than what it costs.

Rep. Abrams closed his presentation of HB 269.

CONSIDERATION OF HOUSE BILL NO. 270: Rep. Bob Marks, District #75, said that this is a bill that addresses a question that has been in the minds of our public retired people. The selection of the Committee would be similar to the way statutory committees are selected. This will cost some money so there should be an appropriation for it and he believed \$4-5,000 would be sufficient for a committee of this nature.

PROPOSERS: Leo Berry, representing the Montana Association of Retired Public Employees, said the need for the study is based upon a number of needs. He said it takes 31.5% of his retirement benefit to pay his health insurance. He read a paragraph from a letter written by an unidentified person (Exhibit #4). He also submitted an informal petition containing approximately 330 signatures for request of this health study. (Exhibit #5).

George Christiansen, a retired employee from Boulder, said he retired at \$190 per month. He didn't need the health care until one year ago when he broke his leg very seriously and required several surgeries for its correction. He said he could assure the Committee that a study of this problem is very much needed and would be very much appreciated.

Tom Schneider, Executive Director of the Montana Public Employees Association, said they had discussed a bill which might provide some type of help for these retirees but there was no way, at this time, to deal with all of the issues. Consequently, they came up with the idea of a study. There has been a statewide program for only about 7 years. Before that the agencies had their own programs and some allowed retirees to continue on their program, other agencies did not. A study on this problem is serious enough and important enough that an appropriation should be considered to pay for such a study.

Dave Evenson, Montana University System, supported HB 270. They currently have 675 retirees under their plan which is 14% of the University program. They said that the increase in health care costs and the increase in insurance are issues that can't be ignored.

Ray Blehm, Montana Association of Firemen, urged the Committee to take a serious look at this legislation. He said the State cost would be \$167,000 per year for 400 employees that are currently active.

OPPONENTS: There were no opponents.

DISCUSSION OF HOUSE BILL NO. 270: Rep. Jenkins asked what would be the average figure that the retired employees would be receiving. Mr. Schneider said the average is \$319.

Rep. Nelson asked if the Teachers' Retirement System would be included to which Rep. Marks replied that all retirement systems would be included.

There being no further questions, Rep. Marks closed saying that there has been testimony indicating the seriousness of health care and the rising cost of insurance.

The hearing was closed on HB 270.

CONSIDERATION OF HOUSE BILL NO. 266: Rep. Ray Harbin, District #53, sponsor of the bill explained the bill as requiring the electronic transfer of funds whenever the amount is over \$500,000 and this would create a cash flow management program. It was estimated that last year about \$66,000 was lost to the State by what is known as float.

PROPONENTS: Dave Ashley, Department of Administration, said there has been a Management Task Force for the last two years and a recommendation was made 2 years ago to expedite deposits to the State fund. Since then they have been using EFTs for deposits and State employees now receive their pay checks by EFT. This bill would allow those large taxpayers to transmit that money by EFT thereby eliminating any float. This only changes the method by which the State receives those funds. They have talked with the federal people and they say the program is working very well. He said he also checked on HB 468 which has been introduced and said that it has no connection with this bill.

Joe Thayers, Mountain Bell, spoke in favor of the bill saying they are currently using EFTs and had no problem with the bill.

Don Benson, Department of Revenue, said they would have no problem administering the bill. There are only about 60-100 transfers per year so this would cause no problems.

OPPONENTS: Janelle Fallan, Montana Chamber of Commerce which represents mostly small businessmen, appeared before the Committee not so much to oppose the bill but because they had some questions. The few who do pay \$500,000 in taxes, such as Mountain Bell, are large operations that have their own sophisticated operations. If the \$500,000 limit was not lowered they would have no objections but they were opposed if it should go below that \$500,000 limit just to pick up more people.

DISCUSSION OF HOSE BILL NO. 266: There were no questions from the committee.

Without further comment, Rep. Harbin closed.

CONSIDERATION OF HOUSE BILL NO. 268: Rep. Ray Harbin, District #53, explained the purpose of the bill saying that the securities in lieu of retained payments would be held by the agency rather than by the State Treasurer.

PROPOSERS: Bill Olson, Montana Contractors' Association, said it would eliminate a great deal of red tape and was definitely in favor of the bill.

Dave Ashley, Department of Administration, said it would simplify the contractor retainage program in getting rid of some red tape. The program would function more smoothly with this change.

OPPONENTS: There were no opponents.

DISCUSSION OF HOUSE BILL NO. 268: There were no questions from the Committee.

Rep. Harbin closed his presentation of HB 268.

CONSIDERATION OF HOUSE BILL NO. 281: Rep. Mel Williams, District #85, said this was introduced at the request of the Montana Assessors Association. This would allow them to appoint a designee to appear at equalization hearings rather than having to appear themselves if they were not testifying.

PROPOSERS: Jess Monro, Personal Property Division of the Department of Revenue, said this would allow other people besides the assessor to attend equalization hearings. They would be able to appoint a designee from Helena or the person who has made the assessment to attend these hearings.

Charles Graveley, Montana County Assessors, said the change does not mean the assessor will not attend the hearing. It just means he will not be required to attend if he was not the person to give the comments at the hearing.

There were no further proponents.

OPPONENTS: There were no opponents.

DISCUSSION OF HOUSE BILL NO. 281: There were no questions from the Committee.

The Committee then went into executive session for action on the bills heard in Committee on this date.

DISPOSITION OF HOUSE BILL NO. 269: Rep. O'Connell moved that HB 269 DO PASS, seconded by Rep. Garcia.

There was considerable discussion held concerning the publication of the general comments in the newspapers. Rep. Phillips said this isn't the first time this subject has come before the Legislature.

Lois Menzies said that under this bill the newspaper would only have to publish a statement saying where the audit is available upon request. Rep. Peterson was concerned about getting more people involved with their local governments and what they are doing.

The motion of Rep. O'Connell DO PASS, FAILED 10-7. See attached Roll Call Vote. The vote was then reversed for a DO NOT PASS 10-7 voting.

DISPOSITION OF HOUSE BILL NO. 270: Rep. Peterson moved that HB 270 DO PASS, seconded by Rep. Compton. Motion CARRIED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 266: Rep. Harbin moved that HB 266 DO PASS, seconded by Rep. Compton. Motion CARRIED with Rep. Campbell voting "no".

DISPOSITION OF HOUSE BILL NO. 268: Rep. Harbin moved that HB 268 DO PASS, seconded by Rep. Garcia. Motion CARRIED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 281: Rep. O'Connell moved that HB 281 DO PASS, seconded by Rep. Kennerly.

Rep. Harbin said that "designee" appears to be too vague and broad. The assessor is responsible for his actions and should defend his actions. If he wants to have someone attend the hearing with him that is already provided for by law.

Rep. Jenkins made a SUBSTITUTE MOTION DO NOT PASS, seconded by Rep. Campbell. Motion CARRIED 13-4, Reps. Fritz, Kennerly, Holliday and Chairman Sales voting "no".

DISPOSITION OF HOUSE BILL NO. 348: Lois Menzies passed out the proposed amendments to the Committee members. Rep. Pistoria MOVED ADOPTION OF THE AMENDMENTS. Motion CARRIED with Rep. Fritz voting "no".

Rep. Smith said that in most cases this would be a good bill but it will eliminate some very good possible legislative candidates but this also applies to school boards, etc.

Rep. Holliday explained the situation in her district where she could very possibly have been excluded from running if they had split her district with the highway with reapportionment. Lois said that this is a very political decision - using the greatest portion of the population. Rep. Holliday said she supported the bill but she could have been prevented from running for reelection. Lois read the transcripts of the Constitutional Convention and said that apparently the feeling of the Committee was that if the voters wanted to elect a carpet bagger let them. The problem also was raised regarding a district where no one wants to run.

Chairman Sales said that the greatest population of the people seems to be the proper way to do it.

Rep. Pistoria then moved that HB 348 DO PASS AS AMENDED. The motion FAILED 9-8. See Roll Call Vote attached. Rep. Holliday had to leave the meeting but left a Do Pass As Amended on HB 348. See written vote attached to the minutes.

There being no further business, the Committee adjourned at 10:55 a.m.



WALTER R. SALES, Chairman

(Type in committee members' names and have 50 printed to start).

DAILY ROLL CALL

State Administration COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 1/30/85

NAME	PRESENT	ABSENT	EXCUSED
Chairman Walter Sales	✓		
V-Chairman Helen O'Connell	✓		
Campbell, Bud	✓		
Compton, Duane	✓		
Cody, Dorothy	✓		
Fritz, Harry	✓		
Garcia, Rodney	✓		
Hayne, Harriet	✓		
Harbin, Raymond	✓		
Holliday, Gay	✓		
Jenkins, Loren	✓		
Kennerly, Roland	✓		
Moore, Janet			✓
Nelson, Richard	✓		
Peterson, Mary Lou	✓		
Phillips, John	✓		✓
Pistoria, Paul	✓		
Smith, Clyde	✓		

Please attach to minutes.

STANDING COMMITTEE REPORT

January 30

35

19

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 348

First

White

reading copy ()
color

**CONST. AMEND. TO REQUIRE LEGISLATOR TO LIVE IN DISTRICT 1 YR.
BEFORE ELECTION**

Respectfully report as follows: That HOUSE Bill No. 349

BE AMENDED AS FOLLOWS:

1) Title, line 9.

Following: "ELECTION"

Insert: "EXCEPT UNDER CERTAIN CIRCUMSTANCES"

2) Page 1, line 14.

Strike: "A"

Insert: "(1) Except as provided in subsections (2) and (3), a"

3) Page 1.

Following: Line 21

Insert: "(2) A legislator who was not a resident of the legislative district that he was elected to represent may seek reelection in the same district.

(3) In the first election following redistricting and reapportionment before the expiration of a legislator's term of office, a legislator may seek reelection in the district that contains the greatest portion of the population that he previously represented."

CONTINUED ON PAGE 2

4) Page 2, line 2.

Following: "a"

Insert: "legislative"

Strike: "for the legislature"

5) Page 2, line 4.

Following: "election"

Insert: "except under certain circumstances"

6) Page 2, line 5.

Following: "a"

Insert: "legislative"

Strike: "for the legislature"

7) Page 2, line 7.

Following: "election"

Insert: "except under certain circumstances"

AND AS AMENDED
DO NOT PASS

HB 345

The

Rep. Hurler

(Type in committee name, committee members' names, and names of secretary and chairman. Have at least 50 printed to start.)

ROLL CALL VOTE

HOUSE COMMITTEE STATE ADMINISTRATION

DATE 1/30/85 H Bill No. 348 Time 10:55

NAME	YES	NO
Sales, Walter		✓
O'Connell, Helen	✓	
Campbell, Bud		✓
Compton, Duane		✓
Cody, Dorothy		✓
Fritz, Harry		✓
Garcia, Rodney	✓	
Hayne, Harriet		✓
Harbin, Raymond	✓	
Holliday, Gay	✓	
Jenkins, Loren	✓	
Kennerly, Roland	✓	
Moore, Janet		
Nelson, Richard	✓	
Peterson, Mary Lou		✓
Phillips, John		✓
Pistoria, Paul	✓	
Smith, Clyde		✓

Louise L. Sullivan
Secretary

Walter Sales
Chairman

Motion:

No Pass. As Amended 9-8
Motion Failed

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

STANDING COMMITTEE REPORT

January 30

19 45

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 268

First reading copy (White)
color

**AGENCY LETTING CONTRACT TO HOLD SECURITY IN LIEU OF RETAINED
PAYMENTS**

Respectfully report as follows: That HOUSE Bill No. 263

DO PASS

STANDING COMMITTEE REPORT

January 30

35

19

MR. **SPEAKER**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **HOUSE** Bill No. **270**

First reading copy (**White** color)

**CREATING LEGISLATIVE COMMITTEE ON HEALTH INSURANCE FOR RETIRED
PUBLIC EMPLOYEES**

Respectfully report as follows: That **HOUSE** Bill No. **270**

DO PASS

STANDING COMMITTEE REPORT

January 30

1905

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 269

First reading copy (White color)

RELIEVE DEPT. OF COMM. DUTY TO PUBLISH AUDIT GENERAL COMMENTS
RE: COUNTIES. CITIES

Respectfully report as follows: That HOUSE Bill No. 269

DO NOT PASS

~~XX DO PASS~~

(Type in committee name, committee members' names, and names of secretary and chairman. Have at least 50 printed to start.)

ROLL CALL VOTE

HOUSE COMMITTEE STATE ADMINISTRATION

DATE 1/30/55 H Bill No. 267 Time 10:29

NAME	YES	NO
Sales, Walter	/	
O'Connell, Helen	/	
Campbell, Bud		/
Compton, Duane	/	
Cody, Dorothy		/
Fritz, Harry		/
Garcia, Rodney	/	
Hayne, Harriet	/	
Harbin, Raymond		/
Holliday, Gay	/	
Jenkins, Loren		/
Kennerly, Roland	/	
Moore, Janet		
Nelson, Richard		/
Peterson, Mary Lou		/
Phillips, John		/
Pistoria, Paul		/
Smith, Clyde		/

Louise L. Sullivan
Secretary

Walter Sales
Chairman

Motion: Do Pass - Failed 10-7

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

STANDING COMMITTEE REPORT

January 30

19 35

MR. **SPEAKER**

We, your committee on **STATE ADMINISTRATION**

having had under consideration **HOUSE** Bill No. **266**

First reading copy (**White**)
color

REQUIRE TAX PAYMENTS OVER \$500,000 TO BE MADE BY ELECTRONIC FUNDS TRANSFER

Respectfully report as follows: That **HOUSE** Bill No. **266**

DO PASS

STATEMENT OF INTENT ATTACHED

STATEMENT OF INTENT

HB 266

Page 2 of 2

January 30

19 85

A statement of intent is required for this bill because it grants rulemaking authority to the department of revenue. This bill is intended to authorize the department of revenue to adopt rules necessary to implement the payment of taxes by electronic funds transfer. This would include rules coordinating the filing of tax returns with the payment of taxes by electronic funds transfer, rules specifying the form and content of the electronic funds transfer message in order to ensure the proper receipt and crediting of the tax payment, and other necessary rules. This is not intended to authorize the department to raise the \$300,000 limitation, to select which taxes under Title 15, MCA, will be subject to the requirement, or to otherwise differentiate between taxpayers.

Ex. #1
HB-269
1/30/85

AUDIT COSTS
(PRINTING)

Baker (includes fire relief)	\$448.81
Ekalaka	251.00
St. Ignatius (include fire relief)	150.00
Columbus	183.00
Stevensville (includes fire relief)	550.00
Scobey (includes fire relief)	460.00
Helena	300.00
Glasgow	150.00
Harlowton	210.00
Glendive	174.00
Libby	300.00
Circle	147.60
Chester	250.00
Chinook	138.00
Plains	200.00

EX. #2
HB-269
1/30/85

CASCADE COUNTY

GREAT FALLS, MONTANA

Fiscal Years Ended June 30, 1981 and 1982

CITY OF GREAT FALLS

GREAT FALLS, MONTANA

Fiscal Year Ended June 30, 1983

AUDIT REPORT

Ek. = 4
HB-270
1/30/85

Association of Montana Retired Public Employees
P.O. Box 4721
Helena, Montana 59604

I am enclosing my dues for 1985 with a 1984 form that I received last year after I returned home. We were gone during December and January and the Post Office did forward our first class mail but would not forward anything without a stamp on it.

So here we are again away from home and I suppose mail from you is at home in Montana. I did send in my 1984 dues from here last year too, without a notice or form.

I am deeply interested in what you are doing for retired PERS employees. Since I retired in 1976, inflation has just about licked us and now my State Health Insurance has gone up to \$49. per month which adds up to \$588.00 per year and on top of that we now have a deductible of \$150.00 which makes my health insurance \$738.00 per year and that takes a very healthy bite out of my small retirement from the State. I was with PERS for 22 years and more but for 8-1/2 years I worked for Custer County and then I went to work for the State Highway here in Miles City and worked another 14 years. The check for retirement now is \$308.00 per month and I need a cost of living increase badly to offset the cost of living. We should have regular costs of living increases.

Another thing I want to mention is that I had a serious accident in my back yard in which I was hurt - quite badly. This happened in August and part of it was paid through Mutual of Omaha but treatment continued on into September which was the beginning of a new year for State Health Insurance and so far Blue Cross who is taking care of the State Insurance now, has refused to pay any claims and in cases of an accident our Health book says they should. The accident happened August 16, 1984, I believe that Blue Cross should honor my claims.

Sure wish I had some word from you as I haven't had a thing since I arrived home last year. We come down here to be near our daughter.

Sincerely,

Miles City, Montana 59301

Ex. #5
HB-270
1/30/85

WE THE UNDERSIGNED VOTERS OF THE STATE OF MONTANA,
PETITION OUR STATE LEGISLATORS TO SUPPORT LEGISLATION THAT
WOULD BRING ABOUT A STUDY ON FULLY OR PARTIALLY PAID
GROUP HEALTH INSURANCE FOR RETIRED PUBLIC EMPLOYEES.

We believe that this is necessary as Montana is one
of the twenty remaining states; that has not considered
health insurance for the retiree. Twenty (20) states
now have a 100% fully funded program.

A retired person now must pay federal income tax on his
retirement income. If the retired people had a paid
health program, the additional income would not become
taxable income.

Sandra D. Highland

Box 573 Boulder, MT. 59632

Deborah A. Hill

Box 710 Boulder, MT 59632

Donald L. Larson

Box 23 Boulder, MT. 59632

James A. Fyfe

Box 573, Boulder, MT

Diane Thompson

Box 684, Boulder, MT 59632

Marylee R. Torris

Box 103 Basin, Mt.

James M. Miller

Box 287 Boulder MT

59632

Sonia Madder

Jeanne B. McFarlane

Jew Scott

Jeanette E. Smith

Cathy J. Dubois

Carol A. Mallock

Box 9, Basin, Montana 59631

PO Box 115 Boulder, Mont ⁵⁹632

Box 486 Boulder, Mt. 59632

Box 607 Boulder, mt. 59632

Box 81 Boulder, MT 59631

Lx 391 - Boulder

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Richard Lee Head

Box 314, Boulder, Mont.

Donald A. Powell

Box 515 Boulder MT 5963

Richard V. Wachenheim

Box 420 Boulder Mt 5963

O. Katy James

Box 611 Boulder, Mt. 59632

Roger R. Wimmer

835 Diamond SP. DR Helena mt. 596

Joseph Haack

Box 331 Boulder 5963

Phyllis Saphury

Box 343 Boulder, Mt 596

Richard O. Sonsteng

Lee E. Wilkinson

Walter F. Ricker

John Wiloughby

Larry Colett

Norm Janacaro

Benjamin A. Donaldson

Daniel A. Merchant

Robert King

Box 553 Boulder Mont

Box 142 Boulder Mont

Box 764 Boulder Mt

Box 628 Boulder Mt.

Box 706 Boulder Mt.

STATE RT Boulder MT

Box 626 Boulder, MT

Box 34 Basin, Mt.

Box 346 Boulder, MT.

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WALTER H HARPER

Box 359 Boulder MO 59632

Andrew Fay Frank

Box 373 Boulder, MT 59632

Leslie Harris

Box 277 Boulder

Nilda Harris

Box 277 Boulder MT 59632

Donna D. Christensen

Box 123 Boulder, MT 59632

Elena Christensen

Box - 123 Boulder, MT 59632

Nercedes Jackson

Box 274 Boulder, MT 59632

George Leonard Upshur

Box 274 Boulder Mont. 59028

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NAME	ADDRESS
<u>Greg Mayes</u>	<u>Box 234 Boulder MT.</u>
<u>Grethen Mitschke</u>	<u>Box 234 Boulder MT</u>
<u>Don L. Lumsbury</u>	<u>Box 320 Boulder MT</u>
<u>Don L. Sawyer</u>	<u>Box 195 Boulder mt.</u>
<u>Mike Wassinger</u>	<u>Butte, Mont. 1641 B ST</u>
<u>Dus Cella</u>	<u>623 W park Butte mt</u>
<u>Bob Harman</u>	<u>2110 Farragut Butte mt</u>

Montana Broadbent

William Ryan

Craig Doolittle

Arline Peterson

Eda Hansen

Deane

Brenda McCall

Nanathy Challenor

Ruth Olson

Rose Tretlin

Hubbie Rosling

Emily Janacaro

Stephanie Melus

Joy Pazzola

Sally Lee Brook

Arline Smith

Pat Murray

Margaret L. Nelson

Edson Harmon

Rosemary Johnson

P.O. Box 482 Boulder ⁵⁹⁶³ Mont.

539 W. Galena, Butte, ⁵⁹⁶⁰ Mont.

P.O. Box 708 Boulder ⁵⁹⁶⁰ Mont.

Whitehall, Mont.

Whitehall, Mont.

310 W 3rd Boulder

Box 102, Boulder Mont.

2731 1/2 ^{14th St. N.E.} Wadsworth

Box 726 Boulder Mt.

Box 49, Boulder Mont.

Box 403 Boulder, Mont.

Star Route Boulder Mont.

Box 91 Basin, ⁵⁹⁶⁰ Mont.

Box 573 Whitehall, Mont.

Box 705 Boulder

Box 131 Boulder Mont.

Box 692 Boulder Mont.

P.O. Box 276 Boulder, Mont.

2110 Fairway Butte, Mont.

2220 Yale, Butte, Mont.

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Frederick J. Zame
Robert Jaslow ski

104 S Cleveland
P.O. Bx 720 Boulder

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Joseph Dattar

David W. Jewett

Harold J. Young

Benny W. Bowman

Dean Krum

Debbie Olson

Vicki Christian

2947 Bluebird Butte, MT

PO Box 514 Boulder, MT

439-50 Idaho. Butte

Box 543 - Boulder, MT

Box 508 Boulder, MT

1814 Hausen #7 Helena, MT

Box 501 Boulder

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Cassie Smith

David Brubaker

Gordon McNeal

Rose McNaair

Larry Watts

Helen Baker

Hillard Olson

Ray Kramer

Donald Dredge

Deborah Scoville

David Culletton

George Howard

Ray Knight

Danny Johnson

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Norma Johnson Box 467
Boulder

William Knutson 276 W. Silver
Butte

Agnes Boyer

John A. Smith

Bruce Johnson Box 678
Boulder

Carol Thode Box 407
Boulder

James E. Barton

Rene Rushlight

George Dietz

W. H. Halblan P.O. Box 6
BASN

Wanda Cherry Box 201
Boulder, W.

Dorinda Fugard

Wendy McCall Box 800

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Michael M. Reilly

Stanley J. Reilly

Melissa Salzer

Eve Weide

Billy Schana

J. Kuebler

Chris Carr

Box 462 Boulder, Mont.

Box 462 Boulder, Mont.

Box 704 Boulder, Mt. 59632

P.O. Box 432 Boulder, Mt. 59632

Box 517 Boulder, Mt. 59632

773 - Boulder, Mt. 59632

Box 442 " "

Maria Swartz
Jennie Lettera

Wm. V. O'Brien

Jessie Jenkins

Uretta Ulsker

Boulder

Boulder

Boulder

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Harwin Timmer

Boulder, Montana

Don R. Elbert

Jefferson City, Montana

Albert H. Hagman

Box 409 Boulder, Mont. 59632

John R. Ruff

Box 22 Jefferson City, Mt. 59635

William M. Kosola

Box 178 Boulder, Mont. 59632

Gordon E. Giulio

Box 206 Boulder, Mont 59632

William H. Woods

Box 258 Boulder, Mont 59632

William M. Andersen

Frank L. Lusk

Bob Sturges

Norman L. Sanderson

Henry R. Collins

James M. Cawley

Joseph L. Lusk

David B. Johnson

Victor E. Freeman

Victor J. Stepan

Ernest T. Lusk

Ewin W. Rolland

Leonard R. Pickett

John Lusk

Eldon L. Thomas

John M. Springer

William D. Brazill

George C. Stokell

Stephen S. Hurling

Michael A. Auer

1830 Cannon Helena

5 W. R166S, E. HELENA, MT.

3325 Wylie Dr.

1201 Laramie (Cal Helena)

129 Fairway Dr. Helena, MT.

1221 Stuart Helena, MT.

2101 Concord E, Helena, MT.

5746 Shannon Ct. Helena, MT.

620 Fx 4 Helena, MT.

410 Dulley, East Helena, MT.

3335 Wylie Dr Helena

Box 119 Clancy, MT 59634

1504 Spring St. Helena, MT.

2327 Ottawa Butte

Box 52 Basin, MT

2211 George Butte, MT.

RR 1 Box 1265 Whitehall, MT

20 BASIN CREEK ROAD BUTTE MT.

800 Milwaukee, Jan 2nd, 4

416 ASH ANACONDA MT.

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Elmer L. High

Paul Osias C.

Christine Wiley

Frank Davis

Jeannette J. Dietz

Bryan T. Benson

Theresa Baptiste

Frank P. Boudreau

Erri Marshall

Leonella Harmon

Alene Burns

Agnes Brucker

Mary L. Staples

Ben Llewellyn

Arthur Hall
D. Taylor

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Shirley D. Elliott

Sam Samson

Betty Jenkins

Susan Boster

Anil R. Heravin

Leif Larson

Linda R. Norden

Gerry Pace

Richard L. Hart

Mrs Mike L. Charlton

Mary L. Parnick

Barbara Konesky Patryck

Janette L. Johnson

Earl A. Stegg

Kate D. Kanies

Jean Curtis Libner

Douglas Marks

Judge Murphy

Jeanne Simon

Maura C. Stagg

Deborah L. Tapp

Mike R. Charlton

Robert F. Eksham

Mark Kelly

Jack L. Thiel

Priscilla A. Hedgecock

Norma A. Mize

Tracy E. Soga

Mike W. Mynhow

Grant H. Vinge

Russ B. Bick

Donald D. Lull

Henry E. Elliott

Robert L. Laumeyer

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Paul Kniff

Deana Gordy

Carol W. Houghton

William M. Regan Jr

Karen Zupet

Vicki Poutamaki

Nina Powell

Malletta Mann

23 E. LAUREN BATE, MT.

Boulder, MT

Boulder, Montana

Whitchell, Mt.

Basin, MT.

Boulder, MT

Boulder, Montana

P.O. Box 706

Boulder Mt.

Larry Lent
Dawn Halliday
Larry Johnson
Carl D. Wright
Linda Hadfield
Linda Sage
Dan Crotty
Joe Van Ormel
Ethel Robinson
Dusy Callaway
Loree Feist
Joseph W. Wenzel
Joe Wenzel
Ray A. Morrison
Nadine C. Heege
Bertha Lutz
Lain Kingsolver
Ed Hunter
Marybeth Lightman
Gail M. Hair
Wanda G. Hartman

Boulder, Mont.
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2901 Elm St., Butte, Mont.
Boulder, Mt.
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Boulder, MT
BUTTE, MONTANA
Boulder, Mt.
1023 W. Park Blvd.
Boulder, Mt.
Butte, Mt.
Butte, Montana
JEFFERSON CITY
Boulder, Mt.
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David Adams Box 340 Boulder, MT.

John E. Marsh Box 505 Boulder, MT.

Nellie Daklin Box 738 Boulder

Tom Funtanaki Box 251 Boulder, MT.

James Zupar Box 647 Boulder

Jeffery D. Bach Box 381 Boulder

Jean Howard Boulder, mt

Bob Hicks Box 432 Boulder

H. Ross Box 743 Boulder

Jacky L. Hill

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Therese Phillips

Jim Osborne

Margaret Kelley LPR

Tommy Harmon

Cindy Kingsolver

Jackie L. Hill
Mae Anderson

Lana Wing

Brey Kuehsh

Rolien Bullack

Cindy Sunderland

Paul M. Fitzpatrick

Rach Southwick

Anita Marsh

Marion Eversmoel

Patsy Norris

Ed Baker

Pat L Brown

Rich Peterson

Ex. # 3
HB-270
1/30/85

TESTIMONY
HB 270

Association of
Montana Retired Public Employees

Rising health care costs is one of the most critical problems facing the nation and Montana today. It is particularly critical to our elderly, those on fixed incomes or retirement benefits. On a national level, the Mercer Public Sector Report estimates that the per capita medical costs for those over 65 was \$4,200 in 1984 -- up over 100 percent since 1979. For example, Montanans spent 20 percent more on health care in 1983 than they did in 1982 (\$826 million compared to \$686 million). In addition to increasing health insurance and medical care costs, inflation in all sectors is up approximately 50 percent from 1979.

MEDICAL COSTS:

1979 hospital room - \$96.00
1984 hospital room - \$200.00
increase of \$104.00 or 108%

INSURANCE COSTS--WITHOUT DENTAL:

a) retiree and spouse--Medicare eligible:

1979 - \$43.20
1984 - \$94.00
increase of \$50.80 or 117%

b) retiree and spouse--under 65:

1979 - \$65.99
1984 - \$122.00
increase of \$66.01 or 100%

In 1981, the retired public employees were granted a cost of living increase of 50 cents per month for each year of service. In 1983, the Legislature authorized \$1.00 per month for each year of service up to 30 years. The average retiree has 18.4 years of service. So the total average increase for cost of living for the past two bienniums has been approximately \$27.50 per month. The Association will be requesting a cost of living increase this session, but as can easily be seen from the above figures, such increases have not even kept pace with rising insurance premiums, much less all of the impacts of inflation.

HB 270 merely provides for an interim study on the impacts of rising health insurance premiums. It does not make any determination

as to whether the state should pay a portion of those premiums; nor does it identify any specific method should the state decide to participate. The options vary from total employee contributions toward future premiums to public employers paying the total of such premiums. Attached is a comparison by state of the various programs. Twenty-four states contribute some percentage of the retirees' insurance costs. Fourteen pay 100 percent of costs, while six pay fifty percent or more. Some states contribute only if the retiree has worked 25 years or more, while others contribute a certain percentage for each year of service.

HB 270 offers the opportunity to evaluate health insurance premium costs and the impacts of rising medical costs. It is a small price to pay to learn whether the elderly can afford to become ill. We urge your support of HB 270.

Table 3

MONTHLY CONTRIBUTIONS TO STATE EMPLOYEE HEALTH INSURANCE PLANS: 1983 AND 1984RETIREE ONLY COVERAGE

STATE	<u>COST TO RETIREE</u>		<u>COST TO STATE</u>		<u>TOTAL COST</u>		<u>PERCENT OF TOTAL COST PAID BY STATE</u>	
	<u>1983</u>	<u>1984</u>	<u>1983</u>	<u>1984</u>	<u>1983</u>	<u>1984</u>	<u>1983</u>	<u>1984</u>
ALABAMA	28.00	32.00	0	0	28.00	32.00	0	0
ALASKA	0	0	115.61	156.07	115.61	156.07	100.0%	100.0%
ARIZONA	44.60	57.94	0	0	44.60	57.94	0	0
ARKANSAS	31.00	34.00	0	0	31.00	34.00	0	0
CALIFORNIA	0	0	57.25	66.00	57.25	66.00	100.0	100.0
	0	0	63.73	66.41	63.73	66.41	100.0	100.0
COLORADO	6.36	0	42.12	53.12	48.48	53.12	86.9	100.0
CONNECTICUT	34.33	44.59	9.97	13.38	44.30	57.97	22.5	23.1
DELAWARE	2.30	2.84	24.18	27.68	26.48	30.52	91.3	90.7
	15.98	18.94	24.18	27.68	40.16	46.62	60.2	59.4
FLORIDA	25.90	55.08	0	0	25.90	55.08	0	0
GEORGIA	10.00	13.10	51.10	56.20	61.10	69.30	83.6	81.1
HAWAII	0	0	37.24	46.56	37.24	46.56	100.0	100.0
IDAHO	21.27	24.88	9.11	10.66	30.38	35.54	30.0	30.0
ILLINOIS	0	0	67.10	75.56	67.10	75.56	100.0	100.0
INDIANA	-	-	-	-	-	-	-	-
IOWA	-	-	-	-	-	-	-	-
KANSAS	32.75	50.34	0	0	32.75	50.34	0	0
KENTUCKY	38.25	49.00	0	0	38.25	49.00	0	0
LOUISIANA	14.98	20.62	14.98	20.62	29.96	41.24	50.0	50.0
MAINE	0	0	24.68	36.36	24.68	36.36	100.0	100.0
MARYLAND	4.98	8.28	44.72	47.00	49.70	55.28	90.0	85.0
	5.00	8.34	45.10	47.34	50.10	55.68	90.0	85.0
MASSACHUSETTS	5.61	4.03	43.82	36.30	49.43	40.33	86.7	90.0
MICHIGAN	0	0	53.16	70.49	53.16	70.49	100.0	100.0
MINNESOTA	43.08	48.85	0	0	43.08	48.85	0	0
MISSISSIPPI	12.15	25.00	0	0	12.15	25.00	0	0
MISSOURI	27.50	35.50	1.50	3.00	29.00	38.50	5.2	7.8
MONTANA	36.89	41.00	0	0	36.89	41.00	0	0

Table 3 (Cont'd.)

MONTHLY CONTRIBUTIONS TO STATE EMPLOYEE HEALTH INSURANCE PLANS: 1983 AND 1984RETIREE ONLY COVERAGE (CONT'D.)

<u>STATE</u>	<u>COST TO RETIREE</u>		<u>COST TO STATE</u>		<u>TOTAL COST</u>		<u>PERCENT OF TOTAL COST PAID BY STATE</u>	
	<u>1983</u>	<u>1984</u>	<u>1983</u>	<u>1984</u>	<u>1983</u>	<u>1984</u>	<u>1983</u>	<u>1984</u>
NEBRASKA	-	-	-	-	-	-	-	-
NEVADA	43.08	53.39	20.70	24.84	63.78	78.23	32.5%	31.8%
NEW HAMPSHIRE	0	0	30.41	37.21	30.41	37.21	100.0	100.0
NEW JERSEY	25.70	55.30	0	0	25.70	55.38	0	0
NEW MEXICO	32.08	42.04	0	0	32.08	42.04	0	0
NEW YORK	0	0	44.43	44.84	44.43	44.84	100.0	100.0
	5.92	7.76	53.24	69.88	59.16	77.64	90.0	90.0
NORTH CAROLINA	0	0	47.80	47.80	47.80	47.80	100.0	100.0
NORTH DAKOTA	26.97	44.00	0	0	26.97	44.00	0	0
OHIO	0	0	42.37	51.10	42.37	51.10	100.0	100.0
OKLAHOMA	34.00	45.90	0	0	34.00	45.90	0	0
OREGON	29.12	31.06	0	0	29.12	31.06	0	0
PENNSYLVANIA	0	0	26.14	37.21	26.14	37.21	100.0	100.0
	0	0	33.59	47.91	33.59	47.91	100.0	100.0
RHODE ISLAND	22.65	30.63	0	0	22.65	30.63	0	0
SOUTH CAROLINA	0	0	50.50	50.50	50.50	50.50	100.0	100.0
SOUTH DAKOTA	N/A	47.84	0	0	N/A	47.84	0	0
TENNESSEE	35.01	35.01	0	0	35.01	35.01	0	0
TEXAS	0	0	44.43	62.93	44.43	62.93	100.0	100.0
	5.92	6.81	53.24	72.00	59.16	78.81	90.0	91.4
UTAH	37.00	43.00	0	0	37.00	43.00	0	0
VERMONT	4.46	5.49	13.38	16.49	17.84	21.98	75.0	75.0
VIRGINIA	31.26	77.80	0	0	31.26	77.80	0	0
WASHINGTON	30.53	35.74	0	0	30.53	35.74	0	0
WEST VIRGINIA	5.99	26.00	13.96	0	19.95	26.00	70.0	0
WISCONSIN	44.10	48.79	0	0	44.10	48.79	0%-sick leave credits may be used to pay premiums	
WYOMING	34.10	39.22	0	0	34.10	39.22	0	0
VIRGIN ISLANDS	13.60	14.88	13.60	14.88	27.20	29.76	50.0	50.0

VISITORS' REGISTER

COMMITTEE

BILL NO. ~~268~~ 269

DATE _____

SPONSOR

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

WITNESS STATEMENT

NAME Rory Bluhm BILL No. HB 270
ADDRESS 623 Ave B Bldg 5 DATE 1/30/85
WHOM DO YOU REPRESENT Mt St Firemen's Assoc
SUPPORT X OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

VISITORS' REGISTER

COMMITTEE

BILL NO. 270

DATE _____

SPONSOR marks

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Leo Barry	Helena	✓	
Ben Wynn	Boulder	✓	
Wm. August	Boulder	✓	
Geo H. Christensen	✓	✓	
Michael Hunt	INT. ST. FIREMANS ASSOC PARK CITY	✓	
G. Morris	H		
Tom Schneider	MP&A	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

COMMITTEE

BILL NO. 266

DATE _____

SPONSOR Rep Harbino

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FOR

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

STATEMENT OF INTENT

_____ BILL NO. _____

A statement of intent is required for this bill because it grants rulemaking authority to the department of revenue. This bill is intended to authorize the department of revenue to adopt rules necessary to implement the payment of taxes by electronic funds transfer. This would include rules coordinating the filing of tax returns with the payment of taxes by electronic funds transfer, rules specifying the form and content of the electronic funds transfer message in order to ensure the proper receipt and crediting of the tax payment, and other necessary rules. This is not intended to authorize the department to raise the \$500,000 limitation, to select which taxes under Title 15, MCA, will be subject to the requirement, or to otherwise differentiate between taxpayers.