

MINUTES OF THE MEETING
FINANCE AND CLAIMS COMMITTEE
MONTANA STATE SENATE

April 13, 1987

The 31st meeting of the Senate Finance and Claims Committee met on the above date in room 108 of the State Capitol. Following roll call the meeting was called to order at 7 a.m. by Chairman Regan.

ROLL CALL: All members present.

CONSIDERATION OF HOUSE BILL 880: AN ACT AUTHORIZING THE DEPARTMENT OF LABOR AND INDUSTRY TO PROVIDE CHILD CARE ASSISTANCE TO FORMER AFDC RECIPIENTS; APPROPRIATING TO THE DEPARTMENT \$50,000 FOR THE 1989 BIENNIUM FOR A PILOT INCENTIVE FOR OPERATORS OF THE DISPLACED HOMEMAKER PROGRAM.

Representative Winslow, House District 89 and chief sponsor of House Bill 880 explained the bill as one that would amount to considerable income to the state of Montana in the next couple of years. It is a unified premium tax. At the present time Montana has a discrepancy in credits that they provide. A Montana domestic insurer can reduce the percentage of tax they pay by investing portions of it's admitted assets in Montana securities such as bonds, mortgage loans and real estate. This same credit is not available for foreign insurers doing business in the state. Before an insurance company is given a credit, only if it invests more than 50% of it's paid in capital stock in Montana Security, then it may only offset the amount of other taxes paid in the state and political subdivision.

Representative Winslow said, by accelerating the payments quarterly it will help and the bill would keep us out of court and if we do go to court we will lose it as they did in Alabama, North Dakota and other states.

PROPOSERS FOR HOUSE BILL 880: Robert Throssell, State Auditor and Commissioner of Insurance said, as Representative Winslow stated, House Bill 880 was proposed by the State Auditor because of problems we were having, protests we were receiving from insurance companies because of the discriminatory nature of the taxing system of premium taxes. The bill moves to a flat 3/4% rate for all insurance companies submitted and doing business in the state of Montana. The second aspect of the bill is the more frequent collection of the premium taxes. It is proposed that Montana move to a quarterly collection and the first year we institute this program will have about \$12 million one time

increase in tax revenue. Thereafter, in subsequent years the state will continue to collect the taxes on a quarterly basis but will have the use of roughly the \$12 million in advance to generate interest, and to reduce state borrowing if that is the case. The one request for expenditure is to put on staff a person to monitor and account for these collections. Currently the money is collected once a year in March and ties up 3 or 4 people of our staff for the entire month to check volume and deposit the money. The proposed expenditure is for an accounting type position to monitor this the 4 times a year that we would have in addition to our March collection.

Terry Cosgrove, Metro Life, Helena. He said he would make a very brief statement in support for Metropolitan Life and New York Life. We are here in support of the bill and also represent Northwestern Mutual Life, Mutual Benefit Life, Mutual Life Insurance Company of New York, Prudential and New York Life Insurance company. Our position is that the bill should be passed. We are not asking for a reduction in the tax, the $2\frac{2}{3}\%$ is the same rate these companies are paying now. It is just to equalize the tax rate on all companies.

Bob Baldwin, Metropolitan Life, and Associate General Counselor of Metropolitan Life Insurance Company and has been heavily involved in the thrashing around that was going in North Dakota and Alabama and other states. We support this bill and hope you pass it. We think given the fiscal climate the quarterly pay provision is something we can endorse for the benefit and betterment of Montana. We don't want to get into a lawsuit here and have acted with restraint. We intend to give up any protests or claims we have if this bill is passed.

Dick Saxe, Vice President of Public Relations of Prudential Insurance Company of America. We are here to support House Bill 880. We think it solves the constitutional problem. It doesn't lower our tax at all, we want to continue to pay our fair share. Prudential is more interested in facing the future than in arguing about the past, and if this bill is enacted we would abandon all of our tax protests and give up all rights to our refund claims for the past. We would like to put this problem behind us at no cost to the state.

There were no further proponents, no opponents and Senator Regan asked if there were questions from the committee.

QUESTIONS FROM THE COMMITTEE: Senator Himsl said I have a question as to why it takes an additional FTE? You are just going to change the payment to quarterly. They are checking it now annually, so why do you have to put on another person for that? Mr. Throssell answered, the additional work is during the time when the payments come in currently ties up

our existing staff to do the work. The other work load of our examiner's office is checking the financial solvency of insurance companies, and other problems are scheduled around this tax collection. If we move to a quarterly tax collection we will eliminate them from doing the other work that we feel is critically necessary and the financial examination of insurance companies. They would have to check this money, log it in and it would take away from their other duties they have now.

Senator Himsl said, but you are checking the annual reports all the time. One person is doing that now, isn't that right? Mr. Throssell said, the examiner's staff does, on a year around basis look at the annual statements, not just the premium tax but to their whole financial solvency and their investments and this type of thing. If the existing examination staff has to shift over and work on the tax collection year around, essentially it would take them away from their duties of the financial examination which is very critical to the regulation of insurance companies.

There were no further questions and Representative Winslow closed by saying, there is considerable money involved here. I think it is \$35 million a year, and when the collections do move to quarterly it is going to put real pressure on them for billing and collections within that department. As I understand, they have worked in the past in other areas and once a year throw everything into collections. Now, they will be putting on a year around basis, the billing and collections of these companies. I do think they need the additional staff member. It is an opportunity to keep us out of court, and at the same time the accelerated payments which nobody seems to oppose, will certainly bring in some revenue that we need at this time.

Senator Regan said, we are going to take some executive action and I would like to get rid of a couple of bills.

DISPOSITION OF HOUSE BILL 867: AN ACT APPROPRIATING FUNDS TO THE GOVERNOR'S OFFICE FOR ESTABLISHMENT OF THE SUPER COLLIDER TASK FORCE, DATA COLLECTION, PROPOSAL PREPARATION, AND RELATED PHYSICAL IMPROVEMENTS IN SUPPORT OF MONTANA AS THE LOCATION FOR THE SUPERCONDUCTING SUPER COLLIDER RESEARCH FACILITY PROPOSED BY THE U.S. DEPARTMENT OF ENERGY; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Motion by Senator Story that House Bill 867 be not concurred in. He pointed out those in the "cow biz" knew you had to invest money to make money, but the successful ones assess their risks.

Senator Story said chance of a super collider being built at all anywhere, may not be 50-50. There is a super collider in the free world, in Switzerland. Secondly if it is built

it will take half the research money available for all scientific projects (since available money is only about 8 or 9 billion dollars), and this would eat up half of it so it will be competing with a lot of things a lot of other people want to do. Thirdly, once the site is narrowed down to one state, the Congressional support for this type of thing may evaporate. As long as there are many states in the running, it has Congressional support for this type of huge expenditure. The other set of reasons, if it is built, why it won't go to Montana are: there are 5 things the federal government requires. We have 3 of them, cheap land, cheaper electrical rates and a fairly cheap source of water; the other two things are an infrastructure that will support such a development. Housing, communications, air fields for the big commercial airlines, and they would like a University at hand that has a nuclear physics department. We have a good physics department in Bozeman, but it isn't nuclear physics. Senator Story expanded further in his argument by drawing a sample oval track and showing how the whole project was supposed to work.

Question was called, Voted, passed, Senators Jergeson, Manning and Stimatz voting no, three members absent. The motion to be not concurred in passed. Senator Story to carry the adverse committee report on the floor.

DISPOSITION OF HOUSE BILL 862: AN ACT TO REVITALIZE THE MONTANA ECONOMY BY INVESTING COAL SEVERANCE TAX PROCEEDS FOR JOBS AND DEVELOPMENT; TO APPROPRIATE MONEY TO THE VARIOUS PROGRAMS etc.

There was some discussion as to this bill using the money that was already spent in Senate Bill 228 which did the same thing and was passed that and it is in the House and passed second reading. It is the same money.

Motion by Senator Keating that House Bill 862 be not concurred in.

Senator Smith said, a lot of this was discussed at length in our subcommittee in the Department of Commerce budget and my comment at that time was that because of the high Workers' Comp rates, high county taxes, etc., that we can appropriate all the money we want, but it is not going to solve the problem.

Senator Regan said, this takes about \$2.4 million from -- Senator Keating said it appears to be a total of \$4 million on the fiscal note. Senator Regan said, it would have taken it from the interest -- those monies that are already spent. Senator Keating added, and Local Impact and Educational Trust Fund, and moved it to Science and Technology and Business Assistance Program.

Question was called, voted, passed, Senators Manning and Jergeson voting no.

DISPOSITION OF HOUSE BILL 855: AN ACT AUTHORIZING THE DEPARTMENT OF COMMERCE TO MATCH EXPENDITURES BY THE MONTANA AMBASSADORS FOR THE NEW BUSINESS RECRUITMENT; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.

Motion by Senator Keating that House Bill 855 be not concurred in.

Question was called, voted, passed. Senators Manning, Jergeson and Regan voting no.

DISPOSITION OF HOUSE BILL 593: THE PRIVATE ENTERPRISE ACT; ESTABLISHING A PRIVATE ENTERPRISE REVIEW COMMISSION AND PROVIDING FOR ITS FUNCTIONS; APPROPRIATING MONEY, etc.

Motion by Senator Smith that House Bill 593 be not concurred in. He said, we have the Department of Commerce that has Business assistance, they have the Board that is supposed to be doing many of these things now, and this sounds good but I think it is just more fancy writing, and we have plenty of bureaucracy now.

Question was called, voted, passed, Senators Boylan and Story voting no.

DISPOSITION OF HOUSE BILL 880: AN ACT PROVIDING FOR A UNIFORM PREMIUM TAX, etc., heard earlier in these minutes.

Senator Regan said the only conflict would be possibly the one FTE in there.

Senator Manning moved that House Bill 880 be concurred in, and said, I cannot see a problem with the one FTE because this bill is going to bring in many additional dollars, enough to more than pay for this guy's cost.

Senator Keating said, our subcommittee heard the Auditor's budget and we were real tight. We didn't give her the modifieds she wanted. The industry itself came in and asked for 3 FTE's and were willing to charge the premiums to cover them, pay for them, and that sort of thing and I am convinced that over the years, that department is really short handed. They bring in a lot of money. I would concur that this FTE is needed.

Judy Rippingale was asked how many people were in that division and she said she did not remember, there were approximately 60 for the agency as a whole.

Senator Himsel said, I am not objecting to it, but I just want a justification for it. Every time we ask anything of

anybody it comes back with they have to have additional help. We know very well many of these agencies have enough flexibility in the staff now. I think they should be asked to justify why they need another person.

Senator Regan said, the reason I had some problems with questions with it was because, if you remember when everybody took the 5% cut, the AG office and this one did not. They took vacation time, etc. We gave her those FTE's and she has had no cuts in FTE's at all that I know of. That's why I have a question with that.

Senator Keating said, the other comment that I would like to make is that I went to visit with some of the insurance people that have to deal with that office all the time and I was voting against an additional report that they wanted. I found out they didn't have enough people to process all those reports. What's happening, they are piling up in boxes or file cabinets and they don't have the personnel to do anything about it.

Senator Boylan said, well somebody had time to make up 72 bills over there this time in this Legislative assembly. That took a lot of research etc., so it is no wonder she is short handed.

Senator Manning said, I think the point Senator Boylan is missing is that in all probability they didn't do the research. The Legislative Council probably did it.

Question was called, voted, passed, Senator Smith voting no.

DISPOSITION OF HOUSE BILL 38: AN ACT CREATING A LEGISLATIVE COMMITTEE ON INDIAN AFFAIRS; PROVIDING FOR THE COMMITTEE'S TERMINATION IN 1989; APPROPRIATING FUNDS FOR THE COMMITTEE AND PROVIDING AN EFFECTIVE DATE.

Senator Regan asked Senator Hims1 to take the chair since she had an amendment to offer.

Senator Regan said this bill needs a little work on it. The handicapped came in and asked not to be included. They liked the way their preference law reads, and it seemed fair to me to see what could be done and I asked Legislative Council to draft a series of amendments. They look extensive but Lois Menzies did these on Sunday and she has not had a chance to go over them to check them. Were you to accept these amendments it would be with the understanding that she could take them back to Legislative Council and make sure she has not made any errors in this. (attached as exhibit 1)

Senator Regan said right now the handicapped and veterans are together in preference. The difference that they have is that when all things are equal, the veteran or the handicapped get the preference. The veterans' apparently want this scoring scheme of 10 points, which is a point system and the handicapped like the way things are. If you accept these amendments you will take the handicapped out of House Bill 38 and allow just veterans to be considered in the bill. It will return the handicapped to where they are now.

Motion by Senator Regan to move the amendments.

Senator Keating asked if anybody understands the bill now? I have no idea of what it does or how it was.

Senator Regan said at the time of the hearing she had handed out a 3 page sheet that showed what the current law did and what the new law does. (copy attached as exhibit 2)

Senator Hammond said, this doesn't deal with anything else than the handicapped? Senator Regan said, this amendment just takes the handicapped out of the bill; it does not deal with anything else.

Senator Hammond said, it doesn't deal with the University System or anything? Senator Regan said no, nothing but the handicapped. If you remember, the handicapped came in and asked not to included in the bill, they did not want to be in it.

Senator Boylan asked, what is left of the bill? Senator Regan answered everything is in the bill that was there for the veterans and the handicapped, the handicapped are now removed from the bill if you pass this amendment.

Senator Story said, this bill also brings them into the University system. Senator Regan said as I understand this, and I talked to Lois, and I could be wrong, but this amendment just returns the handicapped to where they are today, it keeps the current law in place.

Question was called, voted, passed. Senator Regan said she would ask Lois to check to be sure this amendment is correct before it is reported up.

Motion by Senator Bengtson to amend House Bill 38 page 4, lines 7 and 8 and page 4, line 11. Amendment and explanation attached as exhibit 3.

Senator Bengtson read the explanation and said this has been the consistent Senate position since the law was passed in the 1982 special session. Four times since then the House has passed over to the Senate a bill that would cover all or

part of the state schools and colleges. The latest House Bill that would have covered schools and colleges was defeated in the Senate only 9 days ago with a 35-14 vote in which you voted with the majority of your colleagues to keep education excluded from House Bill 466. This bill brings up the same issue again by providing coverage to the University System and Community Colleges. She read a letter from LeRoy Schram speaking for the Board of Regents. (copy was not obtained for the minutes).

Senator Bengtson said with the Vo Techs excluded, Universities and Colleges included, and the Board of Regents to keep track of it along with all the checks etc., it would be a hodge podge to administer; there would be lawsuits and everything else as a result of this. I don't have anything against veterans' preference she said, but when you gum up the works so you can't even have a personnel system or a hiring system you have a real problem.

Senator Hammond said, we don't have one anyway. They agreed to that when I questioned them. They don't have a job description of any kind, so that isn't a worry.

Question was called, voted, roll call vote was taken, motion passed, 10 yes, 5 no.

Senator Regan said she would like to raise a point. In the discussion of this bill the Department of Administration objected highly to the retention section in a rif. They have initial hiring and scoring, the question is shall they have retention during a rif (reduction in force).

Judy Rippingale, LFA, said, section 6, which is stricken in my bill was a retention during reduction in force.

Senator Regan said, that's out then. The Department had raised the issue and I felt compelled to bring it to you.

Senator Manning said, there were two amendments offered by Representative Pavlovich. page 6, line 9 and line 23 and 24 of page 17.

Senator Regan said, this would put the retention back in the bill. It had been stricken, and then strike "in an initial hiring" which will mean in all hiring.

Motion by Senator Manning to move the amendment.

Senator Hammond said this was the situation all the time in the veterans' preference hearing in that committee. The different agencies in the state were in constantly and fought any kind of preference at all and said it was impossible to work because they no longer gave the objective tests, they did it strictly by interviews. They didn't

have any job descriptions, they admitted they were not publishing even the vacancies. The veteran's preference study turned out to be a handicapped study more than a veterans' preference study. I would defend the amendments. The agencies have worked right from the beginning to get rid of the preferences and have actually gotten the job done.

Senator Regan said, yet their statistics seemed to show that a higher percentage of veterans were hired by the department than there are veterans in population. That was the testimony that was given. Senator Hammond said, I am not going to argue statistics because it can bring in as many sets as we have people bringing them in.

Senator Bengtson said, it was also brought out that they did not advertise properly, but now they have to go through job service.

Senator Himsel asked, as I understand it by this amendment, this bill originally had a performance scoring system for initial hiring. Now, by this amendment it is going to include advancement. There will be initial hiring, promotion, and retention. Now will they all be on a test and scoring basis or is the scoring just applied to the initial hiring? It looks to me like this messes up the whole thing. Senator Regan said, if you read the amendment it is not on scoring, it says the veteran or disabled veteran or eligible relative etc. (this is (a) on the statement of intent). In other words, unless you really screw up you can't get fired.

Senator Story said, I am going to oppose the amendment, but I am also going to oppose the bill. Veterans' preference particularly for initial hiring makes some sense as a tie-breaker, but by the time this bill goes into effect it will be 18 years since the last conflict in Viet Nam. I think 18 years is a long time to be integrated into the work force and most of the veterans we are talking about are either doing a good job or they ought to be canned at this point. There is no relation at this point between what we owe to them and whether or not they ought to be promoted. The people should be promoted or retained on their merit at this point 18 years after the war.

Senator Keating said, I was informed when this bill first came out it would have required the state to go to a point system in their hiring practice. However, I was later informed that the way the bill was amended, the veterans were only applied to a point system wherever that procedure is used. It does not require the state to change its system. I would like some verification of that. If the fiscal note is right the state would have to change its procedure, if not and it has been amended so it only applies when the state has such a system, then the bill is okay.

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Page 10

Senator Hammond said, that's the situation with the bill right now. It is only where that point system does exist that this bill applies, because I went to the veterans and said, this bill isn't going to help you because it only applies where a merit system is in place. They agreed that is the way it was.

Senator Regan said, if you will look at page 6, lines 5 through 9 the bill was amended. Originally it required the point system and then the point system requirement was ruled out. I asked the people who were testifying though, what they would be after next time they came back and they said nothing. I rather suspect they will be after the requirement of a point system. Senator Hammond said, no, I don't think so. I think what they are hoping for is that more and more agencies will put in a point system. They are betting on the come.

Senator Manning said his amendment included the second sheet which started with an amendment to the statement of intent, page 1, line 10 and the other sheet page 6, line 9 etc.

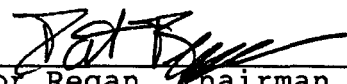
Voted, roll call vote, passed, 8 yes, 7 no.

Motion by Senator Hammond that House Bill 38 as amended be concurred in.

Voted, passed, Senators Regan, Hims1 and Story voting no.

Senator Regan said we have 4 more bills to hear and they are scheduled for Wednesday morning, 7 a.m.

The meeting was adjourned.



Senator Regan, chairman

ROLL CALL

50th LEGISLATIVE SESSION - - 1987

Date

4-13-87

NAME	PRESENT	ABSENT	EXCUSED
SENATOR REGAN	✓		
SENATOR HIMSL	✓		
SENATOR JACOBSON	✓		
SENATOR BENGTON	✓		
SENATOR STIMATZ	✓		
SENATOR HARDING	✓		
SENATOR HAFLEY	✓		
SENATOR SMITH	✓		
SENATOR KEATING	✓		
SENATOR STORY	✓		
SENATOR BOYLAN	✓		
SENATOR JERGSON	✓		
SENATOR TVEIT	✓		
SENATOR MANNING	✓		
SENATOR HAMMOND	✓		
SENATOR GAGE			

DATE _____

COMMITTEE ON _____ BILL NO. _____

BILL NO. _____

VISITOR'S REGISTER

[illegible]

(Please leave prepared statement with Secretary)

PROPOSED AMENDMENTS TO HB 38 (Third reading/blue copy):

1. Title, lines 8 and 9.

Strike: "AND" on line 8 through "FORCE" on line 9

2. Title, lines 12 through 14.

Strike: "AND" on line 12 through "ACT" on line 14

3. Page 1, line 22.

Strike: "AND 11"

4. Page 6, line 6 and 7.

Strike: "AND" on line 6 through "30," on line 7

5. Page 9, line 12.

Strike: "AND 11"

6. Page 9, line 14.

Strike: "AND 11"

7. Page 10, line 22.

Strike: "AND 11"

8. Page 16, lines 10 through 14.

Following: "(7)" on line 10

Strike: ""SCORED" through "ADDED" on line 14

Insert: ""Substantially equal qualifications" means the qualifications of two or more persons among whom the public employer cannot make a reasonable determination that the qualifications held by one person are significantly better suited for the position than the qualifications held by the other persons"

9. Page 17, lines 20 through 24.

Strike: section 11 in its entirety

Renumber: subsequent sections

10. Page 18, line 2.

Strike: "Point"

Insert: "Employment"

11. Page 18, line 2.

Following: "{a}"

Insert: "(a)"

12. Page 18, lines 10 and 12.

Strike: "add" on line 10 through "procedure" on line 12

Insert: "hire the applicant over any other applicant with substantially equal qualifications who is not a preference eligible applicant.

(b) In an initial hiring, a public employer shall hire a handicapped person over an eligible spouse with substantially equal qualifications"

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 1
DATE 4-12-87
X BILL NO. 28 (38)

13. Page 21, line 6.

Strike: "applied" through "and"

14. Page 21, line 8.

Strike: "hiring" through "The"

Insert: "determination pursuant to subsection (9) of 39-30-103
and the"

15. Page 22, line 13.

Strike: "AND 11"

16. Page 23, line 9.

Strike: "AND 11"

17. Page 23, line 17.

Strike: "AND 11"

18. Page 23, line 23.

Strike: "18"

Insert: "17"

19. Page 23, line 24.

Strike: "17"

Insert: "16"

Strike: "19"

Insert: "18"

PROPOSED AMENDMENTS TO STATEMENT OF INTENT (HB 38):

1. Page 1, line 7.

Strike: "AND 11"

amdhb38b.wp

EXHIBIT NO. 1 *Page 2*
DATE 4-12-87
BILL NO. 38

Prepared by Lois Menzies, Researcher
House State Administration Committee
February 14, 1987

COMPARISON OF CURRENT
PROVISIONS OF THE MONTANA VETERANS' AND
HANDICAPPED PERSONS' EMPLOYMENT PREFERENCE ACT
AND HOUSE BILL NO. 38 (AS AMENDED)

CURRENT LAW

Single act covering both
military veterans and handi-
capped persons (39-30-101 -
39-30-207, MCA)

Provides a preference in the
form of a tie-breaker among
applicants with substantially
equal qualifications
(39-30-103(9) and 39-30-201,
MCA)

Preference applies only to
initial hires (39-30-103(5)
and 39-30-201, MCA). No pre-
ference during reduction in
force.

Preference-eligibles include:

- Disabled veterans =
- . honorable discharge
- . 30% or more disabled

(39-30-103(2), MCA)

HB 38 (AS AMENDED)

Creates a separate act for mili-
tary veterans and a separate act
for handicapped persons (Sec.
1 - 6)

Provides a preference in the
form of a point system to be
applied when scored procedures
are used in hiring and the
applicant receives 70 or more
points in the scored procedure;
5 points are added to a
veteran's score and 10 points
are added to a disabled
veteran's or eligible relative's
score (Sec. 2)

Preference applies to initial
hires and possibly promotions
(Sec. 2). Preference is also
given to certain veterans, dis-
abled veterans, and eligible
relatives in retention during
reduction in force (Sec. 5)

Preference-eligibles include:

- Disabled veterans =
- . discharged under honor-
able conditions
- . 0% - 100% disabled

(Sec. 1(3))

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 2

DATE 4-12-87

BILL NO. 38

CURRENT LAW

-- Veterans (able-bodied):

- . honorable discharge
- . service during a war/
nat'l emergency/
campaign or expedition
(39-30-103(10), MCA)

-- Eligible spouses:

- . unremarried surviving spouse of veteran who died while on active duty or whose death resulted from service-connected disability
- . spouse of 100% disabled veteran
- . spouse of MIA or POW
(39-30-103(3), MCA)

Applies to permanent and seasonal positions
(39-30-103(7), MCA)

Applies to executive, legislative, and judicial branches of state government, and to cities, towns, and counties. (Excludes school districts, vocational-technical centers, community colleges, university system, and other political subdivisions.)
(39-30-103(8), MCA)

HB 38 (AS AMENDED)

-- Veterans (able-bodied):

- . under honorable conditions
- . service during a war/
nat'l emergency/
campaign or expedition
- . service for more than 180 days between 2/1/55 and 10/14/76
(Sec. 1(8))

-- Eligible relatives:

- . unmarried surviving spouse of a veteran or disabled veteran
- . spouse of disabled veteran who is unable to qualify for appointment to a position
- . certain mothers of veterans
(Sec. 1(4))

Applies to permanent, seasonal, and temporary positions
(Sec. 1(5))

Applies to executive branch of state government, community colleges, and university system, and to cities, towns, and counties. (Excludes school districts, vocational-technical centers, and legislative and judicial branches of state government.)
(Sec. 1(6))

CURRENT LAW

HB 38 (AS AMENDED)

Eligibility requirements

- . U.S. Citizen
- . 1-yr. state resident
- . For city/co employment,
resided at least 30 days
in city, town, or county
in which employment is
sought

(39-30-202, MCA)

Duration

- . Disabled veteran or
spouse of disabled
veteran = as long as
disabling condition exists
- . able-bodied veteran = for
no longer than 15 yrs
following separation or
for no longer than 5 yrs
following 12-20-83,
whichever is later
- . surviving spouse of
veteran = as long as
spouse remains unmarried
- . spouse of MIA/POW = as
long as spouse remains
missing or prisoner

(39-30-203, MCA)

Eligibility requirements

- . U.S. Citizen
(Sec. 2)

Duration

- . None specified in bill

- Enforcement provisions in both acts are nearly identical
- HB 38 also amends the current law to provide a 10 point
preference for handicapped persons and their eligible
spouses

7045b/L:JEA\WP:jj

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 2 pg 3
DATE 4-12-87
FILE NO. 28

Amend HB 38 as follows:

Amend HB 38 as follows:

Page 4 lines 7 and 8: Strike "or a college, community college or university".

Page 4, line 11: After "program," and before "or" insert "a community college, the board of regents of higher education, the Montana university system".

Explanation: This amendment excludes the university system and community colleges from the coverage of the amended veterans' preference statute. This would leave all of education excluded exactly as it has been since the preference statute was adopted in the 1983 special session.

SENATE FINANCE AND CLAIMS
ENCL. NO. 2
DATE 4-12-87
BILL NO. 38
X

ROLL CALL VOTE

SENATE COMMITTEE

FINANCE AND CLAIMS

DATE _____

Bill No. 38

Time 7:45

NAME	YES	NO
SENATOR HIMSL	✓	✓
SENATOR JACOBSON		✓
SENATOR BENGTON	✓	
SENATOR STIMATZ		✓
SENATOR HARDING	✓	
SENATOR HAFLEY	✓	
SENATOR SMITH	✓	
SENATOR KEATING	✓	
SENATOR STORY	✓	
SENATOR BOYLAN		✓
SENATOR JERGSON	✓	
SENATOR TVEIT	✓	
SENATOR MANNING		✓
SENATOR HAMMOND		✓
SENATOR GAGE		
SENATOR REGAN	✓	

Sylvia Kinsey
Secretary

Senator Regan
Chairman

MOTION: Amend. Bengton

11-7

AMENDMENTS TO HB 38, THIRD READING COPY, PREPARED FOR REP.
PAVLOVICH.

Page 6, line 9 and lines 23 and 24 of page 17.
Strike: "IN AN INITIAL HIRING"

AHB38a/JM/JM3

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 3
DATE 4-13-87
BILL NO. 38

HOUSE BILL 38
3rd READING BLUE COPY

1) STATEMENT OF INTENT, page 1, line 10.

Following "3"

Insert: "and the retention preference provided for in section 5"

2) STATEMENT OF INTENT, page 3, following line 14

Insert: "(6) Appraisal methods. The legislature intends the rules to assist public employers in developing methods of appraising employee performance for the purpose of applying the retention preference.

3) Page 9, following line 23

Insert: "NEW SECTION. Section 6. Retention during reduction in force. (1) Except as provided in subsections (2) and (3), during a reduction in force, a public employer shall retain in a position a:

(a) veteran, disabled veteran, or eligible relative whose performance has not been rated unacceptable under a performance appraisal system, over other employees with similar job duties and qualifications and same length of service; and

(b) disabled veteran with a service connected disability of 30% or more whose performance has not been rated unacceptable under a performance appraisal system, over other veterans, disabled veterans, and eligible relatives with similar job duties and qualifications and same length of service.

(2) No employee is entitled to preference in retention under subsection (1) unless the person is a United States citizen.

(3) The preference in retention under subsection (1) does not apply to position covered by a collective bargaining agreement.

Renumber: subsequent sections

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 4
DATE 4-13-87
BILL NO. 38

ROLL CALL VOTE

SENATE COMMITTEE

FINANCE AND CLAIMS

DATE _____

Bill No. 38

Time 7:15

NAME	YES	NO
SENATOR HIMSL		<input checked="" type="checkbox"/>
SENATOR JACOBSON	<input checked="" type="checkbox"/>	
SENATOR BENGTON		<input checked="" type="checkbox"/>
SENATOR STIMATZ	<input checked="" type="checkbox"/>	
SENATOR HARDING	<input checked="" type="checkbox"/>	
SENATOR HAFLEY		<input checked="" type="checkbox"/>
SENATOR SMITH	<input checked="" type="checkbox"/>	
SENATOR KEATING		<input checked="" type="checkbox"/>
SENATOR STORY		<input checked="" type="checkbox"/>
SENATOR BOYLAN	<input checked="" type="checkbox"/>	
SENATOR JERGESON		<input checked="" type="checkbox"/>
SENATOR TVEIT	<input checked="" type="checkbox"/>	
SENATOR MANNING	<input checked="" type="checkbox"/>	
SENATOR HAMMOND	<input checked="" type="checkbox"/>	
SENATOR GAGE		
SENATOR REGAN		<input checked="" type="checkbox"/>

Sylvia Kinsey
Secretary

Senator Regan
Chairman

MOTION: Thanking the committee

to put in Redoubt Amendment

Passed

STANDING COMMITTEE REPORT

Page 1 of 4 pages

April 13

19. 87

MR. PRESIDENT

We, your committee on.....FINANCE AND CLAIMS.....

having had under consideration.....House Bill..... No. 38.....

third reading copy (blue)
color

REVISING VETERANS' AND HANDICAPPED PERSONS' EMPLOYMENT PREFERENCE ACT

PAVLOVICH (Williams)

Respectfully report as follows: That.....House Bill..... No. 38,
be amended as follows:

1. Statement of Intent, page 1, line 6.

Strike: "6"

Insert: "7"

2. Statement of Intent, page 1, line 7.

Strike: "5 AND 11"

Insert: "6"

3. Statement of Intent, page 1, line 11.

Following: "6"

Insert: "and the retention preference provided for in section 6"

4. Statement of Intent, page 3.

Following: line 18

Insert: "(6) Appraisal methods. The legislature intends the rules to assist public employers in developing methods of appraising employee performance for the purpose of applying the retention preference."

5. Title, lines 12 through 14.

Strike: "AND" on line 12 through "ACT" on line 14

XXXXXX

XXXXXXXXXX
DO NOT PASS

(continued)

Chairman.

House Bill 38

.....April 13..... 19..87...

6. Page 1, line 22.

Strike: "6 AND 11"Insert: "7"

7. Page 4, lines 7 and 8.

Strike: "or" on line 7 through "university" on line 8

8. Page 4, line 11.

Following: "."

Insert: "a community college, the board of regents of higher education, the Montana university system."

9. Page 6, line 6.

Strike: "6 AND 11"Insert: "7"

10. Page 6, line 7.

Strike: "OR" through "30."

11. Page 6, line 9.

Strike: "IN" through "HIRING"Insert: "for employment"

12. Page 9, line 12.

Strike: "6 AND 11"Insert: "7"

13. Page 9, line 14.

Strike: "6 AND 11"Insert: "7"

14. Page 10.

Following: line 19

Insert: "NEW SECTION. Section 6. Retention during reduction in force. (1) Except as provided in subsections (2) and (3), during a reduction in force, a public employer shall retain in a position a:

(a) veteran, disabled veteran, or eligible relative whose performance has not been rated unacceptable under a performance appraisal system, over other employees with similar job duties and qualifications and the same length of service; and

(b) disabled veteran with a service-connected disability of 30% or more whose performance has not been rated unacceptable under a performance appraisal system,

(continued)

April 13 19 87

over other veterans, disabled veterans, and eligible relatives with similar job duties and qualifications and the same length of service.

(2) No employee is entitled to preference in retention under subsection (1) unless the person is a United States citizen.

(3) The preference in retention under subsection (1) does not apply to a position covered by a collective bargaining agreement."

Renumber: subsequent sections

15. Page 10, line 22.

Strike: "5 AND 11"

Insert: "6"

16. Page 16, lines 10 through 14.

Following: "(7)" on line 10

Strike: "SCORED" through "ADDED" on line 14

Insert: "Substantially equal qualifications" means the qualifications of two or more persons among whom the public employer cannot make a reasonable determination that the qualifications held by one person are significantly better suited for the position than the qualifications held by the other persons"

17. Page 17, lines 20 through 24.

Strike: section 11 in its entirety

Renumber: subsequent sections

18. Page 18, line 2.

Strike: "Point"

Insert: "Employment"

19. Page 18, line 2.

Following: "(a)"

Insert: "(a)"

20. Page 18, lines 10 and 12.

Strike: "add" on line 10 through "procedure" on line 12

Insert: "hire the applicant over any other applicant with substantially equal qualifications who is not a preference eligible applicant."

(b) In an initial hiring, a public employer shall hire a handicapped person over an eligible spouse with substantially equal qualifications"

(continued

21. Page 21, line 6.

Strike: "applied" through "and"

22. Page 21, line 8.

Strike: "hiring" through "The"

Insert: "determination pursuant to 39-30-103(7) and the"

23. Page 22, line 13.

Strike: "6 AND 11"

Insert: "7"

24. Page 23, line 9.

Strike: "6 AND 11"

Insert: "7"

25. Page 23, line 17.

Strike: "6 AND 11"

Insert: "7"

andbb38b.wp

AND AS AMENDED

BE CONCURRED IN

STANDING COMMITTEE REPORT

..... April 13 19 87

MR. PRESIDENT

We, your committee on **FINANCE AND CLAIMS**

having had under consideration..... **House Bill** No. **593**

third reading copy (blue)
color

PRIVATE ENTERPRISE ACT; ESTABLISHING A REVIEW COMMISSION

J. BROWN (Smith)

Respectfully report as follows: That..... **House Bill** No. **593**

BE NOT CONCURRED IN

~~XXXXXX~~

~~XXXXXXXXXX~~

.....
SENATOR PAT REGAN

Chairman.

STANDING COMMITTEE REPORT

April 13 19 87

MR. PRESIDENT

We, your committee on **FINANCE AND CLAIMS**

having had under consideration **House Bill** No. **855**

third reading copy (blue)
color

**FUNDS TO MATCH EXPENDITURES BY MONTANA AMBASSADORS FOR BUSINESS
RECRUITMENT**

VINCENT (Keating)

Respectfully report as follows: That **House** No. **855**

BE NOT CONCURRED IN

~~*****~~
~~DO PASS~~

~~*****~~
~~DO NOT PASS~~

.....
SENATOR REGAN

Chairman.

STANDING COMMITTEE REPORT

April 13

19⁸⁷

MR. PRESIDENT

We, your committee on FINANCE AND CLAIMS

having had under consideration House Bill No. 862

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color

MONTANA PROGRESSIVE DEVELOPMENT ACT

WINSLOW (Reating)

Respectfully report as follows: That House Bill No. 862

BE NOT CONCURRED IN

XXXXXX
DO PASS

XXXXXXXXXX
DO NOT PASS

SENATOR REGAN

Chairman.

STANDING COMMITTEE REPORT

April 13 1987

MR. PRESIDENT

We, your committee on FINANCE AND CLAIMS

having had under consideration House Bill No. 967

third reading copy (blue) color

APPROPRIATION TO SUPPORT MONTANA AS SITE FOR SUPERCOLLIDER RESEARCH FACILITY

VINCENT (Story)

Respectfully report as follows: That House Bill No. 967

DE NOT CONCURRED IN

XXXXXX

XXXXXXXXXX

STANDING COMMITTEE REPORT

.....April 13..... 19⁸⁷.....

MR. PRESIDENT

We, your committee on.....**FINANCE AND CLAIMS**.....

having had under consideration.....**House Bill**..... No. **880**.....

third reading copy (blue)
color

PROVIDES FOR A UNIFORM INSURANCE PREMIUM TAX

WINSLOW (Manning)

Respectfully report as follows: That.....**House Bill**..... No. **880**.....

BE CONCURRED IN

XXXXXX
DO PASS

XXXXXXXXXX
DO NOT PASS

.....
SENATOR REGAN

.....
Chairman.