

MINUTES

MONTANA SENATE  
51st LEGISLATURE - REGULAR SESSION  
COMMITTEE ON STATE ADMINISTRATION

Call to Order: By Chairman William E. Farrell, on March 2, 1989, at 10:00 a.m. in Room 331, Capitol.

ROLL CALL

Members Present: Senator Hubert Abrams, Senator John Anderson, Jr., Senator Esther Bengtson, Senator William E. Farrell, Senator Ethel Harding, Senator Sam Hofman, Senator Paul Rapp-Svrcek, Senator Tom Rasmussen, Senator Eleanor Vaughn

Members Excused: None

Members Absent: None

Staff Present: Eddy McClure

HEARING ON HB 167

Presentation and Opening Statement by Sponsor:

Representative Jessica Stickney testified that HB167 is presented to the committee from the Department of Health and Environmental Sciences, and indicated the purpose is to standardize procedures for setting fees for laboratory tests performed by the Department of Health and Environmental Sciences. She stated that, at present, all laboratory fees, except those for tests on drinking water, are set by the Department, and added that fees for drinking water tests, as it is currently stated in the law, must be set by the Board of Health. Representative Stickney indicated the duplication of procedures for fee setting, based only on the source of the test material, is wasteful, and, with the removal of the Board from fee setting, all lab fees can be set by the same procedure and deposited in one account, instead of the multiple accounts that are currently used.

Representative Stickney reported that the general level of fee income for the Department is set during the budgeting process and, with the Board of Health having the statutory authority to actually set some of these fees, a potential budgeting authority conflict exists.

List of Testifying Proponents and What Group they Represent:

Dr. Douglas Abbott, Chief, Public Health Laboratory, Department of Health and Environmental Sciences.

Testimony:

Dr. Abbott's written testimony is attached as Exhibit 2.

List of Testifying Opponents and What Group They Represent:

None.

Questions From Committee Members:

- Q. Senator Bengtson asked what role the Board plays in fee setting. She further asked, if the Departments sets the fees, is there any kind of oversight, and do they establish the rules, or prescribe some sort of guidelines for the Department. Senator Bengtson then asked, if the Board does not do it, then who does it.
- A. Dr. Abbott responded that all laboratory fees are set up in administrative rules, and the procedure for those fees that have to be set by the Board, which are those fees for any laboratory tests having to do with drinking water, are set up in new administrative rules and taken before the Board, which is the public hearing on the rules. He stated that, for the ones promulgated by the Department, they hold public hearings and go through the usual rule making. He indicated that most of the role of the Board of Health is establishing policy and rules on environmental issues and, as far as he knows, this is the only fee activity they have, noting it is a hold-over from the activities of the Board of Health before the Department was organized.
- Q. Senator Bengtson asked what fee was it they were setting; were they just setting the one fee.
- A. Dr. Abbott responded that they were setting water fees. He indicated there are a variety of fees for tests on water; the Public Health Laboratory has standard bacteriological examinations for water that cost \$6.50, and the Department also has a chemistry laboratory that has about 40 different tests done on water ranging from about \$4 to \$100, noting there are a number of different water tests, chemical tests, that are done.

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- Q. Senator Hofman asked if there was a test, or series of tests that cost about \$500.
- A. Dr. Abbott responded yes, indicating the complete chemical analysis involves a tremendous number of the chemical water tests in combination. He stated he believes that, for public water supplies, the total cost can run to about \$500-\$600.
- Q. Senator Hofman asked how often do these entities have to pay that kind of a charge.
- A. Dr. Abbott responded those are not done in his laboratory, and he is not exactly positive about that, noting that is under the Environmental Protection Agency's general rules. He indicated his understanding is that it is the large municipal systems, and they have to do that once a year.

Senator Hofman stated he remembered the figure because he sits on the Human Services subcommittee, and this came up. He added he realizes that is not part of this bill, and indicated he is not trying to put Dr. Abbott on the spot, but wanted to know for his own information. He stated it seemed to him that was rather excessive, if it had to be paid a lot of times.

- Q. Senator Bengtson indicated that, in other words, the Department sets the fees, will have public hearings on the fees, and the Board has no oversight role on this analysis of water. She indicated she is concerned about the fees, with no oversight by the Board, and that they can arbitrarily set them every year. She stated that it might be duplicatory, but maybe serves another purpose.
- A. Dr. Abbott apologized for not being clearer, and stated that, by statute, the Department may charge no fee greater than the actual cost of performing an analysis. He indicated they have to provide information to the auditors that they are not charging a fee greater than the cost of the analysis. He stated some of the analyses are extremely expensive, there is no way to get around that, but indicated the levels of the fees that can be charged are set during the budget hearings in the budgetary process. Dr. Abbott noted the funding for the laboratories in the Department of Health is a mixture of federal funds, fee funds, and small amounts of general funds. He indicated the actual levels of what amount of

the fee funds can be used for operation are set during the budgeting.

- Q. Senator Hofman asked, if he has a well, is wondering about the water quality, and sends in a sample, noting he is sure he will not get the \$500 one, will he be given the \$4 or \$6, or something like that.
- A. Dr. Abbott responded yes, indicating it would depend on what Senator Hofman would like to do. He stated that, as a public agency, one of the things they do is, if someone is curious about the quality of their water, they like to talk to them and see if they can head them off from spending a lot of money, indicating some of the tests are of little value for the average homeowner, considering the kind of water supply they might have. He stated most of the tests they run are the standard bacteriological examinations that they charge \$6.50 for.
- Q. Chairman Farrell indicated he understands the fees for service incurred by the Department in analyzing water and conducting inspections. He asked if the fee structure is considered when the Board looks at issuing variances and exemptions and, regarding the collection and analysis of samples of water, cited (g), (h), and (i) of the bill "any other requirement necessary for the protection of public health". Chairman Farrell asked if they take that into consideration on the fees when they are looking at what they think they would like to do, and is cost involved in the rules they set up as a Board.
- A. Dr. Abbott responded that, in his experience, which is about 12 years, when they go before the Board, the question has been whether or not the fees are more than the actual cost, and what the relationship of the fees the Department is charging is to what out-of-state commercial laboratories would charge, and whether or not they are charging considerably less than the commercial laboratories are charging. He stated that, as far as he knows, all of their fees are less than the out-of-state laboratories, commercial labs, would charge, noting that certainly they are in the public health laboratory
- Q. Chairman Farrell asked Dr. Abbott, when they take a look at the federal safe drinking water act and knowing what fees have to be charged right now, if that is shifted to the Department, do they have that information available, once they start looking at what this is going to cost, and do they take that into consideration. Or, he asked,

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does this just simply say they can ratify these bills, and don't have to look at these costs, that the Department will charge what it costs to operate.

- A. Dr. Abbott responded that he is not sure exactly what the Board really has looked at, again stating that, in his experience, they look at what the fees are. He indicated that, how much consideration has been given to the total load of costs, he does not know. Dr. Abbott stated that, up until recently, the fees have been very minor, noting he agrees there has been some concern about these fees, and they are going to continually rise, with the reduction in federal support and state general fund support. Dr. Abbott indicated that the Board, in promulgating any rules, will be well aware, that the Department would make them well aware of what fees are being charged, and what the load, the cost is going to be upon the users. He stated they do that, that the Department feels it is incumbent upon them to notify people and, with them, it has been an issue about how much it is costing to run things.

Closing by Sponsor:

Representative Stickney stated it is a simple bill, adding that she really thinks it is. She noted it is her understanding there are a great many fees that are being taken care of by the Department process, and that this is a hold-over in the law. She indicated they would just like to have the whole fee-setting process shifted to the Department, adding that, like any Board, she is sure the Board of Health has oversight over all of the fee setting, and she does not think there needs to be a concern about that. She urged the committee to concur on this bill.

DISPOSITION OF HB 167

Discussion:

Chairman Farrell stated he has some real concerns about this bill, noting he likes the idea of the Board knowing the fees they are setting. He pointed out to the committee that page 5 outlines all the things they can do, and read the text. He mentioned the federal safe drinking water act, noting most of the Legislators got letters from Pat Williams regarding this, and what the federal water law will do to some of the community systems. Senator Rapp-Svrcek indicated he has some of

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the same concerns, and he was disappointed to find there was no one at the meeting from the Board. He asked Chairman Farrell if the Board could be contacted, and ask them to come. Chairman Farrell responded that could be done, indicating it might answer some questions. Senator Hofman stated the only the problem he had was under part (b) on page 4, where it says the Board sets the fees for services rendered by the Department in analyzing water and conducting inspections. He indicated that, if they had left analyzing water fees in, he would have felt better about it, because they would be looking at that, and would be the ones that would make the decision, rather than the Department. He noted the Department is doing their job on the other section, adding it is a good idea to listen to the Board.

Chairman Farrell announced executive action on HB167 will be postponed until the Board of Health is contacted.

HEARING ON HB 226

Presentation and Opening Statement by Sponsor:

Representative Jessica Stickney testified that HB226 is by request of the Department of Commerce, and revises the information required to be reported on the operations of the in-state investment program, and transfers responsibility for setting policy for the coal trust to the Coal Trust Oversight Committee. She stated the Board of Investments needs the ability to present information in a summary fashion, noting essential information will continue to be included in the Board's annual report. Representative Stickney stated these changes will save approximately \$2,000 in publication and advertising costs, noting the Board has spent over \$30,000 on preparation of 2 reports on alternative uses of the coal trust fund. She indicated this is a policy issue which should be entirely a legislative prerogative, and they believe that the Coal Trust Oversight Committee is the proper place for this report to be prepared.

Representative Stickney indicated this has been discussed with the Coal Tax Oversight Committee, and it is very much in agreement with them. She noted that, formerly, the investment department has had to publish fairly lengthy booklets, and has mentioned this is more of a policy issue, which should be with the Coal Tax Oversight Committee.

List of Testifying Proponents and What Group they Represent:

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Dave Lewis, Executive Director, Board of Investments  
Harriett Meloy, Montana League of Women Voters  
Chris Kaufman, Montana Environmental Information Center

Testimony:

Mr. Lewis stated this truly is a housekeeping bill. He indicated the existing statute requires a lot of information be published in an annual report that really is not appropriate and needed, in their opinion. He indicated they want the ability to summarize the performance of the in-state investments and that, obviously, any specific information that anyone requests is available, and will be provided upon request. He stated that, at the present time, they do a summary presentation, and they simply want to bring the statute into compliance with the way they are operating at the present time. He reported that, prior to this, some years back, the Board had to prepare a separate report in order to satisfy all the existing statutory requirements that required a separate report, which cost, by the time they got done with publication, distribution, and the whole thing, about \$2,000 a year. He indicated they do have an annual audit from the Legislative Auditor, that they would present the financial statements and the summary of activity, and that any specific activity or specific questions anyone would ask about the in-state investment fund would be provided in the public information.

Mr. Lewis indicated the second part of the bill talks about the alternative uses of the coal tax report. He stated this is a report that the economic development board prepared for a couple of different years, and they put about \$30,000 in this report. He reported the job of the Board of Investments is to administer the various funds they have under their authority in compliance with the wishes of the beneficiaries, or what is best for the beneficiaries. He indicated that, in the case of the coal trust, the beneficiaries, the people of the state, speak through the Legislature, and tell them what they want them to do with the money. He indicated that, at the present time, they have laid out, through the in-state investment statutes and other statutes, some pretty strong direction of what they do with the coal trust fund. He noted the alternative uses report was really aimed at issues like should they cap the trust. He indicated they think that is more appropriately a legislative policy decision, and not something that the Board should be involved in. Mr. Lewis stated he originally wrote the testimony saying they did not think they should spend \$35,000 publishing a report that no one paid attention to and, in fact, that should be the

responsibility of the Legislature, but that he rethought the phrasing, and thinks the issue is that it is a policy issue that is more appropriately the prerogative of the Legislature, and that the Coat Tax Oversight Committee, as he understands it, is eager to take on that responsibility.

Testimony:

Ms. Meloy stated they support HB226, and that they think this is a very appropriate change.

Testimony:

Ms. Kaufman testified they wanted to go on record in support of this bill.

List of Testifying Opponents and What Group They Represent:

None.

Questions From Committee Members:

None.

Closing by Sponsor:

Representative Stickney stated she hopes the committee will see this as an appropriate change in the law to move some of the policy-making for the coat tax trust fund back to the Legislature.

DISPOSITION OF HB 226

Discussion:

Senator Rapp-Svrcek offered a motion that HB226 be concurred in.

Recommendation and Vote:

Motion passed by the committee that HB226 be concurred in.



Presentation and Opening Statement by Sponsor:

Representative Jessica Stickney stated that HB281 is also a simple housekeeping bill. She indicated it requires a Notary Public to provide his name and address to the Secretary of State's office. Representative Stickney reported that, at present, the only information on file with the Secretary of State's office is the name of the Notary Public, their oath of office, and a copy of their bond. She indicated there is no other information available which would enable contacting the Notary Public. She noted there are times when the Secretary of State's office must contact a Notary Public and, in order to contact a Notary, the office must either contact the insurance company that bonded the Notary, or look up the address and phone number in the local city directory. She added this process is sometimes difficult, and certainly time consuming, and HB281 would remedy this problem.

Representative Stickney stated that what it asks is that the name, address and phone number be sent to the office, noting this information would not be available as a saleable mailing list at all, that it would only be used for the office purposes. She indicated that HB281 makes a minor change in the law, which results in smoother operations and improvements in the service provided by the Secretary of State's office, and urged the committee's favorable recommendation.

List of Testifying Proponents and What Group they Represent:

Garth Jacobson, Secretary of State's office

Testimony:

Mr. Jacobson indicated that HB281 is a very simple bill, and simply requires the address and phone numbers of the Notaries to be filed with the Secretary of State's office. He gave the committee a few examples of why this information is necessary, indicating that, a few years ago, when Glacier General Insurance Company ceased doing business, the people who were bonded by Glacier General needed to be contacted so that arrangements could be made for other bond provisions. He indicated that, in order to do that, it was necessary to look up the names, or go through the process of trying to figure out where these people were located. He noted it was a slow, difficult process for the office. Mr. Jacobson stated another example of why the Secretary of State's office needs this information is, if there are any changes in the Notary Public

laws, it may be necessary to contact these people. He indicated an item that comes up with some frequency is someone will contact the office needing to find out from a notary if the documents the notary attested to are, in fact, real documents, or they want to trace the history of a document that was attested to by a Notary. He noted that, in that situation, they have to go to the phone book and look up the information for people asking that question, adding it is a clumsy process, and this is a simple change in the law which would provide them with the information necessary to answer those questions, and do the simple administrative functions of the office. Mr. Jacobson urged the committee's support of HB281, and requested they give it favorable consideration.

List of Testifying Opponents and What Group They Represent:

None.

Questions From Committee Members:

- Q. Senator Harding stated she is a Notary and asked, when she gets her bond, how is she going to know that the Secretary of State needs an address.
- A. Mr. Jacobson responded that what would happen is that the Secretary of State's office would work with the bonding companies, noting the effective date of this legislation would be the October 1. He indicated they would contact the bonding companies, and the bonding companies who work with the different people that apply for their Notary or renewal of their Notary, and would include that information on the bond form, adding it would be a very simple process.
- Q. Senator Harding asked if it would not be a responsibility of the Notary having to do this, not being aware that he is to provide the information.
- A. Mr. Jacobson responded that, in the event a Notary changes their address, it would be their responsibility to provide that information of the address or phone number change but, other than that, it would not be anything more than simply filling out the form the way it is done now.
- Q. Senator Harding stated she sees they would have to notify if they change their address, and asked how they would be aware of that.

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- A. Mr. Jacobson responded they would have to treat it as a prospective piece of legislation, in that people coming in beginning on October 1 and on, would be the ones that would be providing this, noting they would be sent an informational brochure from the Secretary of State's office. He added it would take a 3 year cycle for everyone to be notified as to the effectiveness of this legislation. He noted that, the way it is written, it states "a person appointed as a Notary", and indicated, if you want it to be crystal clear that it is prospective in nature, an amendment could be placed on it to say this would apply to all Notaries commissioned after the effective date of this legislation, so that any Notary presently commissioned would not have to worry about that until the next time they are commissioned.
- Q. Senator Harding asked if, then, their office would see that all Notaries who are newly bonded, would receive information about this.
- A. Mr. Jacobson responded that is correct, and indicated that, at present, when a person becomes a Notary, or renews their commission, they receive a packet of information, and there is, in that packet, an explanation of how the Notary laws work, and other such things, it includes a certificate saying they are an official Notary. He indicated that information would be included in the packet.
- Q. Chairman Farrell stated there is no penalty in this, and asked, if someone slipped through the cracks, would they not be ruled a Notary Public if they did not get the information.
- A. Mr. Jacobson responded he believes that is correct, indicating it is one of those things asking for the information, adding that, if they do not provide the information the first time around, then they could be rejected because the application would not be complete. He indicated that, after they provide their address and phone number, and if they fail to provide an update to the office, there would be no enforcement capabilities there.

Closing by Sponsor:

Representative Stickney stated she hopes the committee will see this as a helpful bill, and urged that they do concur.

DISPOSITION OF HB 281

Discussion:

Senator Hofman offered a motion that HB281 be concurred in.

Recommendation and Vote:

Motion passed by the committee that HB281 be concurred in.

OTHER BUSINESS

HB 114

Chairman Farrell announced he received a reply from David Senn regarding HB114, and read the letter to the committee, a copy of which is attached as Exhibit 3. Chairman Farrell indicated that, in talking to Representative Gervais and Senator Nathe, they identified 6 people they thought would fall into this category, and some are already in the Teachers' Retirement System. He stated the problem is that a whole bunch of people can transfer in from other systems out-of-state, and this is opened up. He indicated they have estimated, in the fiscal note, 125 people, but the last time they did that, according to David Senn, they estimated 300 when they expanded a benefit, and 600 people took advantage of it. He indicated it is up to the committee, noting he is a Vietnam Veteran, and pointed out it is \$111,000 the first year, \$117,000 the second year, and that this is just a guess. Chairman Farrell indicated that they estimate 125 people, but do not know and, quite frankly, Mr. Senn said they are looking at a crystal ball.

Senator Bengtson stated you don't mind when people buy in with both the employer and employee contribution, that it is then actuarially sound. Chairman Farrell indicated their argument for that was that we have never, in the Korean War or WWII, asked veterans to buy in, noting they are the only groups who have never been asked to buy in to the system, and everybody else has to. Chairman Farrell stated that past history is that veterans have been able to have the employer pay the cost.

Senator Vaughn asked, if other veterans have always been allowed to do this, are we singling out Vietnam veterans. She noted it seems to be the feeling of the Vietnam veterans that

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they are falling in the crack of so many of these things, and she further asked if that is what is happening.

Chairman Farrell responded that, unfortunately, he thinks Senator Vaughn is right. He noted the Legislature is involved in school funding and the cost of the retirement systems right now. Senator Bengtson indicated the bill is to take it back to 1961, and asked if these people serving overseas, or where were they serving at. Chairman Farrell indicated they have identified 6 people in the state that actually served in that country, noting that past history has proven you can not limit it to people that actually served in Vietnam. He stated it is the Vietnam era veterans, and that is where the problem lies. He pointed out that, instead of writing a bill for 6, 7, or 10 people, they have estimated 200, but cut that down to 125 people that may be teachers. He noted that you do not know how many may transfer in from Wyoming or Minnesota, and that they also get this same benefit.

Senator Anderson stated the cost could get way out of hand. Chairman Farrell agreed, but pointed out there is no proof of that. He indicated all that Mr. Senn could tell him was that, the last time they extended benefits based on a system like this, they estimated 300 people, and ended up with 600 people. Senator Anderson stated it could very well happen here.

Senator Abrams indicated that, if he remembers right, this is the one that sets the date back 5 years. Chairman Farrell indicated that is correct, that it sets it back from 1964 to 1961. Senator Abrams pointed out the last 3 lines of the fiscal note, stating that, even assuming 125 people, that is \$20,000, and indicated it seems pretty big. Chairman Farrell stated it would be actuarially sound if \$3 million was put into the system, rather than the \$111,000 and \$117,000, for 125 people, noting the \$111,000 and \$117,000 is based on a 40 year. He reiterated that, if you want to make it actuarially sound today, \$3,500,000 would have to be put into it.

Senator Hofman asked where the unfunded liability is at now. Chairman Farrell responded that it is at 36 1/2 years, and \$598 million, which is not outrageous. He noted that retirement systems which run under 40 years are actuarially sound. He stated that, in 1985, they had systems that were 46, 50 and 55 years, noting the Teachers' Retirement is at 36 years, and a lot of the others are already coming down to the 20, 22, 25 years.

Senator Anderson pointed out that the teachers' system has been reduced since 1985, and Chairman Farrell agreed, adding

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that they are coming down rapidly. He noted that was what they started out with in retirement systems. Chairman Farrell indicated there is a bill coming out of Education on teachers' retirement systems, and that he and Senator Anderson heard it. He indicated the problem is that most of those retirement systems go through State Administration, that the committee keeps trying to put them together so they all have the same benefits, but then one goes through another committee, and gets something additional. He added that, then, all the other retirement systems come in wanting the same thing. He noted that bill came out of committee with him and Senator Anderson assuring that it is actuarially sound, and everything remains the same. Senator Anderson noted it should be in this committee.

Senator Bengtson asked if the committee could wait a while on this bill, indicating she needs to think about it more. Chairman Farrell indicated one of the questions he would like to ask is, because of the fiscal impact, maybe Senator Story should look at this bill. He asked the committee if he should ask Senator Story to look at it. Senator Bengtson indicated these people have gotten their teaching certificate, and are getting into a line of work that is certainly to be admired. She stated she knows, in talking to Vietnam veterans, they have come a long way, and that we, as a society, have come a long way, too, and indicated it is time to recognize how they are trying to pull themselves up by their bootstraps. Senator Bengtson stated that, even though she does not like the business of them not having to buy into the system, she does not know if it would not be wrong to deny them. She noted that a lot of people were pretty callous and uncaring about the Vietnam veterans, adding that she was, but has changed her mind about that, working with auxiliaries, and people who work with veterans, and reading about the Vietnam war veterans. She noted it is quite heartbreaking. Senator Bengtson stated she would like to think about it a little while.

Senator Vaughn noted that it is difficult for everyone, because of the situation of the Vietnam veterans. Senator Bengtson stated they really have not been given anything especially great. Senator Harding stated she thinks it is fine to give people time to think about this, but stated she is a firm believer that the veterans should have special rights, and she thinks that the veterans have not had to buy in simply because they are in a separate category from any of the rest of us. She added that the rest of us have not taken time from our lives to protect our country, noting she has this thing about veterans, and believes we owe it to them.

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She indicated she hates the amount of money involved, but it is only right. Senator Harding told Chairman Farrell that, when he is ready, she will move that the committee do pass this bill.

Senator Bengtson indicated she needs to think about it, noting that she is pretty soft about it, too. Chairman Farrell asked if the committee wanted to consider the bill today. Senator Bengtson indicated she is expecting some mail, and would like a chance to read it first. Senator Anderson indicated he would like a little more information.

ADJOURNMENT

Adjournment At: 10:50 a.m.

  
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WILLIAM E. FARRELL, Chairman

WEF/mhu  
HB167.032

ROLL CALL

STATE ADMINISTRATION COMMITTEE

51ST LEGISLATIVE SESSION

DATE: March 2, 1989

NAME	PRESENT	ABSENT	EXCUSED
HUBERT ABRAMS	✓		
JOHN ANDERSON, JR.	✓		
ESTHER BENGTON	✓		
WILLIAM E. FARRELL	✓		
ETHEL HARDING	✓		
SAM HOFMAN	✓		
PAUL RAPP-SVRCEK	✓		
TOM RASMUSSEN	✓		
ELEANOR VAUGHN	✓		



SENATE STANDING COMMITTEE REPORT

March 2, 1989

MR. PRESIDENT:

We, your committee on State Administration, having had under consideration HB 226 (third reading copy -- blue), respectfully report that HB 226 be concurred in.

Sponsor: Stickney (Rapp-Svrcek)

BE CONCURRED IN

Signed: Farrell  
William E. Farrell, Chairman

yj.c:189  
3/2/89  
12:12 p.m.

SENATE STANDING COMMITTEE REPORT

March 2, 1989

MR. PRESIDENT:

We, your committee on State Administration, having had under consideration HB 281 (third reading copy -- blue), respectfully report that HB 281 be concurred in.

Sponsor: Stickney (Brown)

BE CONCURRED IN

Signed: William E. Farrell  
William E. Farrell, Chairman

4/10/89  
3:33 PM

EXHIBIT NO. 1

DATE 3/2/89

STATE ADMINISTRATION COMMITTEE

BILL NO. HB167

WITNESS STATEMENT

To be filled out by a person testifying or a person who would not like to stand up and speak but wants their testimony entered into the record.

NAME:

DATE:

DOUGLAS O. ABBOTT

3-2-89

Address:

MT DEPT HEALTH & ENVIRON SCI

Phone:

Representing whom?

MDHES

Appearing on which proposal?

HB 167

Do you: SUPPORT? ✓ AMEND?     OPPOSE?    

Comments:

see Exhibit #2

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

SENATE STATE ADMIN.

EXHIBIT NO. 2

DATE 3/2/89

BILL NO. HB167

TESTIMONY IN SUPPORT OF HB167  
March 2, 1989

I am Dr. Douglas Abbott and am Chief of the Public Health Laboratory in the Department of Health and Environmental Sciences.

This bill will standardize procedures for setting fees for laboratory tests performed by the Dept. of Health & Environmental Sciences. At present all laboratory fees except those for tests on drinking water are set by DHES. Fees for drinking water tests must be set by the Board of Health and Environmental Sciences.

The duplication of procedures for fee setting based only on the source of the test material is wasteful. With the removal of the Board from fee setting, all lab fees can be set by the same procedure and deposited in one account instead of the multiple accounts used now. Also the general level of fee income for the department is set during the budgeting process. With the Board of Health however having the statutory authority to actually set some of these fees a potential budgeting authority conflict exists.

## TEACHERS' RETIREMENT SYSTEM

1500 SIXTH AVENUE  
HELENA, MONTANA 59620-0139

(406) 444-3134

STAN STEPHENS, GOVERNOR

## STATE OF MONTANA

DAVID L. SENN, EXECUTIVE SECRETARY

MARY L. HARRINGTON, ASS'T EXECUTIVE SECRETARY

## M E M O R A N D U M

TO: Senator William Farrell  
Chairman of State Administration Committee

FROM: David L. Senn *Dave*  
Executive Secretary

DATE: March 2, 1989

RE: House Bill 114

During the hearing on House Bill 114 regarding free Viet Nam service under the Teachers' Retirement System, you asked how many years would be added to the amortization period if the funding for this benefit enhancement was not included in the bill. The consulting actuary for the Teachers' Retirement System estimated that the current amortization period would be increased approximately one year.

I am sure you understand the funding problems that can be created for future legislatures when even small enhancements are allowed to pass without adequate funding. Sooner or later we will be before the legislature asking for a significant increase in the employer's contribution rate.

