

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By Chairman Jan Brown, on February 16, 1989, at 9:00 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Judy Burggraff, Secretary; Lois Menzies, Staff Researcher

HEARING ON HB 691

Presentation and Opening Statement by Sponsor: Rep. Richard Simpkins, House District 39, introduced the bill. Under current law, the Department of Administration is responsible for administering a program for processing and distributing federal surplus property. This bill permits the Governor to designate a department for administering the federal surplus property program. Rep. Simpkins said that this bill does not have any money attached to it. He recommended putting it on the Consent Calendar.

Rep. Simpkins said that during the past few years the federal surplus property program has been de-emphasized and is down to basically a search operation. Now if you want the property the users themselves must go out and get it and file the paperwork through the state. Rep. Simpkins' concern is the amount of property that is available that we are not taking advantage of. He said, "There is multimillion dollar's worth of property that is absolutely free because it is surplus to the needs of the federal government and the military. All the state has to do is go out and pick up the property and transport it. We only have to pay the transportation costs and the administrative cost to get it into the user's hands. Cities, counties and school districts and state agencies are eligible to use this property. The program is designed to be self-supporting and working off of a revolving fund. What we sell it for should pay for the costs."

Rep. Simpkins said he made a comparison of the amount of property that is available and what the General Services

Administration (GSA) feels the state should be using in comparison to the other states. South Dakota is obtaining approximately 700 percent of the amount of property that is indicated by the GSA that the state should normally get. The state of Montana obtains 25 percent of the property that they feel the state could use. All the states surrounding us are way up over 100 percent. In the past few years, we have been doing about \$52,000 worth of business. In South Dakota, they do about \$20,000 a month to arrive at their break-even cost. Montana is way low.

Rep. Simpkins said that he will be requesting an appropriations bill for \$150,000 start-up costs and a five-year loan to operate the federal surplus property program. There would be four FTE's. The state would have a cost of \$300,000 a year to sell the property. This would be basically a procurement program and retail operation using a warehouse system of buying the property.

A few years ago the state got out of the federal property business because it was costing more money than they were making. There were a lot of problems due to the way it was run. They de-emphasized the program under Gov. Schwinden, they stopped out-of-state screening, they were down on the FTE positions and they did not run annual auctions to reduce the property they didn't want.

There is also another federal surplus program in the Department of State Lands. This one solely deals with the fire suppression activities in the state. The rural fire departments obtain their equipment through the Department of Lands. This program should not be run in conjunction with the state Surplus Property Program as this is what caused problems before.

Testifying Proponents and Who They Represent:

Joe Pratt, City of Missoula

Lyle Nagel, Montana State Volunteer Firefighters' Association

Proponent Testimony:

JOE PRATT presented written testimony (Exhibit 1).

LYLE NAGEL representing the Montana State Firefighters' Association said that when they had access to federal property there were a lot of things that were available to them that they can no longer obtain. "Now we have to go through a screening process to purchase and the closest place is in Utah. We have sent people to California to screen equipment for us. It took us three months to do the paper work to obtain a truck sitting only fifty miles from

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us at the air force base in Great Falls as we had to go through San Francisco," he said. Mr. Nagel said, "We are able to purchase equipment through this program at a much reduced cost. A vehicle can be purchased for under \$150, which would cost us \$6,000 to \$8,000 if purchased as a used vehicle." He urged the Committee's support.

Testifying Opponents and Who They Represent: None

Questions From Committee Members:

REP. SPRING said that he is aware that this program used to exist. What was the change that we can't do it now like we used to? Rep. Simpkins said it was explained to him as a de-emphasis of Gov. Schwinden. He ceased the screening operation. REP. SPRING said that his school district purchased a tractor under that surplus property program.

REP. DEBRUYCKER asked how the merchandise is disposed of once it is in the warehouse. Rep. Simpkins said that what you really need is an aggressive salesperson. The person that runs the program must be a marketer. They have to go out and buy, procure and bring it in and then inform the users that it is there and get it out on the market to sell. This person must be a bargainer as well.

Closing by Sponsor: Rep. Simpkins said he would like to close with one bit of clarification to assure Joe Pratt that they are not pushing him out of the system and that people like him are what is needed in the system.

DISPOSITION OF HB 691

Motion: Rep. Phillips moved DO PASS.

Discussion: Rep. Cocchiarella asked if Rep. Simpkins was asked to introduce the bill. Rep. Campbell said that Rep. Simpkins became interested when he was working with the weed control districts and thought the state should be more involved in the excess property program.

Amendments, Discussion, and Votes: None

Recommendation and Vote: The motion CARRIED unanimously.

HEARING ON HB 693

Presentation and Opening Statement by Sponsor: Rep. Kelly Addy, House District 94, Billings, introduced the bill. This bill revises provisions concerning all statutory public pension plans (i.e., Public Employees', Teachers', Judges', Highway

Patrolmen's, Sheriffs', Game Wardens', Municipal Police Officers', and Firefighters' Unified Retirement Systems, local police and firefighters' pension plans, volunteer firefighters' pension plan and optional retirement programs for academic and administrative personnel under contract with the Board of Regents). The bill provides that a retirement allowance received by a member of a public pension plan must be paid in accordance with a "qualified domestic relations order." According to federal law, a qualified domestic relations order is a judgment, decree or order that relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child or other dependent and that creates or recognizes the existence of an alternate payee's right to receive all or a portion of the benefits payable to the retiree.

Rep. Addy said if you are a state employee and are married and then get divorced your retirement benefits are part of a marital estate. The court can then decide to divide those up when an equitable distribution of the property is made.

Rep. Addy pointed out that there is an unwritten presumption that a 50 - 50 distribution is an equitable distribution. That depends on the length of the marriage, what each party contributed to the marital estate, the common endeavors of the parties, the number of children, etc. What we are doing here is clarifying that this item of property that is owned by one of the parties is part of the marital estate.

Testifying Proponents and Who They Represent: None

Testifying Opponents and Who They Represent:

Larry Nachtsheim, Administrator, Public Employees' Retirement Division

Dave Senn, Executive Director, Teachers' Retirement Board

Opponent Testimony:

LARRY NACHTSHEIM said that the bill might go a little farther than Rep. Addy has suggested. The PERS retirement board must oppose this bill. We don't have the resources to handle this. At the present time, the PERS maintains two computer systems. One is for retirees that every month makes the benefit payments to 10,000 retirees. The system is put together to make a single payment for each retiree. If the member dies, the spouse or children then receive a check. To change that computer system, which is only a year old, would cost about \$3,000. Our problem is our second computer system. This is the system on the mainframe that updates 29,000 accounts every month and maintains all the statistical data for our members from the seven retirement

systems. It is 18 years old. That is archaic by computer standards. The information services system advises us that system is so fragile that for us to put in a second beneficiary will require a total overhaul of the system. The cost will be \$250,000 to \$300,000.

Mr. Nachtsheim said that this bill would require the services of an actuary and an attorney for every settlement, because it would place a liability on the system. For each individual an actuary could spend two to three hours on each case. This involves the retirement system in determining the manner in which the beneficiary would be paid and creates liability for us. It is quite possible that we would have an attorney look at this two or three times in order to process it. We think that there is a very serious question as to whether the System should absorb the cost. This bill will make us a party in the divorce case because we would have a financial interest.

Mr. Nachtsheim presented a printout of the different systems which he administers in the PERS (Exhibit 2) and a model of a Dissolution of Marriage Concerning Pension Benefits (Exhibit 3). He asked whether the retirement system should become involved in the divorce process. The position of the PERS Board is that we are not experts in the divorce area. We would like to leave it to the courts and the divorce attorneys.

DAVE SENN presented written testimony (Exhibit 4).

Questions From Committee Members:

REP. ROTH said to assume a hypothetical situation where one spouse is a state employee and one who is employed in the private sector and both have retirements. If the divorce takes place with this bill in place, the state employee would have to divide his retirement. Would the person in the private sector have to divide up their retirement? Rep. Addy said that would depend on the court order. It would be very unusual when a court would require each party to pay something to the other. This bill would not affect the private sector's pension plan but the court's order could affect the private sector pension plan.

Closing by Sponsor: Rep. Addy said that the PERS and the TRS have not had a chance to provide input on a fiscal note for the bill. He said that their testimony is "total news" to him. Their testimony is raising every concern that they can think of. I do not understand why it would take \$250,000 to \$300,000 to implement the bill in the PERS. Rep. Addy said he is astounded that we need both an actuary and an attorney to look at these cases and that it would take each of them two to three hours per case. It is not his intent to make the PERS a party to divorces, but they are going to have to deal with this sooner or later.

Rep. Addy said he vehemently disagrees with Mr. Nachtsheim when he says that this is not a gender issue. It isn't the women who are making 40 percent more than the men. It isn't the women that are making non-monetary contributions to the family, by and large. That is changing to a certain degree, but that certainly has not been the case, he said, and it isn't the case today. This is a bill that would give women not a break but an equal footing.

DISPOSITION OF HB 693

Motion: Rep. Phillips moved to table the bill.

Discussion: REP. WHALEN said that the bill would make it easier for a spouse to access the funds during a divorce settlement. REP. WHALEN asked if this bill would make it so that you would not have to file an action and get the sheriff to go out to try to collect the retirement benefits. Lois Menzies said the retirement system would make the payments according to the divorce decree.

Amendments, Discussion, and Votes: None

Recommendation and Vote: The motion CARRIED. The vote was 15 - 3 with Reps. Cocchiarella, Whalen and Squires voting no.

HEARING ON HB 604

Presentation and Opening Statement by Sponsor: Rep. Helen O'Connell, House District 40, Great Falls, introduced the bill. Under current law, the monthly retirement allowance for a municipal police officer who retired before July 1, 1975, may not be less than one-half the monthly compensation paid to newly confirmed, active police officer. Current law also provides that the monthly retirement allowance for a municipal police officer who retired on or after July 1, 1975, but before July 1, 1985, may not be less than one-half the monthly compensation paid on July 1, 1985, to a newly confirmed, active police officer. This bill provides that the monthly retirement allowance paid to a member who retired on or after July 1, 1985, may not be less than one-half the monthly compensation paid to a newly confirmed, active police officer. Under this bill, all retired police officers would receive the same automatic cost-of-living increase, regardless of when they retired.

Rep. O'Connell presented written testimony (Exhibit 6).

Testifying Proponents and Who They Represent:

Bill Steele, Montana Retired Police Officers Association

Rep. Cocchiarella, House District 59, Missoula

Nadiean Jensen, Executive Director, Montana State Council
No. 9 AFSCME

Frank Garner, Kalispell Police Department

Tim Shanks, Great Falls Police Department

Earl Kelley, Great Falls Police Department (Retired)

Charles Bicsak, Great Falls Police Department (Retired)

Frank Cole, Missoula City Police (Retired)

Proponent Testimony:

BILL STEELE presented written testimony (Exhibit 7).

REP. COCCHIARELLA said she wished to be listed as a proponent for the bill for the police officers in the city of Missoula. They are concerned about this also.

NADIEAN JENSEN said she represents AFSCME and they rise in support of HB 604 as they represent police officers in Butte, Livingston, Laurel, Miles City and Helena. She said it is an equalization bill. It's time has come, and we ask your support.

FRANK GARNER said that he is a police officer with the city of Kalispell and a legislative committee person for the Montana Police Protective Association, which has in excess of 400 members. He has approximately 24 years of service left in the police department. He has made an investment in Montana and has gone to a Montana high school and college. He has decided to make police service his career and to stay in Montana for that term. He said he would like to think that at the end of his service, that the least he could expect in retirement would be one-half of the pay of someone who is a new recruit in a police department. For those that would think that would be a windfall, that would mean about \$850 per month before any withholding and health insurance. Mr. Garner said that for many retired officers in his community that would mean a raise. The retired officers over 75 have certainly served the state of Montana, and he thinks that they deserve our respect. Mr. Garner said, "This bill deserves your consideration for those reasons."

TIM SHANKS, a police officer with the City of Great Falls and a member of the Montana Police Protective Association and on

the legislative committee, asked support for the bill. Mr. Shanks said that this bill would correct inequities. He has 14 more years to go as he has been on the Great Falls Police Department for nine years. He said he would hope that at the end of those 14 years that he would have something to look forward to and live reasonably comfortable at age 50. He asked the Legislature to take into consideration the investment the officers give to the state and the cities and support the bill.

EARL KELLEY is a retired policeman from Great Falls and said he has the dubious distinction of being about one of the most put upon by the inequality in the present retirement laws. He retired September 5, 1975. When the "one-shot deal" went through in 1985, he got a \$224 raise. He is now making about \$100 dollars less than a man who retired before July 1st.

CHARLES BICSAK said he is a 1972 retiree from the Great Falls Police Department. He believes that this bill would benefit officers that retire from now on.

FRANK COLE a retired assistant chief from Missoula said that he retired in 1976 with \$667. In six years, he had dropped down to equal pay with a confirmed officer. In 1977, his retirement was raised \$160 plus. He said he was proud of the money he was making as an assistant chief. His income declined because of inflation. People think that policemen retire pretty young. They can go out and work. In Missoula, 12 of the 15 officers that retired after 1976 have heart conditions. Mr. Cole has one too. He believes that this is caused by the stress of being police officers. They also have trouble with bad backs and carpal tunnel syndrome. Mr. Cole said that we appreciate what has been done for us in the past.

Testifying Opponents and Who They Represent: None

Questions From Committee Members:

REP. ROTH said there wasn't a fiscal note with the bill. He asked how much it would cost. REP. O'CONNELL said that this bill will cost the general fund nothing. She also said that that the tax premium fund retirement monies have been invested that are in the general fund. The general fund has made thousands of dollars on these investments.

Closing by Sponsor: Rep. O'Connell said all she is asking for is a do pass to equalize the benefits.

DISPOSITION OF HB 604

Motion: Rep. O'Connell moved that HB 604 DO PASS.

Discussion: Rep. O'Connell said that this is an equalizer bill. She said she had a correction to make. The general fund made millions of dollars on the tax premium fund, not thousands of dollars.

Amendments, Discussion, and Votes: None

Recommendation and Vote: The motion CARRIED unanimously.

HEARING ON HB 660

Presentation and Opening Statement by Sponsor: Rep. Janet Moore, House District 65, Swan Valley, introduced the bill. Under current law, only the Commissioner of Political Practices or a county attorney may file a civil or criminal action against a person who has violated a campaign finance law. This bill would permit a person to file a "citizens's action" for a violation of a campaign finance law, if the Commissioner or a county attorney chooses not to file an action within certain time periods. If a defendant to a citizen's action is found guilty, he must pay a penalty equal to \$500 or three times the amount of the unlawful contribution or expenditure, whichever is greater. In addition, a defendant who is a successful candidate may be deprived of the nomination or removed from office. A defendant may also be required to pay a successful plaintiff's court costs and attorney fees.

Rep. Moore said she was encouraged to work on this bill by a constituent last fall.

Testifying Proponents and Who They Represent:

C. B. Pearson, Executive Director, Common Cause in Montana

Proponent Testimony:

C. B. PEARSON presented written testimony (Exhibit 8).

Testifying Opponents and Who They Represent:

Roger Tippy, Self

Opponent Testimony:

ROGER TIPPY was unable to attend the meeting. Chairman Brown read his written testimony to the Committee (Exhibit 9).

Questions From Committee Members: None

Closing by Sponsor: Rep. Moore thanked the Committee and urged their support of the bill.

HEARING ON HB 714

Presentation and Opening Statement by Sponsor: Rep. Jan Brown, House District 40, Helena, introduced the bill. This bill requires the Department of Administration to establish and administer an in-house workplace solicitation program permitting state employees to contribute, through payroll deductions or cash contributions, to voluntary organizations. To be eligible to receive contributions under this program, an organization must be considered a nonprofit charitable organization by the Internal Revenue Service and provide philanthropic human, health and welfare services to Montana communities. The Department may establish local agency review committees, composed of state employees, to assist in administering the program. The bill also requires the Department to adopt rules by June 1, 1989, to implement the program.

Rep. Brown said that this bill was requested by the United Way in Montana in the hopes that we might always be able to continue having workplace solicitation for nonprofit organizations in this state.

Testifying Proponents and Who They Represent:

Bill Verwolf, United Way

Ellen Feaver, Self

Anna Jones, American Lung Association of Montana

Proponent Testimony:

BILL VERWOLF said that he represents United Ways in Bozeman, Butte, Kalispell, Missoula, Billings and Helena. This is a bill that United Way wasn't eager to produce, but circumstances have caused it. The United Ways in Montana have been doing in-house solicitations in state government, in the private sector and in all other areas as a more efficient way of doing solicitation for health and human welfare types of services across the state. United Way has been comfortable with that process. The reason for this legislation is that the federal court in New Jersey expanded on what is called the equal right to access provisions of the federal laws and Constitution. They said that the same rules that have required the federal employees to set up the combined federal campaign would now apply to states. States do not have a choice as to what organizations they allow to do in-house solicitation programs. We felt because of that ruling that if there were a number of organizations that came in and wanted to do side-by-side or different time of the year in-house solicitation, the state would be adversely impacted in terms of employee time and would eventually, if that number grew too large, have to make the decision that

in-house solicitation would have to be stopped. United Way thinks that this is an efficient and effective way with a minimal impact on not only employers but employees to accomplish the solicitation of funds for the operation of very important community efforts.

Mr. Verwolf said that this particular bill establishes some criteria for being eligible to participate in the workplace solicitation. One of those is that you have to have federal 501(C)(3) tax status that is provided for charitable, philanthropic, human health and welfare and education organizations. We have added to the bill the same wording in section 1 (b) that is provided in the combined federal campaign. A lot of different organizations meet the human, health and welfare service definition. The addition of the word Montana in the definition means Baltimore Halfway House won't be on the list. It is limited to those that provide services in Montana communities.

Mr. Verwolf stated that the legislation also sets up a rulemaking procedure so that the Department of Administration can adopt the rules as to how this program would operate. One of the effects of this is that it does not restrict the solicitation to United Way. In the past, we have been the only agency involved in in-house workplace solicitation. But there are some limits on how far that goes. The Department of Administration does not feel comfortable with having to make a decision as to who would be eligible and who would not.

ELLEN FEAVER said she is a United Way volunteer and a past director of the Department of Administration. Like other employers in this community and in the state, Montana has participated in a employer sponsored fund drive for community-based health and welfare organizations. State employees have given generously through United Way to these organizations, over \$100,000 statewide. Ms. Feaver fears that without this bill the workplace campaign will come to a halt. Through this bill there would be a mechanism to coordinate all of those efforts so there would be a single fund drive. The alternative is that an administration would say, "I'm sorry, there can be no fund drive." This would be a big travesty and mistake for United Way communities. Ms. Feaver submitted some proposed rules concerning the State of Montana Combined State Campaign (Exhibit 10).

ANNA JONES presented written testimony with a copy of the American Lung Association of Montana's newsletters (Exhibit 11).

Testifying Opponents and Who They Represent:

Al Kurki, Montana Community Shares

Madeline Quinlen, Montana Community Shares

Donna Warner, Administrator, State Payroll Division, State Auditor's Office

Virginia Jellison, Montana Low Income Coalition, Montana Rainbow Coalition

Joseph Moore, Legislative Coordinator, Montana Rainbow Coalition

Rep. Mark O'Keefe, House District 45, Unionville

Gloria Hermanson, Self

Opponent Testimony:

AL KURKI presented written testimony (Exhibit 12).

MADELINE QUINLEN said that she took time off from work to come and testify. She works for the Legislative Fiscal Analyst's Office. Ms. Quinlen coordinated the state campaign for Montana Community Shares (MCS). MCS raised about \$6,500 from 125 state employees this year. We do get a substantial amount of our money from this state campaign. She said she agrees with the statement of intent in the bill, which says that "The rules would provide for equitable treatment of voluntary organizations seeking contributions and for minimal disruptions of the work place during a solicitation campaign." However, Ms. Quinlen does not think this bill would accomplish the statement of intent. The process that MCS went through to establish a payroll deduction was: The organization approached the Department of Administration about a year ago and were told MCS could not get into a combined campaign. Ms. Quinlen was told we could get 50 employees to sign up for payroll deduction. Once that was established, we could go after the rest of the employees to see if they would also like to have a payroll deduction. This, we felt, was a reasonable process and it was fair as 50 signatures is a good way for a group to prove that they are serious about approaching state employees. It is also a good minimum for the State Auditor's Office to go through all of the hassle to set up a payroll deduction. The system that is in place is reasonable and fair. We do not think that local agency review committees are necessary because the State Auditor's Office already performs the function of evaluating groups to see if they meet the 501(C)(3) status for a federal nonprofit tax exemption. This bill is not at the request of the Department of Administration. They have told us that MCS worked well with them. She said that she donates to both MCS and United Way.

DONNA WARNER said that the State Auditor's Office wants to go on record as opposing HB 714. Voluntary payroll deductions for state employees are the responsibility of the state payroll system. There are also administrative rules concerning voluntary payroll deductions already in the administrative rules of Montana. Ms. Warner presented a copy of the

voluntary payroll deduction rules to the Committee (Exhibit 13). Ms. Warner said that this bill has changed drastically from when she first saw it. She said that she did not get a copy of it until just this morning. These rules address charitable nonprofit organizations as well as insurance companies and financial institutions. They have specific requirements for all vendors and all have equal opportunity to have payroll deductions from the state systems.

VIRGINIA JELLISON said that her group is very much interested in this bill and would like to see a good bill come out of it. They are concerned that the bill might be prematurely submitted and needs to have some work on it in order for the intent to actually be realized. We feel that this bill should be tabled until we have an opportunity to work with United Way and work out some of the problems with the bill. Ms. Jellison said that she thinks that state employees should be able to make a choice on the method of the way they give as well as the organizations to which they wish to contribute.

JOSEPH MOORE is the legislative coordinator for the Montana Rainbow Coalition. He said that for all of the reasons stated by Ms. Jellison they do not think that the bill is warranted and it is only going to set up needless antagonism between organizations that we think are important in the state of Montana. He submitted a written statement (Exhibit 14).

REP. MARK O'KEEFE, House District 45, said he did request through the Legislative Fiscal Analyst's Office for Madeline Quinlen to come and speak before the Committee today. Rep. O'Keefe said he wanted to praise the United Way for all of the good work that they do in the communities around the state. He said he also wanted to praise the state employees for all of the time, energy and money that they put into those groups. He said he hopes that the United Way will always be there as they are valuable, but he does not believe that this legislation is valuable. Rep. O'Keefe said that this issue is dealing with the question of choice. Not only for the state of Montana but for individual state employees as this bill in page 2, lines 16 and 17 essentially limits what groups can come in and solicit state employees for funds. For example, if the Montana Arts Council was to solicit donations, they would not be allowed to do so and other worthy groups would not be allowed to either. Rep. O'Keefe said that he spoke with R. C. Miller who runs a program which is almost identical to this in the state of Missouri. He said that the numbers he received from Mr. Miller would be similar to what it would cost the state of Montana to run this system. There are two full-time equivalent people to work on the Missouri program four months a year. He estimated the cost at \$45,000 in staff time. There are eight local area review committees. There are about 400 people that work on this program who are state employees.

Those people put in approximately one to three hours into the program at an average wage of \$8.50. The cost of the program is \$64,000 for those 400 people. From the 11,000 employees in Jefferson City, Missouri, they raised \$300,000. The total cost to the state of Missouri was approximately \$109,000. The state of Missouri raised statewide \$600,000 from 60,000 employees.

Rep. O'Keefe said that the only way that this legislation was accepted in the state of Missouri was with a strict legislative prohibition abolishing all other giving -- no girl scout cookie sales, etc. Rep. O'Keefe presented amendment (Exhibit 15) to the Committee to make the bill more palatable. He said he hoped the bill would not get out of Committee.

GLORIA HERMANSON presented written testimony (Exhibit 16).

Presented Written Statements in Opposition But Did Not Testify:

Brian F. Garrity, Self, (Exhibit 17).

Bill Pratt, Self, (Exhibit 18).

Linda Hays, Self, (Exhibit 19).

Questions From Committee Members: None

Closing by Sponsor: Rep. Jan Brown said she would reserve closing remarks for the executive session of the Committee tomorrow.

DISPOSITION OF HB 78

Hearing Date:

Motions: CHAIRMAN BROWN asked REP. COMPTON if he wished to make a motion. REP. COMPTON said that he did not, but that Jim Halverson, a Roosevelt County Commissioner, had traveled about 420 miles to briefly speak to the Committee regarding HB 78 that was tabled yesterday. Mr. Halverson said that there was a misunderstanding and wanted to speak about the bill. Chairman Brown said that he could speak if the Committee had no objections. The Committee had none.

Testimony: Mr. Halverson said that he appreciated the opportunity to speak. He said that he thinks that there is a misunderstanding on HB 78 dealing with the Indian Affairs Coordinator. He wanted everyone to understand that Congress and the courts are mandating that the state of Montana and the counties deal directly with the Indian tribes in the state. These Indian tribes are recognized government entities. What we are asking is to merely create a

coordinator position that can assist in this. This is in no way to be considered detrimental to the tribes and the Indian people in this state. There are many disagreements dealing with hunting, fishing, land use, solid waste problems and different things. The idea is to have a coordinator, not necessarily someone who knows it all, who has the ability to get people together to discuss the issues, try to help to solve them and to coordinate the efforts. He said he hopes that there is not a misunderstanding of what they are trying to do here.

REP. DAVIS moved to reconsider HB 78. REP. SQUIRES said that REP. RUSSELL, who is not here, asked to postpone action on the bill until tomorrow. REP. RUSSELL plans on having the gentlemen that is the Coordinator of Indian Affairs here tomorrow to discuss this issue.

REP. DAVIS said he would withdraw his motion if the Committee reconsiders the bill tomorrow.

DISPOSITION OF HB 599

Hearing Date: February 15, 1989

Motion: Rep. Davis moved HB 599 DO PASS.

Amendments, Discussion, and Votes: Lois Menzies distributed sponsor's amendments (Exhibit 20). She said that they address the concern of the Montana Newspaper Association concerning liability for false advertising. In addition, amendment no. 4 would eliminate the penalty for violation of the code of fair campaign practices. Rep. Davis moved the amendments.

The motion on the sponsor's amendments CARRIED 15 - 3, with Reps. DeBruycker, Nelson and Spring voting no.

REP. ROTH said he has a concern about the language that was taken out regarding an out-of-context representation of a voting record. He said he wanted to have that language put back in the bill. REP. ROTH moved that the stricken language on page 1, lines 22 through 25 be reinstated in the bill. The motion CARRIED 13 - 5, with Reps. Gervais, Squires, Davis, Cocchiarella and Russell (voting by proxy) voting no.

Recommendation and Vote: Rep. Davis moved HB 599 DO PASS AS AMENDED. The motion FAILED on a roll call vote of 9 - 9.

DISPOSITION OF HB 632

Motion: Rep. Cocchiarella moved HB 632 DO PASS.

Discussion: CHAIRMAN BROWN said that there isn't a fiscal note on the bill. REP. ROTH said that Rep. Daily had given the Committee a figure of approximately \$6 million. REP. ROTH said that the bill is too expensive at this point in time for all parties involved.

Amendments, Discussion, and Votes: REP. COCCHIARELLA said that she talked to Rep. Daily yesterday and he had asked if the Committee would at least consider the amendment to change the formula. REP. COCCHIARELLA moved the sponsor's amendment (Exhibit 21).

Lois Menzies distributed another amendment that addressed the problem of the university system. This amendment would also increase the employer and the employee contributions to the optional retirement plan to make certain that this optional plan and the teacher's retirement plan remain comparable. In the bill as drafted, the contribution rates to the optional retirement plan are frozen. This amendment would remove the language that freezes the rates and allows them to increase at the same rate as proposed in the bill for the teacher's retirement system.

REP. COCCHIARELLA moved the amendment presented by Ms. Menzies. She said that the amendment deals with about 25 percent of those university employees who "opted" out of TRS and have their own program. REP. COCCHIARELLA said that she is not sure of the costs, but that it is important that this amendment goes along with the rest of the bill.

The motion on both amendments CARRIED 13 - 5, with Reps. Spring, Nelson, DeBruycker, Phillips and Hayne voting no.

REP. COCCHIARELLA moved HB 632 DO PASS AS AMENDED.

REP. ROTH said that he thinks it is clear that this bill costs too much money, it isn't practical, it is never going to get funded. He made a substitute motion TO TABLE HB 632.

Recommendation and Vote: A roll call vote was taken. The motion CARRIED by a vote of 11 - 7.

ADJOURNMENT

Adjournment At: 11:24 a.m.



REP. JAN BROWN, Chairman

JB/jb

4014.min

DAILY ROLL CALL

STATE ADMINISTRATION COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date February 16, 1989

NAME	PRESENT	ABSENT	EXCUSED
Rep. Jan Brown, Chairman	✓		
Rep. Helen O'Connell, Vice Ch.	✓		
Rep. Vicki Cocchiarella	✓		
Rep. Ervin Davis	✓		
Rep. Floyd "Bob" Gervais	✓		
Rep. Janet Moore	✓		
Rep. Angela Russell	✓		
Rep. Carolyn Squires	✓		
Rep. Vernon Westlake	✓		
Rep. Timothy Whalen	✓		
Rep. Bud Campbell	✓		
Rep. Duane Compton	✓		
Rep. Roger DeBruycker	✓		
Rep. Harriet Hayne	✓		
Rep. Richard Nelson	✓		
Rep. John Phillips	✓		
Rep. Rande Roth	✓		
Rep. Wilbur Spring, Jr.	✓		

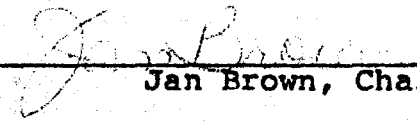
STANDING COMMITTEE REPORT

February 16, 1989

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Bill 691 (first reading copy -- white) do pass.

Signed: _____


Jan Brown, Chairman

STANDING COMMITTEE REPORT

February 16, 1989

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Bill 604 (first reading copy -- white) do pass.

Signed: _____

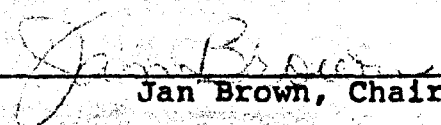

Jan Brown, Chairman

EXHIBIT 1
DATE 2-16-89
HB 691

WITNESS STATEMENT

NAME JOE PRATT BILL NO. _____

ADDRESS 1820 Rodgers ST MISSOURI MT 59802

WHOM DO YOU REPRESENT? CITY OF MISSOURI

SUPPORT ✓ OPPOSE _____ AMEND _____

COMMENTS: I agree that the Governor should have an opportunity to designate the Dept that the Federal Surplus Property should operate under.

Reservations - I operate Missouri's Federal Property Program - I don't want changes that would limit my ability to personally screen in or out of the state.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

COMPARISON OF MONTANA PUBLIC RETIREMENT SYSTEMS

SYSTEM	CONTRIBUTION RATES	SOC. SEC.	RETIREMENT ELIGIBILITY	BASIC BENEFIT FORMULA
PERS	Employee 6.0% Employer 6.417%	Yes	Regular: age 60 w/ 5 yrs. service age 65, regardless of serv. 30 yrs service, any age Early: age 50 w/ 5 yrs. service 25 yrs service, any age	$1.66\% \times \text{FAS}^* \times \text{years of service}$ (FAS = Final Average Salary = Average of highest consecutive 36 mos. salary) $1.66\% \times \text{FAS} \times \text{years of service} \times$ Early retirement factor $1.66\% \times \text{FAS} \times \text{years of service}$ Early retirement factor $1.66\% \times \text{FAS} \times \text{years of service} \times$ Early retirement factor
TEACHERS	Employee 7.044% Employer 7.428%	Most	Regular: age 60 w/ 5 yrs. service 25 yrs. service, any age Early: age 50 w/ 5 yrs. service	$3.33\% \times \text{FAS} \times \text{yrs of service to 15 plus}$ $1.00\% \times \text{FAS} \times \text{yrs in excess of 15}$ Same as above, actuarially reduced from age 65
JUDGES	Employee 6.0/7.0% State 6.0% Dist.Crt. Fees 31.0% Supreme Crt. 1/4 court fees	Yes	Regular: age 65 w/ 5 yrs. service Involuntary: any age w/ 5 yrs. service	$2\% \times \text{FAS} \times \text{yrs of service}$ Same as above, actuarially reduced from age 60
HIGHWAY PATROL	Employee 7.59% Employer 26.75% + license fees	No	Regular: age 50 w/ 20 yrs. service Early: any age w/ 5 yrs. service	$2\% \times \text{FAS} \times \text{yrs of service to 25} +$ $1.35\% \times \text{FAS} \times \text{yrs in excess of 25}$ up to max. of 60% FAS $2\% \times \text{FAS} \times \text{yrs of service, actuarially}$ reduced from age 65 or 25 years service Same as early retirement
SHERIFFS	Employee 7.00% Employer 7.67%	Yes	Regular: age 55 w/ 25 yrs. service Early: age 55 w/ 20 yrs. service Involuntary: 10 yrs service, age 55	$2\% \times \text{FAS} \times \text{yrs of service to 20}$ $+ 1\% \times \text{Final Comp.} \times \text{yrs in excess}$ of 20, up to a max of 60% of salary $2.0\% \times \text{Final Comp.} \times \text{yrs of service, up}$ to a max of 60% (Post-7/1/81 hire)
GAME WARDENS	Employee 7.90% Employer 7.15% + fines	Yes	Regular: Age 50 w/ 20 yrs. service Involuntary: 10 years service, age 55	$2\% \times \text{FAS} \times \text{yrs of service}$ $2.5\% \times \text{Final Comp.} \times \text{yrs of service to 20}$ $+ 1\% \times \text{Final Comp.} \times \text{yrs in excess}$ of 20, up to a max of 60% of salary
POLICE	Employee 6.0/7.5% Employer 13.02% State 15.06%	No	Regular: Age 50 w/ 20 yrs service	$2.5\% \times \text{Final Comp.} \times \text{yrs of service to 20}$ $+ 1\% \times \text{Final Comp.} \times \text{yrs in excess}$ of 20, up to a max of 60% of salary
FIRE- FIGHTERS	Employee 6.0% Employer 13.02% State 22.98%	No	Regular: Age 50, w/ 10 yrs service	$2.5\% \times \text{Final Comp.} \times \text{yrs of service to 20}$ $+ 1\% \times \text{Final Comp.} \times \text{yrs in excess}$ of 20, up to a max of 60% of salary

EXHIBIT 2DATE 2-16-89HB 693

**Appendix to Judgment of Dissolution of Marriage
Concerning Pension Benefits**

DATE 2-16-89
IN THE SUPERIOR COURT OF THE STATE OF IN

IN AND FOR THE COUNTY OF _____

Petitioner, _____ CASE NO. _____

and _____ APPENDIX TO JUDGMENT
OF DISSOLUTION OF
MARRIAGE CONCERNING
PENSION BENEFITS FROM
THE _____

Respondent. _____ PENSION PLAN _____

PART A—DESCRIPTION OF PENSION BENEFITS
(To be completed by Pension Plan Administrative Agent)

(1) _____ (hereafter, Participant) (Name and Social Security Number)

(Check one of the following boxes and fill any blanks following that box.)

☐ has been a participant in the _____ Plan (hereafter, Pension Plan) since _____ and is still active; or

☐ was a participant in the Pension Plan from _____ to _____ and is now inactive. Participant is/is not vested (circle one).

(2) Participant has accrued credit in the Pension Plan which may entitle Participant to receive a monthly benefit at a later date. The amount of said benefit payment shall be based upon the amount of credited service accrued at the time of retirement.

(3) The Pension Plan is advised that the parties to this dissolution were married on _____ (date) and separated on _____ (date). During that time, Participant accrued _____ units of credited service.

(4) The Plan allows for early retirement at age _____; and for normal retirement at age _____.

Early Retirement Benefit Value

(a) At such future time as Participant and/or Spouse applies, and Participant qualifies, for early pension benefits under the Pension Plan, the aforesaid _____ years of credited service will generate either of the following:

(i) Single life early pension benefit of \$ _____ per month, based on the current Plan formula; or

(ii) The 50 percent joint and survivor early pension benefit of \$ _____ per month for the lifetime of the Participant and \$ _____ per month for the remaining lifetime of the Survivor.

Normal Retirement Benefit Value

(b) At such future time as Participant and/or Spouse applies, and Participant qualifies, for normal pension benefits under the Pension Plan, the aforesaid _____ units of credited service will generate either of the following:

(i) Single life early pension benefit of \$ _____; or
(ii) The 50 percent joint and survivor early pension benefit of \$ _____ per month for the lifetime of the Participant and \$ _____ per month for the remaining lifetime of the Survivor.

(5) **Preretirement Survivor Benefits.** In the event Participant is vested and dies before early retirement age, his service during marriage set forth in Part A(3) would entitle Spouse to a preretirement survivor annuity in the amount of \$ _____ per month at Participant's early retirement age, unless indicated otherwise in Part B hereof.

DATE _____ PENSION PLAN
ADMINISTRATIVE AGENT

PART B—DISPOSITION OF PENSION BENEFITS
(To be completed by parties to the dissolution)

Check the box preceding No. 1 or No. 2.

If box No. 2 is checked, complete the subsequent blanks.

☐ (1) It is ordered that there shall be no division of the monthly pension benefit described in Part A. The entire interest in said benefit is awarded to Participant in consideration of the division of other property.

DATE 2-16-89
 269

(2) It is ordered that:

(a) _____ (Name and Social Security Number)
 (hereafter, Spouse) has an interest in Participant's monthly pension benefit from the Pension Plan, if, when and as paid;

(b) That payment of such benefits to Spouse shall commence at (check one of the following boxes and complete subsequent blanks):

☐ (i) Participant's early retirement date (age _____) (Note limitation for this choice in Part C(2)(b) hereof); or

☐ (ii) Participant's normal retirement date (age _____); provided, however, that if Participant retires and begins receiving benefits prior to Participant's normal retirement benefit, Spouse's benefits will commence at the same time.

(c) That such interest of Spouse is (check one of the following boxes and complete the subsequent blanks):

☐ (i) _____ % of Participant's single life annuity pension benefit of \$ _____ per month, as described above in Part A(4)(i), which computes to \$ _____ per month during the lifetime of Participant. However, this interest is subject to the provisions of Part C.

☐ (ii) _____ % of Participant's joint and survivor annuity lifetime payment of \$ _____ per month as set forth in Part A(4)(ii), which computes to \$ _____ per month during the lifetime of the Participant. The Spouse shall also maintain his/her interest in the survivor annuity. Choice of the joint and survivor annuity will become irrevocable upon the first payment to Participant or Spouse. However, this interest is subject to the provisions of Part C.

(3) Preretirement Survivor Benefits. In the event Participant dies before retirement, it is ordered that (check one of the following boxes):

☐ (a) Spouse shall be entitled to the preretirement survivor annuity earned during the marriage as set forth in Part A (5).

☐ (b) Spouse shall not be entitled to the preretirement survivor annuity.

PART C—UNDERSTANDINGS AND CONDITIONS.

(1) Remarriage. The subsequent remarriage of either party shall not affect the disposition described in Part B.

(2) Modification of Benefit Level:

(a) Prior to Payment of Benefits to Spouse. In the event that pension benefits are increased or decreased, based on the value of service accrued during the marriage, prior to the time that Spouse begins receiving benefits hereunder, the monthly benefits to both parties shall be adjusted on a pro-rata basis to reflect the modification.

(b) Subsequent to Payment of Benefits to Spouse.

(i) In the event Spouse commences receiving benefits prior to payment of benefits to Participant, Spouse shall not be entitled to any increases in benefits subsequent thereto (i.e., after Spouse commences receiving benefits.)

(ii) Conversely, in the event Spouse and Participant commence receiving benefits at the same time, Spouse shall be entitled to a pro-rata share of any subsequent increases in benefits which are based on the value of service accrued during the marriage.

(c) Miscellaneous Retirement Options. The amount of the monthly benefit set forth in Part A(4) describes certain common options under the Plan. The amounts may be modified if Participant and/or Spouse selects a date other than the early or normal retirement date, a different joint and survivor option, or Participant becomes disabled.

(3) Disability Retirement. In the event Participant becomes disabled and is entitled to begin receiving a disability pension benefit, Spouse shall begin receiving benefits at the same time.

(4) Return to Work. In the event Participant returns to work after retirement, Participant's benefits may be suspended in accordance with the Pension Plan's return to work rules. In such event, Spouse's benefits shall not also be suspended.

(5) Death of Either Party. Upon notification of the death of a party hereto, the surviving party shall notify the Trust Fund of the death as soon as possible.

(6) Death of Participant—Preretirement Survivor Benefits. In the event Spouse begins receiving benefits under a joint and survivor option prior to Participant's retirement, and Participant subsequently dies prior to retirement, Spouse shall be entitled to the greater of the following:

- (a) The survivor benefits set forth in Part B(2)(c) hereof; or
(b) The preretirement survivor benefits set forth in Part A(5), unless such benefits have been waived.

If spouse elects and begins receiving the single life annuity described in Part B(2)(c)(i), Spouse's benefits shall cease at Participant's death, even if Participant dies before retirement.

(7) Lump Sum Cashout. In the event the Spouse's or Participant's interest in the Plan is \$3,500 or less, the Plan may make a lump sum distribution of the amount when payable.

(8) Address. Participant and Spouse shall advise the Pension Plan of any changes in the mailing address(es) or legal name(s) set forth below.

(9) Copy to Pension Plan Counsel. A conformed copy of this Appendix and the Judgment of Dissolution of Marriage shall be provided to Counsel for the Pension Plan before filing with the Court.

(10) Qualified Domestic Relations Order. This Appendix is intended to fulfill the requirements of a qualified domestic relations order pursuant to ERISA. The parties hereto certify that they are not aware of any prior orders which purport to dispose of the benefits described herein.

PETITIONER:

RESPONDENT:

Date _____

Date _____

Petitioner's Address: _____

Respondent's Address: _____

Telephone: () _____

Telephone: () _____

ORDER

IT IS SO ORDERED this _____ day of _____, 19____

Judge of the Superior Court

APPROVED FOR PENSION PLAN:
PRESENTED BY ATTORNEY FOR PETITIONER/RESPONDENT:

Copy received and Notice of Presentation waived:

Attorney for Petitioner/Respondent

1. Pub. L. No. 98-397, Aug. 23, 1984, 98 Stat. 1426 [Title 26, §§72, 401, 402, 410, 411, 414, 417, 6057, 6652; Title 29, §§1001 note 1025, 1052-1056, 1144].
2. See, e.g., *Stone v. Stone*, 450 F. Supp. 919 (N.D. Cal. 1978), *aff'd*, 632 F.2d 740 (9th Cir. 1980), *cert. denied*, 453 U.S. 922, 101 S. Ct. 3158 (1981).
3. ERISA Section 206(d)(3)(A); 29 U.S.C. §1056(d)(3)(A).
4. An attorney representing clients in marital dissolution proceedings should be aware that the spouses' pension benefits may be among the principal assets of the parties. Omission of the pension asset from consideration in dissolution proceedings can lead to serious consequences. See, e.g., *Gorman v. Gorman*, 90 Cal. App. 3d 454, 153 Cal. Rptr. 479 (1979) [malpractice suit against the attorney in dissolution proceedings for failure to claim retirement benefits resulted in judgment damages of \$56,063.64].
5. Retirement benefits attributable to employment during marriage, whether vested or nonvested, are community property. In *Re Marriage of Brown*, 15 Cal. 3d 838, 126 Cal. Rptr. 633, 544 P.2d 561 (1976), *accord*, *DeRevere v. DeRevere*, 5 Wn. App. 741, 491 P.2d 249 (1971). See, also, *In Re Marriage of Gilmore*, 29 Cal. 3d 418, 174 Cal. Rptr. 493, 629 P.2d 1 (1981).
6. Whether or not a court may retain jurisdiction to later divide the pension benefits depends upon state law. For example, in California, Civil Code §4800 permits a court to retain jurisdiction over pension assets; see *In Re Marriage of Brown*, 15 Cal. 3d 838, 126 Cal. Rptr. 633, 544 P.2d 561 (1976). It has been held to be an abuse of discretion for a trial court to attempt to divide conjugal community assets; see *In Re Marriage of Munghia*, 146 Cal. App. 3d 853, 195 Cal. Rptr. 199 (1983). Washington, on the other hand, does not permit a court to retain jurisdiction. RCW 26.09 has been held to require a final disposition of property at the time of the decree of dissolution; see *Marriage of Little*, 96 Wn. 2d 183, 634 P.2d 498 (1981).
7. ERISA Section 206(d)(3)(A); 29 U.S.C. §1056(d)(3)(A).
8. ERISA Section 206(d)(3)(B); 9 U.S.C. §1056(d)(3)(B).
9. ERISA Sections 206(d)(3)(C) and 206(d)(3)(D); 29 U.S.C. §§1056(d)(3)(C) and 1056(d)(3)(D).
10. ERISA Section 206(d)(3)(B); 29 U.S.C. §1056(d)(3)(B).
11. ERISA Section 206(d)(3)(B)(iii); 29 U.S.C. §1056(d)(3)(B)(iii). The legislative history indicates that the alternative payee may not share in any subsequent increases in the pension benefit if the qualified order requires payments to begin before the participant retires (Cong. Rec. H8761-62 [daily ed. Aug. 9, 1984]). There are two stated exceptions to this rule: one permits the alternative payee to share in such increases if the pension plan specifically so provides [H.R. Rep. No. 98-655, Part II, 98th Cong., 2nd Sess. 20 (1984)]; the other per-

HB 693

Teachers' Retirement Board
February 16, 1989
David L. Senn

10/2

The Teachers' Retirement Board is opposed to HB 693.

1. What problem are we correcting within the TRS and how will this bill benefit the membership of the system?

Based upon the most recent data available (1987) from the Departments of Health and Labor, 1% of the work force in Montana is divorced each year. The TRS has approximately 15,000 contributing members, 4,000 inactive vested members and 6,300 retirees, or a total of 25,300 members. If we assume 1 % of the TRS membership is divorced each year, we will see 253 divorces of which we assume only 25 to 50 percent will be qualified domestic relation orders (QDRO) or 63 to 125/year. Other alternatives should be review and the full impact of such legislation understood before we proceed.

2. This proposal will be expensive and impossible to administrator.

The data processing system of the TRS must be enhanced to track and pay alternate payees (ex-spouse). est cost \$84,000.00

The bill is effective January 1, 1990. The data processing system cannot be modified within this time frame. The system must be automated if we are going to accurately track alternate payees and the impact of a QDRO on the members' right to a refund or monthly retirement benefit. What would happen if we accidentally refunded an account on which we were liable for a QDRO?

Also, each QDRO must be reviewed by the actuary and attorney. estimated cost; \$500/QDRO or \$31,500 per year, assuming 63 QDRO's per year.

Under a QDRO an ex-spouse may start receiving benefits as early as age 50 even though the member has not retired. If this happens what will be the actuarial equivalent benefit payable to the member at retirement? What happens if the ex-spouse dies before the member retires or after retirement? Will benefits be recalculated? Will the member continue to receive a reduced benefit?

There are many questions such as these that must be reviewed and answered before the Teachers' Retirement Board can support legislation. The estimated cost to update our existing data

EXHIBIT

4

DATE 2-16-89

HB 693

processing system, just to track and pay benefits to the members and retirees effected by this legislation, will be in excess of \$84,000.00 and there will be other administrative costs as well. 2812

We believe that legislation, if necessary, should address the needs of the members of the Montana public retirement systems. that simply adopting federal regulations can create more problems for the members of the system than it solves, not to mention the additional administrative expense that the system must bear.

EXHIBIT 5
DATE 2-16-89
HB 693

1/2

HOUSE BILL NO. 693
QUALIFIED DOMESTIC RELATIONS ORDER

Larry Nachtsheim, Administrator
Public Employees' Retirement Division

The Public Employees' Retirement Board must oppose this bill. The PERD cannot implement this bill with current resources. Currently, the PERD records are maintained on two computer systems.

A retiree system maintains the statistical data for 10,000 retirees and processes the monthly benefit payroll. It is designed to make a single payment for each retirement benefit. If a member dies, the system continues the single payment to designated beneficiaries. There is never more than one monthly check issued through this system for a single benefit. This system is only a year old and it would cost about \$3,000 to enhance the program for multiple checks.

The second system, which is on the mainframe, is 18 years old which is ancient by computer standards. It updates 29,000 active member accounts monthly. It only has the capacity to maintain one designated beneficiary. It does not have the capacity to lock-in and flag beneficiaries for payment 5, 10 or 15 years down the road.

We have reviewed the enhancements required to implement the bill. Information Services Division advises us it cannot be done under the current system. As a rough estimate to redesign a new system, it will cost between \$250,000 to \$300,000, with an estimated completion date between August, 1990 to December, 1990.

I don't want to mislead the committee. We assume that only 10% of the cost would be attributed to the maintenance of this bill; the remaining 90% is to redesign the current system in the next session, as the current system is fragile.

The second issue is the need for this legislation. We anticipate the enactment of this bill will probably affect 100 members and retirees and their spouses each year, with possibly a retroactive effect of maybe 100 additional cases the first year.

Based on the information currently requested in divorce cases and the potential liabilities placed upon the division, we anticipate that each case will average about 2 to 3 hours actuary time plus an additional 2 to 3 hours attorney time, or about \$500 to \$600 per case.

We feel there is a serious question as to whether or not the systems should absorb the cost of providing very technical information for divorcing members. Currently, we provide the basic information on request free of charge. We make no calculation as to present value or accept any liability for payment. The retirement system is not a party to any divorce. This bill would make them a party.

EXHIBIT 5
DATE 2-16-89
HB 693

202

For the committee's information I have copies of a model QDRO.

This is the best technical document I have seen on the issue. It provides a good basic coverage of what potential incidents may occur from the time a divorce settlement is made and payments actually begin, which could be a good many years.

Somewhere down the road the federal government may mandate some form of QDRO for public systems, but than again, they may not.

The Public Employees' Retirement Board will continue to cooperate with divorce attorneys and the courts in providing necessary information to provide equitable distribution of retirement assets; however, they feel the staff and resource limitations of the PERD are better directed to serving the vast majority of the system members. They would like to leave divorce settlements and the associated deliberations to the divorce experts, the attorneys and the courts.

Thank you for your consideration.

Clean up bill

HB 604

will Equalize Benefits

EXHIBIT

HE 604

6
2-16-89

1012

1. Will resolve the current problem of Pre 1975 retirees receiving more than some post-75 retirees.
2. Will equalize benefits between the Police and Firefighters retirement systems. These systems were intended to have similar benefit levels.
3. Depending on the fate of other legislation before the current session, this retirement system is the last system without some type of COLA for its retirees.
4. There is no actuarial cost to the MPORS retirement system. Funding is provided from a source (tax premium fund) specifically created for this purpose.
5. Sufficient funding exists in the tax premium fund to pay these supplemental benefits without a foreseeable increase in tax premium rates.

History of Tax Premium Fund

The premium tax collected from insurance sold in this state to insure against specific risks is a tax that was specifically instituted to assist in paying retirement, disability and survivorship benefits for police and firefighters in Montana.

At one point in time, the dangers facing firefighters and police officers in Montana were such that cities were find it difficult to recruit and retain trained personnel in these areas. The pay and other benefits available to police and firefighters did not compensate for the risk.

The lack of trained personnel was causing an additional problem for insurance companies and Montanan's paying for insurance. The insurance risks were becoming so great that the insurance industry proposed instituting the insurance premium tax to fund increased benefits for police and firefighters. The objective was to increase retirement, disability and death benefits as an aid in recruiting and retaining qualified personnel and thus reduce both the insurance risks and premiums in the state.

Problem:

Since any residual in the tax premium fund reverts to the General Fund each year, increasing supplemental benefit payments from this fund will reduce revenues available to the General Fund each year (see fiscal note).

However, since the \$95,367 which is paid each year to the MPORS is scheduled to sunset after FY 92, the net impact of this legislation to General Fund will be reduced in future years.

allowance adjustment for members who retired before July 1, 1992

EXHIBIT 6
 DATE 2-16-89
 HB 604
 2062

TAX PREMIUM COLLECTIONS AND DISTRIBUTIONS
 ACCOUNT 02401 (2.75%)
 NOVEMBER 29, 1988

	87 COLLECTIONS PD AUG/88 ~~~~~	86 COLLECTIONS PD AUG/87 ~~~~~	85 COLLECTIONS PD AUG/86 ~~~~~
TOTAL PREMIUM TAX COLLECTED FROM INSURANCE ENUMERATED IN 19-11-512	\$11,199,933.00	\$10,913,464.00	\$9,675,800.00

DISTRIBUTIONS

VOLUNTEER FIREMEN (5% OF TOTAL)	559,996.65	545,673.20	483,790.00
FIREFIGHTERS (19-13-604) % OF SALARY	2,125,361.36	2,061,724.14	1,792,020.79
LOCAL FIREFIGHTERS (19-11-512) (1 1/2 MILLS)	178,569.00	177,788.00	175,094.00
MUNICIPAL POLICE (19-9-702) % OF SALARY	1,478,534.40	1,442,265.04	1,330,324.93
MUNICIPAL POLICE (19-9-1007) SUPPLEMENTAL	1,003,643.22	961,504.35	913,373.82
MUNICIPAL POLICE UNFUNDED LIAB (19-9-503)	95,367.00	95,367.00	95,367.00
LOCAL POLICE (19-10-305) (1 1/2 MILLS)	170,415.00	170,073.00	167,102.00
LOCAL POLICE SUPPLEMENTAL (19-10-506)	39,358.00	37,732.00	36,057.00
LOCAL POLICE ACTUARY SEVICES (19-10-205)	3,000.00	2,978.40	
TOTAL DISTRIBUTION	\$5,654,244.63	\$5,495,105.13	\$4,993,129.54
TAX PREMIUM REVERTED TO GENERAL FUND	\$5,545,688.37	\$5,418,358.87	\$4,682,670.46

**MONTANA RETIRED POLICE OFFICER
ASSOCIATION**

EXHIBIT 7
DATE 2-16-89
HB 604

**HB 604 - Section 19-9-1011 MCA
Legislative Amendment**

My name is Bill Steele. I am a retired member of the Great Falls Police Department. I am here before you as a representative of the Montana Retired Police Officer Association. and wish to speak on behalf of HB 604. We stand in favor of this bill.

The purpose of HB 604 is to make Section 19-9-1011 equitable for all police officers who retire under this section. At the present time it is not serving each retired officer in an equal manner.

At the present time an officer who retired before July 1, 1975 receives his retired payment as determined by the years he served in active service (20 years or more). When that retirement amount becomes less than half of the pay of a newly confirmed officer of the city department he/she served at time of retirement, that person's retirement pay then becomes based on, and is paid each year at the rate of half of a confirmed officers pay scale for that particular city. The officer who retired after July 1, 1975, or is yet to retire (after 20 years of service or more, and reached the age of 50 years) retires at a fixed amount for which there is no adjustment at a future date.

In 1985 the legislature made a one time adjustment for officers who retired between July 1, 1975 and July 1, 1985. This bill brought approximately 16 officers up to the same retirement as those retired before July 1, 1975. At the present time those same 16 officers are now once again receiving less than those retiring before July 1, 1975.

HB 604 would correct this inequity. This amendment is not a request for an additional benefit for all recipients of the police retirement system. It is an amendment that establishes an equity within the system, so that what some are now receiving will be received by all. We would greatly appreciate your support of this bill.



COMMON CAUSE/MONTANA

P.O. Box 623
Helena, Montana 59624

(406) 442-9251

8
DATE 2-16-89
HB 660
102

TESTIMONY OF COMMON CAUSE IN SUPPORT OF

HOUSE BILL 660

16 FEBRUARY 1989

Madame Chairwoman and members of the House State Administration Committee, for the record, my name is C.B. Pearson, Executive Director of Common Cause in Montana. I am here today on behalf of the members of Common Cause.

Common Cause would like to go on record in support of House Bill 660. In our opinion, our current laws need to be stronger to address campaign law violations. This bill will allow both the Commissioner of Political Practices and, when appropriate, citizens the opportunity to pursue the enforcement of a campaign violation.

This bill originated from two sources. First, in working to draft legislation to cover false political advertising the right of a citizen's action was discovered in the Oregon false publication statute. In one sense this bill is companion legislation to HB 599 that this committee heard yesterday.

Second, Montana's lobbyist disclosure law, passed by initiative has a citizen action provision in it. While noting that this provision has never been used, it is an important part of the legislation that gives rights to the citizens of Montana. This is consistent with Montana's rich history of citizen involvement in the governance of the state and with honest, open government.

EXHIBIT

8

DATE

2-16-89

HB

660

20/2

This bill provides 30 days for the Commissioner in which to make a decision on whether to take action on a written complaint. If the commissioner chooses not to act or does not act then a citizen can file a second notice. If no action is taken within 5 days then the citizen is free to file a civil action. This system is beneficial because it will establish the rights of the citizen, and also establish a time table for addressing complaints. With passage of this bill the citizen is active in the process and action is taken while the issue is still relevant.

This bill also calls for a penalty of \$500 on three times the amount of the violation and also possible deprivation of the nomination or removal from office if the violation warrants such action.

This bill discourages unnecessary actions as the bill calls for prevailing attorney and court costs for the plaintiff or the plaintiff paying attorney fees and court costs if the case is dismissed and if the court finds the action was filed without reasonable cause.

We urge your support of House Bill 660 because it adds additional rights for the citizens of Montana and strengthens our campaign laws

We urge you to vote "do pass" on House Bill 660.

Rep. Jan Brown, Chair / Rep. Helen O'Connell, Vice-Chair
House State Administration Committee

Re: House Bill 660

Dear Mme. Chair,

There has been no notice posted or published regarding this hearing. I only learned of the hearing a few minutes ago and only because I was in the committee room on other business. As I have to be at hearings in other committees this morning, I may be unable to present this opposition testimony in person.

I see several problems in HB660. First, the committee should know that the great majority of complaints that were filed with Commissioner Dolores Colburg last year were dismissed by her--found to have alleged no violation. When she does this she does not refer the matter to a county attorney. Under the bill any time she does not refer a complaint to the county attorney one of these citizen suits can be filed. In other words you can prove to her that you did not violate the campaign law and then you would have to prove it all over again in District Court.

The bill is unequal in that a successful plaintiff shall receive attorneys' fees, but a ~~successful defendant~~ may be awarded attorneys' fees.

The typical "violation" is being a couple of days late in filing your C-5 report. Does this bill mean your opponent can take you to court and fine your campaign \$500 plus attorneys' fees if you are a day or two late in filing your report?

Roger Tippy
appearing for myself

STATE OF MONTANA
COMBINED STATE CAMPAIGN

I. Purpose

The intent of the State of Montana Combined State Campaign (CSC) is to provide an opportunity for employees to contribute to eligible charitable organizations through the state's voluntary payroll deduction process; to ensure accountability by participants in regard to the funds so raised; and to minimize work place disruption and administrative costs to Montana taxpayers by allowing only one employee solicitation per year.

II. Definitions

- A. Agency - A private, non-profit, philanthropic, human health and welfare organization.
- B. State of Montana Combined State Campaign (CSC) - The fund raising program established and administered by the Department of Administration pursuant to _____ and comprised of voluntary organizations which meet the eligibility requirements established herein.
- C. State Employee - Any employee subject to the provisions of the state payroll system.
- D. Voluntary Charitable Agency - An agency which is a qualified tax exempt organization under 26 USC 501(c) (3); is eligible to receive tax deductible contributions under 26 USC 170; can demonstrate that no substantial part of its activities is carrying on propaganda or otherwise attempting to influence legislation and does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office; and actively conducts programs and provides services to individuals residing within the state of Montana. The foregoing may include a federation of voluntary charitable agencies.
- E. Local Agency Review Committee (LARC) - In each campaign community, the committee of state employees responsible for determining the eligibility of agencies requesting permission to participate in the local campaign, the allocation of undesignated funds, and for selecting the PCFO. The LARC shall consist of not less than five

state employees and be chaired by a state employee. The Director of the Department of Administration is responsible for organizing the LARC and assuring that it carries out its responsibilities. The LARC chair will normally, but not necessarily, rotate among its members.

- F. Director - The director of the Montana State Department of Administration.
- G. A Campaign Community - An area covered by an organized PCFO, the exact boundaries of which are determined by the Director.
- H. Principal Combined Fund Organization (PCFO) - The organization selected by LARC, to manage the campaign on behalf of eligible participants in a local community.
- I. Federation of Agencies - A group of health and human service voluntary charitable agencies governed by a volunteer board of directors and which qualifies under 26 USC 501(c)(3) as a tax exempt organization.
- J. Designated Funds - Those contributions which the contributor has designated to specific agencies or federations.
- K. Undesignated Funds - Those contributions which the contributor has not designated to specific agencies or federations.

III. Basic Premises

- A. Payroll deduction is a preferred method of charitable giving, providing both contributor convenience and an enhanced level of financial support for vital community services. Employees wishing to contribute to the CSC should be encouraged to consider this method of payment.
- B. State employee involvement in the work of participating voluntary agencies is regarded as beneficial, not only to the annual campaign effort itself but to the overall morale and productivity of the state government environment. Accordingly, following the practice in business and industry and federal and state government it will be the policy of the state to permit time during the working day sufficient for volunteers to participate in the state campaign.

- C. In order to allow for the processing of payroll deduction requests to take effect with the beginning of a calendar year, the solicitation period will be September 1 through November 30. The length of the campaign period is intended to be eight weeks, although that period may be extended for good cause.
- D. Individual participating agencies may not engage in promotional activities among state employees at the work site during the campaign period. Work place solicitation of employees will occur only during the campaign period, only in accordance with the procedures outlined herein and only under the direction of the PCFO and LARC.
- E. Employee solicitations are to be conducted during normal working hours, using methods that permit true voluntary giving and reserve to the individual, the option of disclosing any gift or keeping it confidential. True voluntary giving is basic to fund raising activities. Actions that do not allow free choice or even create the appearance that employees do not have a free choice to give or not to give or to publicize their gifts or keep them confidential, are contrary to good fund raising policy. This should in no way be interpreted as restricting the need for an effective, well-organized education program among employees on the needs that exist in their community. All employees will be given the necessary information to make an informed decision. Group meetings are encouraged as this format provides the most efficient and effective method of educating employees.
- F. It is recommended that the LARC, with the involvement of the PCFO, set a goal for its local CSC. Generally, it provides a focus for group spirit and unity of purpose that contributes materially to success. In developing the proposed goal, the LARC should take into account past giving experiences in local state campaigns, the needs, and reasonable expectations of the voluntary agencies in the current campaign situation, and the potential of state employees to assist in their community. The objective should be to set a goal that will inspire an enthusiastic and purposeful campaign.
- G. Suggested giving guides for contributions may be utilized.
- H. Not more than one on-the-job solicitation will be made in any year at any location on behalf of participating voluntary agencies.

- I. In the event a participating voluntary agency fails to adhere to the eligibility requirements or to the policies and procedures of the state program, eligibility may be withdrawn by the Director at any time.
- J. Participating on behalf of a health or other "cause", i.e., for "mental health" or "heart disease", without identification of the specific voluntary agency for which the funds are sought, is not authorized. All funds collected from state employees must be allocated only to specific voluntary agencies that have been determined eligible for the campaign. Eligibility will be granted only for fund raising campaigns in support of current service programs. Capital fund campaigns are not authorized.
- K. The CSC is the only authorized payroll deduction fund raising effort among state employees for qualified charitable organizations.

IV. Eligibility Criteria

Any voluntary charitable agency, or federation of agencies, providing direct care services may participate in the campaign provided it meets all of the following criteria:

- 1. Its funds result from:
 - a) a community-wide solicitation; or
 - b) a nationwide solicitation organized on a national scale with a national board of directors, or is affiliated with a federation that is organized on a national scale with a national board of directors which regularly undertakes fund-raising activities at that level.
- 2. It is a nonprofit, tax exempt charitable agency under the meaning of Section 501(c) (3) of the U.S. Internal Revenue Code and any relevant state laws.
- 3. No substantial part of its activities is carrying on propaganda or otherwise attempting to influence legislation, and does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.
- 4. It has an active state or local governing board, meeting at least quarterly, whose members serve without compensation.

5. It provides services in the local community in which it applies for participation in the CSC.
6. It has direct and substantial local presence in the community in which it wishes to participate in the CSC. The services provided by the organization must be health and human services and be readily accessible to state employees within a reasonable distance of their homes or work locations. The agency shall have a local office open at least 15 hours per week or provide services on a statewide basis.
7. It operates without discrimination; religious, racial, or otherwise, both in employment and the delivery of services or the distribution of funds.
8. Its financial records are audited or reviewed annually by an independent CPA or LPA. Organizations whose annual budgets are less than \$50,000 may submit IRS Form 990 in lieu of an audit or review report.
9. It makes available to the general public on an annual basis a report detailing its local activities.
10. Its detailed annual budget is approved by its local governing body in a form consistent with annual financial statements.
11. It submits to the Director a statement affirming that its fund raising practices protect against unauthorized use of its CSC contributor lists, permits no general telephone solicitation of the public employee, permits no payment of commissions, finders fees, percentages, bonuses, or similar practices in connection with fund raising.

V. Administration

1. In each community where there are more than 100 state employees, the LARC shall select a PCFO to manage the campaign and serve as fiscal agent. In doing so, the LARC shall select whichever applicant organization found to be the local federated group in the community that provides through one specific annual public solicitation for funds the greatest support for charitable agencies that depend on public subscriptions for support, and that in the judgement of the LARC can most effectively provide the necessary campaign services and administrative support for a successful campaign. In the selection, the LARC shall consider:

- Number of agencies represented
 - Amount of money raised
 - Percentage of administrative and fund raising cost
 - Demonstrated expertise and reputation in the local community
 - Meets all eligibility requirements of a voluntary agency
2. Private, voluntary charitable agencies wishing to participate in the payroll deduction program in a local community campaign shall forward seven copies of the completed application packet to the PCFO in that local community prior to April 1 of each year.
 3. LARCs shall receive staff support services from the PCFO. It shall be the responsibility of the LARCs to satisfy themselves that the applying agencies meet the eligibility criteria set forth in this document. LARCs shall review the applications of the agencies and notify them in writing of their acceptance or rejection (rejections must be accompanied by explanation of the reasons for rejection) by April 15. The Director of The Department of Administration must be informed of the local decisions through copies of the notification letters to the applying agencies by April 20.
 4. Member agencies of locally approved federations shall be deemed automatically eligible for participation.
 5. An agency which has been denied admission will be allowed until April 30 to file an appeal with the Director. The Director shall notify appealing agencies, and the appropriate LARCs, of the final decision by May 15.
 6. It shall be the responsibility of the local PCFOs to develop, print and distribute campaign materials containing previously approved descriptions of agencies deemed eligible for participation. It shall be the responsibility of LARCs to approve all campaign materials. A pledge card approved by the Director will be used.
 7. State employees will be given the opportunity to specifically designate their gifts to agencies or federations described in the campaign materials, and pledge cards will be so designed to allow designations. This fact shall be prominently displayed on the pledge card and in the campaign materials.

8. PCFOs shall charge their actual administrative costs to each participating agency based on the percentage of total campaign monies received by that agency.
9. Any shrinkage experienced (monies pledged but not contributed) shall reduce the monies distributed to charitable agencies.
10. In each campaign community, an appropriate number of state employees will be recruited as volunteers by the LARC and trained by the PCFO. It shall be the responsibility of the volunteers to oversee the solicitation of the state employees in the campaign area.
11. As shortly after the local campaign concludes as possible, the local PCFO shall notify those agencies which are recipients of gifts of their total designation, and any share, minus any administrative and campaign costs, and the approximate schedule of payments.
12. Agencies shall receive undesignated funds in the same proportion as they were allocated designated funds.
13. The Director shall establish a New Hires Program, which will allow new state employees the opportunity to contribute to the CSC at the time of employment. Information and a pledge card shall be included with the state employee handbook.
14. Complaints relating to the CSC shall be referred to the Director for investigation and action.
15. The appropriate state agency will forward payroll deductions to participating PCFOs on a monthly basis.

VI. Administrative Roles and Responsibilities

A. Director

1. Reviews state-wide campaign materials, if applicable.
2. Rules on all appeals and other matters requiring state intervention.
3. Reviews end-of-year campaign report from PCFO's.

B. LARC Chair

1. Recruits members of LARC.
2. Presides over LARC meetings.
3. Refers all appeals or other matters of dispute to the Director.
4. Recruits appropriate number of state employee volunteers.

C. LARCs

1. Designate in each campaign community a State Employee Campaign Combined Fund Organization.
2. Appoint a local LARC Chair.
3. Review all agencies requesting participation in the local campaigns to determine if eligibility criteria are met.
4. Communicate admissions decisions in a timely manner to the appropriate parties.
5. Approve local campaign materials.
6. Approve training curriculum for volunteers.
7. Approve the local campaign plan and budget.
8. Determine the allocation of undesignated funds in accordance with clause V(12) above.
9. Generally oversee the local campaigns.

D. Local State Agency Heads - The head of each department or agency is responsible for:

1. Seeing that voluntary fund raising within the state department or agency is conducted in accordance with the policies and procedures prescribed herein.
2. Assuring the involvement of top-level staff in local campaign committees where they have offices; and
3. Communicating their participation in and support of the state campaign to agency employees state-wide.

4. Nominating LARC members in campaign communities.
 5. Providing lists of employees' names, by location, to PCFO.
 6. Serving on, or selecting a top-level designate to serve as a volunteer with the PCFO where appropriate.
 7. Undertaking the official campaign within their offices and providing active support.
 8. Assuring that personal solicitations on the job are organized and conducted in accordance with the procedures set in these regulations; and
 9. Cooperating with the PCFO toward the goal of a successful campaign.
- E. PCFOs - In their management role on behalf of participants in the campaign, the PCFOs will make decisions and carry out duties related to the conduct of the actual campaign, including but not limited to:
1. Participating with other select PCFOs, if requested by the Director, in initial recommendation/preparation of statewide campaign materials.
 2. Preparing and printing local brochure inserts listing participants in that campaign community.
 3. Developing volunteer and staff requirements.
 4. Developing local campaign timetable and plan, including such elements as the following:
 - Prepare campaign budget
 - Training of volunteers
 - Goal recommendations
 - Preparation of volunteer and promotional materials
 - Plan for rallies
 - Plan for pilot campaigns
 - Arrangements for report meetings
 5. Continuing follow-up with state employee volunteers in implementation of the plan.
 6. Processing, accounting, reporting, and distributing all funds contributed locally.
 7. Providing staff services to the LARCs.

VII. Campaign and Publicity Materials

A single Contributor's Information Brochure, a one-part list of participating voluntary agencies, and a single state pledge card are to be distributed to each state employee. The pledge card will have a uniform format statewide. It will be developed by a selected, representative group of PCFOs under standards set in this part, and will be approved by the LARC.

Campaign materials must constitute a simple and attractive package that has fund raising appeal and essential information. Treatment should focus on the combined campaign and homogeneous appeal without undue use of voluntary agency symbols or other distractions that compete for the contributor's attention.

1. Contributor's Brochure - this will be the only informational material distributed to individual contributors. It will describe the state campaign arrangement, explain the payroll deduction privilege, inform employees of their right to make a choice and provide information about the participating agencies and the local PCFO.

The brochure will provide instructions about how any employee may obtain more specific information about voluntary agencies participating in the campaign, their programs and their finances. It will also inform employees of their right and route to pursue complaints of undue pressure or coercion. The leaflet will explain that when gifts are designated to a specific participant, the PCFO will remit such funds directly to that agency. The leaflet will also clearly state the policy regarding distribution of undesignated funds.

2. Pledge Card - space will be provided on the pledge card so that the donor may indicate his choice, if any, of one or up to five voluntary agencies listed to receive all or part of his gift. The pledge card will indicate a minimum amount of \$1.00 per pay period. It will also allow for cash contributions.
3. List of Participating Agencies - This will be developed locally and will be an integral part of the Contributor Brochure and the pledge card. The brochure will list each voluntary agency, along with a code number, approved by the LARC for participation in the local Campaign, with a statement of 25 words or less on its programs. Contributors desiring to indicate a choice of agency or agencies to whom they wish their gift to

be directed - shall write the code numbers of the selected agencies in the spaces provided for that purpose on the pledge card.

The statement "_____ has been designated as the Principal Combined Fund Organization for this Campaign area" shall also appear prominently in the brochure. Other materials determined by the PCFO and LARC to be important to the success of their area's campaign may be developed locally. Such materials might include campaign guides, report envelopes, posters, publicity items, and awards for state agencies and chairs.

4. Costs - The operation of the payroll deduction system will be provided by state government as a service to its employees in the same manner that other authorized deductions are provided.

VIII. Summary

The Director retains responsibility for all decisions not expressly delegated to other parties herein.

The CSC procedures supersede any existing campaign agreements and practices which may have developed in their absence and with which they may now conflict.



AMERICAN LUNG ASSOCIATION OF MONTANA

Christmas Seal Bldg. — 825 Helena Ave.
Helena, MT 59601 — Ph. 442-6556

EARL W. THOMAS
EXECUTIVE DIRECTOR

EXHIBIT 11
DATE 2-16-89
RE 714

1 of 2

HB 714 - REPRESENTATIVE BROWN

CHAIRPERSON JAN BROWN AND MEMBERS OF THE COMMITTEE -
I AM ANNA JONES, PROGRAM CONSULTANT FOR THE AMERICAN
LUNG ASSOCIATION OF MONTANA, TESTIFYING FOR EARL W.
THOMAS, EXECUTIVE DIRECTOR OF THE ASSOCIATION.

THE AMERICAN LUNG ASSOCIATION OF MONTANA IS IN
SUPPORT OF HB 714. WE FEEL THAT AN ESTABLISHED WORK
PLACE SOLICITATION PROGRAM WILL BE BENEFICIAL TO THE
LUNG ASSOCIATION AND OTHER NON-PROFITS.

I HAVE ATTACHED A COPY OF OUR ANNUAL REPORT,
SUMMARIZING OUR PROGRAMS IN MONTANA.

PLEASE GIVE THE BILL A DO-PASS RECOMMENDATION.

MONTANAIR

Winter 1988 Publication of the American Lung Association of Montana Vol. 10, No. 4



Christmas Seals A Holiday Tradition

A familiar holiday tradition — Christmas Seals from the American Lung Association — was born in 1907 with the sale of the first 3,000 Seals to combat tuberculosis. Today Christmas Seals are mailed to millions of households nationwide. Donations to this year's Christmas Seal featuring Candy Claus, Santa's daughter, will help support the American Lung Association's research and public health education programs to prevent, cure and control all lung disease.

Winter Fun For Glendive

Robin Jung, mother of veteran Huff 'n Puff camper Jason Jung, has spearheaded the organization of a winter fund-raiser for Glendive that promises to provide great fun for the community as well as funds to fight children's lung disease. Scheduled for Saturday, January 28, youngsters and oldsters of every age will cross-county ski or walk at the Cottonwood Country Club Golf Course and at the Glendive Community Hospital. Susan Schwindt, mother of camper Travis Crow, is also helping with organization.

Roland Olson, Vice-President of the First National Bank of Glendive, will serve as General Chairman of the event. Mike Marnin, city recreation director, will lay out the courses at the Golf Club, and fit ski gear
(continued on page 7)

Smoking In The Workplace Conferences Held

Another series of "Smoking in the Workplace" seminars were held in November and December. Sponsored by the Rocky Mountain Tobacco Free Challenge, the State Department of Health and Environmental Sciences and the American Lung Association of Montana, the workshops covered "the burning issue before every employer and worker" in Helena, Great Falls and Billings.

The four hour programs dealt with health, legal and policy issues and featured a panel of representatives from each area who detailed how smoking policies were established in their organizations. Banks, U.S. West Communications offices, school systems and hospitals were some of the workplaces represented. The relative merits of "restricted areas" versus totally smokefree were weighed.

Rich Lundy, RRT of Deaconess Medical Center, Billings outlined the rationale behind that Hospital's decision to go totally smokefree:

1. Smoking is the leading preventable cause of death in this nation.
2. Even a brief exposure to smoke can cause distress and harm to our patients, visitors, and

staff, especially those who suffer from allergies or respiratory conditions.

3. Smoking delays the recovery of all patients, both smokers and nonsmokers.

4. Smoking increases Deaconess's maintenance and liability costs, decreases employee
(continued on page 2)

CHRISTMAS SEALS help the

American Lung Association

- support research on lung disease
- teach children never to smoke
- fight for clean air
- prevent occupational lung disease
- campaign for nonsmokers' rights
- teach smokers to quit for good

It's a matter of life and breath

AMERICAN LUNG ASSOCIATION
 The Christmas Seal People



Attorney Annie Bartos discusses the legal issues involved in workplace smoking policies at the Helena Smoking in the Workplace Conference. Ms. Bartos is a new member of the Lung Association's Board of Directors.
(photo by Doug Brown)

Association Welcomes New Board Members

Five Montanans began three year terms as Directors of the American Lung Association of Montana at the November 5 Board of Director's Meeting in Helena.

Annie Bartos, Staff Attorney for the Tort Claim Division of the Department of Administration and Bob Moon, Program Manager of the Health Education and Risk Reduction Programs of the Department of Health and Environmental Sciences, are both of Helena.

Dave Oberly is Health Coordinator for the Billings School Systems and Shaw Weaver is a Respiratory Therapist at Deaconess Medical Center in Billings.

Jim Duford, a Polson businessman, is associated with The Flagship clothing store.

The new Board members will be working in the areas of fundraising, smoking prevention and cessation, clean air legislation and adult and pediatric lung disease.

February 16, 1989.

EXHIBIT 12

DATE 2-16-89

MB 714

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Madame chair, and members of the committee, my name is Al Kurki. I am chair of Montana Community Shares--a voluntary, non-profit federation which provides a choice to state employees in workplace giving.

Community Shares representatives found out about this bill well after the bill drafting was initiated. While there have been minor changes made in the bill, we still perceive it as a piece of vague and arbitrary legislation that we think will cost the state a lot of money to develop and implement.

You needn't take my word for it, but you owe it to yourselves and state employees to answer the following questions when considering this legislation:

- Why is it suggested that the department of administration run this in-house, state campaign and not the state auditor's office, which already certifies who is eligible for payroll deduction using an existing set of clear and exacting criteria?
- What costs above and beyond rule-making and allowing employee solicitation on state time will the state have to bear in running this program? Our assessment is that establishment of local agency review committees alone (as called for in the legislation) could cost an undetermined amount of state staff time. And if you think rule-making isn't going to cost money, there are already a dozen pages of rules which have both costs and controversy in them.
- Should the state establish legislation and rules which exclude federations on the grounds of the type of service or constituency the federation provides or represents? even if they meet established structural criteria such as being recognized as tax-exempt organizations by the federal government? If this is the case, will the state be ready to take on legal challenges to any exclusionary language they create?
- A representative of state administration commented that a bid process would have to be established to select a managing voluntary agency (called a PCFO), yet the local agency review committee is supposed to select the PCFO. How will that work? Isn't that rather burdensome to state employees?

A streamlined, inexpensive, in-house program would:

- Place responsibility squarely with federations for organizing a joint in-house campaign before ever asking for legislation or rules. Then it's

February 16, 1989.

EXHIBIT 12
DATE 2-16-89
HB 714

2062

done at the expense of the voluntary organizations rather than the state in the legislative and rule-making process.

- Keep the need for state staff involvement and costs at a bare minimum. Why not have the auditor's office or administration simply certify that the federations meet simple pre-established criteria similar to those currently in place? A legislative and/or governor-appointed board could serve as a third party to hear appeals when necessary.
- Be limited to work-place giving federations and not single agencies. Montana Community Shares, Combined Health Appeal and United Way have all gone to a great deal of time and expense to organize umbrella federations for a lot of agencies. One of these federations could administer a donor option program for single non-federation agencies to extend that choice to state employees, but it is not necessary to institutionalize that. Look at a Combined Federal Campaign listing of agencies as an example of a hard to read, complex document.
- If necessary, create a self-funding mechanism to cover state costs, such as taking a very small percentage of the total state contributions made by state employees.
- Disburse funds separately to each federation. This would eliminate the need for a managing agency. It's also consistent with the current system already established by the state.
- Be non-exclusionary in its nature on the basis of service type, but set some structural limits on voluntary organizations and do the best it can in ensuring that state workers can exercise an informed choice in giving if they so desire.

In conclusion, if you are convinced that the state legislature should act on this matter, I'd suggest you kept your action simple and inexpensive--tell the federations such as United Way, Community Shares, Combined Health Appeal and others to work together to develop and implement a voluntary, in-house program that's inclusive, fair, low-pressure and low cost And then, come back in two years if legislation is necessary for reasons that you discover in working together rather than in struggling separately for favored status.

6.14.201 DEFINITIONS For purposes of these rules pertaining to voluntary payroll deductions, the following definitions apply:

(1) The term "financial institutions" means commercial banks, savings and loan associations, and credit unions.

(2) The term "investment programs" means annuities, bonds, retirement programs, and other legitimate investment opportunities.

(3) The term "State Auditor" means the state auditor, deputy state auditor, or other designated individual.

(4) The term "voluntary payroll deductions" means automatic deductions requested by a state employee to be withheld from his state payroll warrant which are not otherwise provided for by federal or state law, rule or regulation as required under any collective bargaining agreement.

(5) The term "charitable non-profit organization" means any charitable, educational or scientific organization which qualifies under federal tax law as an organization able to receive tax deductible contributions.

(6) The term "insurance" means the products offered by insurance companies authorized to conduct business in this state and that have been approved by the insurance commissioner pursuant to the applicable provisions of the laws governing the filing of insurance rates and forms. (History: Sec. 33-1-313 MCA; IMP, Sec. 17-1-122 MCA; NEW, 1986 MAR p. 246, Eff. 2/28/86.)

6.14.202 TYPES OF VOLUNTARY PAYROLL DEDUCTIONS The state auditor may establish the following types of voluntary payroll deductions in the central payroll system:

(1) The purchase of insurance;

(2) The deposit or payment of money into financial institutions and investment programs; and

(3) Contributions to charitable non-profit organizations. (History: Sec. 33-1-313 MCA; IMP, Sec. 17-1-122 MCA; NEW, 1986 MAR p. 246, Eff. 2/28/86.)

6.14.203 PROCEDURE FOR OBTAINING APPROVAL FOR VOLUNTARY PAYROLL DEDUCTIONS (1) All requests for voluntary payroll deductions must be in writing to the state auditor, signed by the authorized representative of the firm or organization. The following information should be provided to the state auditor:

(a) The purpose of the deductions;

(b) The nature of the deduction;

(c) An agreement not to solicit state employees during normal working hours unless a permit has been granted by the department of administration under ARM 2.11.101.

(d) An agreement to remit, upon telephone notice by the state auditor's office, any corrected balance due the state of Montana by placing a check in the mail within 24 hours; and

(e) Forms for voluntary payroll deduction for approval by the state auditor.

(f) The name, address, and telephone number of the responsible contact person representing the firm or organization. (History: Sec. 33-1-313 MCA; IMP, Sec. 17-1-122 MCA; NEW, 1986 MAR p. 246, Eff. 2/28/86.)

6.14.204 PAYROLL DEDUCTION APPROVAL (1) Any firm or organization operating as an insurance or financial institution, investment program or charitable non-profit organization requesting approval of a deduction shall have a minimum of 50 state payroll employees enrolled before requesting approval for a deduction. If at any time the number of employees requesting a deduction falls below the established number, the deductions may be discontinued by the state auditor.

(2) Approval of voluntary payroll deductions shall be within the discretion of the state auditor. In reviewing applications for payroll deduction, the state auditor shall consider the following:

(a) Compliance with all federal and state regulatory requirements;

(b) Applicants may have no on-going consumer investigations;

(c) Any other relevant factors. (History: Sec. 33-1-313 MCA; IMP, Sec. 17-1-122 MCA; NEW, 1986 MAR p. 246, Eff. 2/28/86.)

6.14.205 CONDITIONS FOR REVOCATION OF APPROVAL (1) The state auditor may revoke approval for a voluntary payroll deduction if:

(a) The number of state employees authorizing the voluntary payroll deduction falls below 50 the state auditor may discontinue the deduction. The state auditor shall send immediate notice to the authorized representative for the voluntary payroll deduction that the deduction has fallen below the minimum requirement and that the firm or organization has 30 days to meet the requirement; or

(b) There was solicitation of state employees during normal working hours without proper authorization or if the firm or organization or agents thereof solicits employees of the state by giving the impression their product is approved, authorized or in any way supported by the state; or

(c) There was noncompliance with any of the factors listed in ARM 6.14.204(2)(a), (2)(b), or (2)(c).

(2) If the discontinuation action is taken under ARM 6.14.205(1)(a) and if the firm or organization does not meet the requirement within 30 days, the deduction may be discontinued. If the discontinuation action by the state

auditor is based on ARM 6.14.205(1)(b) or (1)(c), the firm or organization may request a hearing pursuant to the procedures outlined in section 33-1-701 et seq., MCA. The decision of the state auditor will be final only when the hearings procedure is complete. (History: Sec. 33-1-313 MCA; IMP, Sec. 17-1-122 MCA; NEW, 1986 MAR p. 246, Eff. 2/28/86.)

6.14.206 NOTICE OF REVOCATION OF APPROVAL If the decision is made to revoke approval of a voluntary payroll deduction, the state auditor shall send immediate notice of the revocation by certified mail to the contact person responsible for the payroll deduction and by interoffice or regular mail to all state agencies. (History: Sec. 33-1-313 MCA; IMP, Sec. 17-1-122 MCA; NEW, 1986 MAR p. 246, Eff. 2/28/86.)

6.14.207 EFFECTIVE DATE OF REVOCATION OF APPROVAL Thirty days after notice of the revocation of approval of a voluntary payroll deduction is sent to all state agencies, the state auditor shall remove the payroll deduction from the central payroll system. (History: Sec. 33-1-313 MCA; IMP, Sec. 17-1-122 MCA; NEW, 1986 MAR p. 246, Eff. 2/28/86.)

6.14.208 GRACE PERIOD Firms or organizations currently holding payroll deduction codes have until May 1, 1986 to comply with voluntary payroll deduction rules. (History: Sec. 33-1-313 MCA; IMP, Sec. 17-1-122 MCA; NEW, 1986 MAR p. 246, Eff. 2/28/86.)

EXHIBIT 14
DATE 2-16-89
HB 714

WITNESS STATEMENT

NAME Joseph Moore BILL NO. H.B. 714

ADDRESS 58 S. Rodney, Helena

WHOM DO YOU REPRESENT? Mt. Rainbow Coalition

SUPPORT _____ OPPOSE X AMEND _____

COMMENTS: We believe this bill is an
unwarranted intrusion into the department
of administration and would create
needles, confusing structures for
non profit organizations to deal with

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

EXHIBIT 15
DATE 2-16-89
HB 714

**Amendments to House Bill No. 714
First Reading Copy**

**Requested by Representative Mark O'Keefe
For the House Committee on State Administration**

**Prepared by Lois Menzies
February 15, 1989**

1. Page 1, lines 14 and 15.
Strike: "that" on line 14 through "services" on line 15
2. Page 2, lines 13 and 14.
Strike: ":" on line 13 through "(a)" on line 14
3. Page 2, lines 15 through 17.
Strike: ";" on line 15 through "communities" on line 17
4. Page 3, line 9.
Following: "(c)"
Insert: "proportionately"
Following: "allocate"
Insert: "to participating voluntary organizations those"

EXHIBIT 16
DATE 2-16-88
PAGE 714

TESTIMONY ON HB 714
to the
HOUSE COMMITTEE ON STATE ADMINISTRATION

by
Gloria Hermanson
Private Consultant

Chairman Brown, Members of the Committee --

I am Gloria Hermanson. I reside in Helena where I currently own and operate a Public Relations/Communications Consulting business.

During the past decade I have served on many State and Local Boards in either an advisory or director capacity. Some of those Boards include Montana's first Private Industry Council, the Career Development Center, Rural Employment Opportunities, Montana Career Information System, Montana Foodbank Network, the Montana Association of Female Executives, the Helena Film Society, Northern Rockies Action Group, and the Retired Senior Volunteer Program.

I spent more than ten years working with consumer activist organizations as the Consumer Affairs Manager with Mountain Bell, now U S West Communications.

My experience with non-profit organizations tells me they all have one major thing in common, the need for funding. The opportunities for raising organizational operation funds in this state are minimal. We have few large corporations, and few major foundation resources to draw from. *that leaves solicitation of individuals.*

There are a number of groups doing
~~United Way does~~ a good job raising and disseminating *It's not enough.*
charitable dollars in Montana. ~~The job they do is not complete.~~ There is much ^{left} to be done. ~~that is not being done.~~ To ~~exclude organizations~~ from fund-raising efforts in the workplace will have a negative effect not only on those organizations, but on the ^{many} people those entities have been organized to serve.

I urge a "Do Not Pass" recommendation from this committee on HB 714.

WITNESS STATEMENT

NAME Brian F. Garrity BILL NO. HB 714
ADDRESS Box 994, Helena 59624 DATE 2/16/89
WHOM DO YOU REPRESENT? _____
SUPPORT _____ OPPOSE ✓ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

H.B. 714 is poor legislation. It is both limiting and at the same time extremely vague and arbitrary. There already exists Administrative Rules regarding eligibility of organizations to participate in charitable payroll deduction for state employees (ARM 6.14.2013 - 6.14.208). There is no need for this type of legislation at this time. Language in this bill could be interpreted as exclusionary to an organization already participating in charitable payroll deduction for state employees in Montana (Section 11(B)).

Language in this bill establishing "local agency review committees" (LARC's) is extremely vague and arbitrary regarding composition of these committees & how the committees would be chosen.

The organizations currently involved in charitable payroll deduction for state employees should sit down together with the appropriate state agencies

to develop a combined campaign process that will be good for all involved. Then, if it is felt that legislation is necessary, they should approach the next legislature together.

WITNESS STATEMENT

EXHIBIT 18
DATE 2-16-89
HB 714

NAME Bill Pratt BILL NO. 714
ADDRESS 418 11th Ave - Helena DATE 2/16/89
WHOM DO YOU REPRESENT? _____
SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

There is currently no need demonstrated for this legislation. The current system is working fine. The administrative process is proposed is unduly cumbersome & expensive. The bill is also exclusionary and prevents our employees philanthropic freedom of choice.

EXHIBIT 19DATE 2-16-89HB 714

WITNESS STATEMENT

NAME Linda Hays BILL NO. 714
ADDRESS 1702 Lincoln Rd DATE 2/15/89
WHOM DO YOU REPRESENT? myself
SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

I oppose this bill because it was not composed with input from all parties concerned. I think agreement can be reached without legislation, especially any legislation as vague as this.

EXHIBIT 20
DATE 2-16-89
HB 599

Amendments to House Bill No. 599
First Reading Copy

Requested by Representative Vivian Brooke
For the House Committee on State Administration

Prepared by Lois Menzies
February 15, 1989

1. Page 1, line 15.

Following: "penalty"

Insert: "-- liability for disseminating false advertisement"

2. Page 2.

Following: line 10

Insert: "(3) A publisher, radio broadcast licensee, or agency or medium for dissemination of an advertisement, except the manufacturer, packer, distributor, or seller of the article to which a false advertisement relates, is not liable under this section for dissemination of a false advertisement unless the publisher, licensee, agency, or medium ~~refuses,~~ upon request of the commissioner of ~~campaign practices,~~ to furnish the name and address of the manufacturer, packer, distributor, or seller who requested the publisher, licensee, agency, or medium to disseminate the advertisement."

3. Page 2, line 13.

Strike: "(1)"

4. Page 4, lines 3 through 6.

Strike: subsection (2) in its entirety

EXHIBIT 21
DATE 2-16-88
HB 632

Amendments to House Bill No. 632
First Reading Copy

Requested by Montana University System
For the House Committee on State Administration

Prepared by Lois Menzies
February 14, 1989

1. Page 7, lines 3 and 4.
Strike: "according" on line 3 through "1989" on line 4
2. Page 7, lines 6 and 7.
Strike: "according" on line 6 through "1989" on line 7
3. Page 7, line 17.
Strike: "10%"
Insert: "13.110%"

Amendments to House Bill No. 632
First Reading Copy

Requested by Representative Daily
For the House Committee on State Administration

Prepared by Lois Menzies
February 13, 1989

1. Page 1, line 21.

Strike: "8.599%"

Insert: "7.907%"

2. Page 4, line 2.

Strike: "8.983%"

Insert: "8.292%"

3. Page 5, line 10.

Strike: "one-fifthieth"

Insert: "one fifty-fourth"

4. Page 6, line 13.

Strike: "one-fifthieth"

Insert: "one fifty-fourth"

5. Page 6, line 20.

Strike: "one-fifthieth"

Insert: "one fifty-fourth"

VISITORS' REGISTER
STATE ADMINISTRATION COMMITTEE

BILL NO. HB 604

DATE February 16, 1989

SPONSOR REP. O'CONNELL

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
<i>Larry Nachshin</i>	<i>PERD (As Rep of SPONSOR)</i>		
<i>Kevin Magnus</i>	<i>CT Police West Falls</i>	✓	
<i>Bill Steele</i>	<i>Retired Hunt Falls P.D.</i>	✓	
<i>Earl D. Kelley</i>	<i>Retired G.T. Falls PD</i>	✓	
<i>Tim Shanks</i>	<i>GREAT FALLS P.D.</i>	✓	
<i>Fred Lam</i>	<i>KALISPELL P.D.</i>	✓	
<i>Charles L. Busch</i>	<i>Great Falls PD</i>	✓	
<i>Nadrian Jensen</i>	<i>AFSCME</i>	X	
<i>James J. Cole</i>	<i>Retired Police Minneapolis</i>	X	
<i>Charles Ray Doty</i>	<i>Missoula City Police Retired</i>	X	
<i>Spencer White</i>	<i>Missoula Police Retired</i>	X	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

STATE ADMINISTRATION COMMITTEEBILL NO. HB 691DATE February 16, 1989SPONSOR REP. SIMPKINS

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
JOE PRATT	CITY OF MISSOURI	✓	
Loyle Nagel	Mt. St. Vol. Firefighters Assn.	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER
STATE ADMINISTRATION COMMITTEE

BILL NO. HB 693

DATE February 16, 1989

SPONSOR REP. ADDY

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
Larry Nachtman	PERD		X
David Saper	TPRS		X
Mary Westwood	Attorney	X	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

STATE ADMINISTRATION COMMITTEE

DATE February 16, 1989

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER
STATE ADMINISTRATION COMMITTEE

BILL NO. HB 714

DATE February 16, 1989

SPONSOR REP. JAN BROWN

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
Virginia Jellison	MLIC		✓
Bill Pratt	SELF		✓
Bill Veroff	United Way	✓	
Al Kurki	Montana Community Stores		✓
Donna Warner	State Auditors Office		✓
Joe Fox	city of Missoula		
Glenn Hermanson	Helena		✓
Brian F. Garrity	self		✓
Joseph Moore	Mt. Rainbow Coalition		✓
Loathy Ward	United Way	✓	
Anna Jones	Amer. Lung Assoc. of MT	✓	
Robert Dozier	Self		✓
Richard Clark	NPRC		✓
Jim Towner	Self	✓	
Mark O'Keefe	HD 43		✓
Mike Cross	Dept. of Admin		✓

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

ROLL CALL VOTE

STATE ADMINISTRATION

COMMITTEE

DATE 2-18-89 BILL NO. #B599 NUMBER 1

NAME	AYE	NAY
Jan Brown	✓	
Bud Campbell		✓
Vicki Cocchiarella	✓	
Duane Compton		✓
Ervin Davis	✓	
Roger DeBruycker		✓
Floyd "Bob" Gervais	✓	
Harriet Hayne		✓
Janet Moore	✓	
Richard Nelson		✓
Helen O'Connell		✓
John Phillips		✓
Rande Roth		✓
Angela Russell	✓	
Wilbur Spring, Jr.		✓
Carolyn Squires	✓	
Vernon Westlake	✓	
Timothy Whalen	✓	

TALLY

9 9

Secretary

Jan Brown
Chairman

MOTION:

In case as amended

ROLL CALL VOTE

STATE ADMINISTRATION

COMMITTEE

DATE 2-16-89

BILL NO. #B632

NUMBER 1

NAME	AYE	NAY
Jan Brown	✓	
Bud Campbell	✓	
Vicki Cocchiarella		✓
Duane Compton	✓	
Ervin Davis		✓
Roger DeBruycker	✓	
Floyd "Bob" Gervais		✓
Harriet Hayne	✓	
Janet Moore		✓
Richard Nelson	✓	
Helen O'Connell	✓	
John Phillips	✓	
Rande Roth	✓	
Angela Russell		✓
Wilbur Spring, Jr.	✓	
Carolyn Squires		✓
Vernon Westlake	✓	
Timothy Whalen		✓

TALLY

11 7

Jude Burggraf
Secretary

Jan Brown
Chairman

MOTION: To table
