

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By **CHAIR JAN BROWN**, on March 19, 1991, at 8:00 a.m.

ROLL CALL

Members Present:

Jan Brown, Chair (D)
Vicki Cocchiarella, Vice-Chair (D)
Beverly Barnhart (D)
Gary Beck (D)
Ernest Bergsagel (R)
Fred "Fritz" Daily (D)
Ervin Davis (D)
Jane DeBruycker (D)
Roger DeBruycker (R)
Gary Feland (R)
Gary Forrester (D)
Patrick Galvin (D)
Harriet Hayne (R)
Betty Lou Kasten (R)
John Phillips (R)
Richard Simpkins (R)
Jim Southworth (D)
Wilbur Spring (R)
Carolyn Squires (D)

Staff Present: Sheri Heffelfinger, Legislative Council
Judy Burggraff, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Announcements/Discussion:

REP. GARY BECK said that HB 578, on hazardous duty pay, went into the Committee's subcommittee. The only thing the subcommittee did with the bill is say that these people have the right to negotiate for both shift differential and hazardous duty pay. He asked what the bill's status was. **CHAIR BROWN** asked if the Committee could request the bill be moved to Appropriations. **Ms. Heffelfinger** commented that no action was taken on the bill. It could be left to die in Committee or take action and send it to Appropriations. **CHAIR BROWN** asked Rep. Beck if he wanted the Committee to take action on the bill and send it to Appropriations so they can consider it with the pay bills. Rep. Driscoll could move to take the bill from State Administration

and send it to Appropriations without the Committee taking action. REP. BECK said the bill "probably doesn't have much chance down there unless some amendments were made," but he would like to see the bill go to Appropriations. CHAIR BROWN said the Majority Leader would be asked to move the bill to Appropriations. Rep. Beck agreed.

HEARING ON SJR 19

Presentation and Opening Statement by Sponsor:

SEN. BOB WILLIAMS, Senate District 15, Hobson, introduced SJR 19 for a Constitutional amendment to prohibit flag desecration. Sen. Williams said that before the Supreme Court's two decisions upholding an individual's rights to desecrate our flag, 48 states decided the flag should not be desecrated. "It was and still remains the will of the people that the flag should be protected. The laws of this nation do not allow an individual to burn his garbage; yet, they give the individual the right to burn the flag. This resolution says that we the people should be given our right to vote on whether or not we wish to protect our flag. It does not call for a Constitutional Convention, it does not pass an amendment to protect the flag, it does not limit anyone's rights in any way. This amendment, if passed by 38 states, would require that we, the people, be given an opportunity to vote yes or no." The Senate Judiciary amended SJR 19 on Pg. 1, Ln. 9, requesting the United States Congress to propose a Constitutional amendment rather than consider a Constitutional amendment. He said the amendment was "okay" with him. Sen. Williams' distributed a "history lesson and information on the Constitution of the United States (U.S.)." EXHIBIT 1 "If you look at (the exhibit), you will see . . . there has been a lot of work put into it over the last couple of hundred years." On page 2 of the exhibit, 16 more amendments have been added. "(These) were not done overnight, it took time to get (them) done. We need this amendment because the (U.S.) Supreme Court ruling of June 21, 1989, indicates that we can no longer depend on the courts to resolve the flag-burning problem. Sen. Williams said he received a fax from Sen. Baucus, who said he was strongly opposed before to "opening up the Constitution to protect the flag. He thought (it could be done) through the courts." In the fax, "he admits the courts will not do it, and strongly supports what we're trying to do here."

Proponents' Testimony:

Rich Brown, Department and State Commander, American Legion, expressed his support for SJR 19. "We are here today . . . because we have exhausted every other attempt possible under the laws . . . of the nation. We have pleaded our case before and across the U.S. . . . The U.S. Congress has concurred with us . . . and has passed antidesecration laws to protect our nation's emblem. . . . In Montana, we have title 45-8-215, RCM,

which protects the flag from desecration. . . . We are also talking about commercial desecration as well as the burning of the flag. When the U.S. Supreme Court ruled against us, we again returned to the U.S. Congress for a new law. . . . The U.S. Supreme Court again struck down (the law). . . . We paid (for) an independent Harris Poll. Seventy-four percent of the country's citizens agreed . . . the flag should be protected." The majority of U.S. Congress also agreed the flag should be protected. Three out of four of our U.S. Congressional Delegation agreed the flag should be protected. A deadlock has been reached. "The majority cannot rule . . . vote. . . or speak. A few, who sit on the nation's highest court, have overruled our nation. We do not believe this is the intent of our founding fathers. Those who have fought under the stars and stripes and will someday be buried under it, . . . believe we also have certain rights (that include) the right to vote. This resolution . . . asks that you let the state of Montana, along with the other 49 states, decide this issue."

Hal Manson, Legislative Chairman, American Legion (AL), said that two laws, one in Texas and one passed by the U.S. Congress stating that it is illegal to burn the flag in protest, have been declared unconstitutional by the U.S. Supreme Court on the alleged premise that it interferes with the First Amendment, denying the individual the right of freedom of speech. "We contend that a physical act of burning or other desecration to the flag . . . is not an act of free speech. The First Amendment . . . protects speech, not action. A protestor is constitutionally permitted to say what he wants to say, but he should not be permitted to do whatever he wants. An individual may walk naked about the streets, contending this to be his form of protest, saying he is protected by the First Amendment. Mr. Manson did not think this would be allowed by the courts. "This is as much a matter of free speech as the burning of the flag." Those who have served in combat will always look upon our flag as the symbol of the country.

Opponents' Testimony:

Scott Crichton, Executive Director, American Civil Liberties Union, Montana, presented written testimony. EXHIBIT 2

Questions From Committee Members:

REP. JIM SOUTHWORTH questioned if wearing clothing depicting the American flag would be construed as desecration of the flag. **Mr. Brown** said, "I doubt very much it would be. We concur there is a great deal of renewed patriotism in the U.S. For example, (the AL) has been unable to purchase any American flags in Montana, either small decals or large flags, . . . because they were all on back order because so many people were buying them. . . . I would not try to interpret that wearing red, white and blue, or something that may resemble a flag or part of a flag, is in fact desecration. The intent lies with the individual that is

doing it. If the intent is to burn it, obviously that is . . . desecration. If the intent is to show a sign of patriotism, I would think that would not be." REP. SOUTHWORTH pointed out that a couple of years ago, flags were being "ripped" off of clothing. Mr. Brown remarked that following the Vietnam conflict, a popular thing to do was to sew an American flag onto their posterior and sit at the rallies. It became a symbol to antagonize supporters of the Vietnam conflict.

REP. CAROLYN SQUIRES asked if there was a code to tell one how to display the flag. Mr. Brown said, "Yes." REP. SQUIRES asked why would you not consider what Rep. Southworth said in regards to sweatshirts, paper plates, cups, pins and so forth as not a desecration of the flag. Also, isn't it proper to only fly the American flag without the yellow banner underneath it? Mr. Brown responded that flying the yellow ribbon below the flag is not in violation of flag etiquette. The AL asked the "best experts on flag etiquette that (they could), and that is well within standard approved procedures to have that yellow ribbon underneath the U.S. flag like it is displayed at the Capitol." Concerning desecration of the flag by putting it on objects such as paper plates, "the Montana state Legislature did pass a law 45-8-215, RCM, that . . . refers to commercial desecration of the flag as well as burning of the flag. . . . There is some inadvertent desecration of the flag, . . . but purely their intent is to show respect to the flag or patriotism by putting flag emblems on their cars . . . That can only benefit better and further understanding of the American flag. I don't think it is in violation of any particular laws . . . concerning the right to display a flag."

REP. GARY BECK questioned how many instances have there been in the U.S. where the flag was burned. Mr. Brown answered that he did not know, but there were some. REP. BECK said, "Would you say a small number when you take into consideration the total population?" Mr. Brown said, "Definitely." REP. BECK said the amendments to the U.S. Constitution were for very important reasons. Do you really believe that flag burning is so (prevalent) in the U.S. that we really need a Constitutional amendment? Mr. Brown responded, "Yes I do, with my whole heart. . . . Everybody says we do but the U.S. Supreme Court. . . . We went to war to prove the U.S. Supreme Court was wrong, so I am not going to get into what we have to do to overrule the U.S. Supreme Court. . . . Under current law, this is our only alternative left."

REP. WILBUR SPRING asked if prior to six months ago if Mr. Creighton would agree or disagree that there had been a deterioration of patriotism and moral fibre of the nations? Mr. Creighton said he did not think he was in "any position to make that kind of judgment."

Closing by Sponsor:

SEN. WILLIAMS said it may appear that SJR 19 had been put together since Desert Storm appeared. That wasn't true as they have been quite involved in the Resolution for some time. He reminded the Committee the U.S. Constitution had been amended 26 times, with the first 10 combined to create the Bill of Rights. The founding fathers specifically set up an amendment procedure. In their wisdom, they correctly made it a time-consuming and even laborious procedure. The flag protection amendment has nothing to do with the First Amendment. It would create a special place in the Constitution to protect the flag by saying "it is unique and holds an honored place in our nation's eyes." The question has been brought up that says Congress should not amend the Constitution. The people who bring that up only do it to confuse the issue. Only "we the people" can amend the Constitution. Congress has the authority to propose an amendment. That is what we want to do with (SJR 19). Get it to the people to vote on it. Congress should, through their state lawmakers, give the people the opportunity to decide the matter as the founding fathers envisioned. George Washington in his farewell address said, 'The basis of our political system is the right of the people to make and alter their Constitutions of government.' Sen. Williams stated that he had been in Great Falls at Malstrom Air Force Base at a welcome home program Saturday night. Many dignitaries attended and people who had just returned that night from Desert Shield. "The flag, and the protection of the flag, means something to them. I think we have the only flag in the world that has a pledge to it that is given (regularly). The Pledge received official recognition by Congress in an act approved June 22, 1942. The phrase 'under God' was added to The Pledge on June 14, 1954. So we're not tinkering with something that is new. Webster's definition of allegiance is an obligation of support and loyalty; faithfulness that one has sworn to uphold. . . . We believe the desecration of the flag is something that should not be allowed." Reps. Bob Pavlovich and John Phillips have agreed to carry the bill on the Floor.

EXECUTIVE ACTION ON SJR 19

Motion: REP. BETTY LOU KASTEN MOVED SJR 19 BE CONCURRED IN.

Discussion:

REP. JIM SOUTHWORTH said the AL seem to be the people that holler the most about this issue. He said he is a member of the AL. He never heard anything (about this issue) during his campaigning. In 1989, the AL lobbied for mandatory pledge of allegiance at the Legislature. "I don't know where you stop them. You've got to stop this sort of thing. This is a free country."

REP. JOHN PHILLIPS said, "(Rep. Southworth), it isn't just the AL." He polled in his district and found out that 77 percent

wanted to stop flag desecration. Desecration of the flag is "onerous to the majority of the folks. We let a few rule over the majority. The Constitution has been amended 26 times -- women wouldn't be voting (if it hadn't been amended.) There is no big deal. (SJR 19) won't be touching the First Amendment, it would be a special amendment. "This same resolution passed pretty readily two years ago. I carried it. I would certainly hope it would again."

REP. GARY FELAND said he has been "sitting around watching how government operates. I will tell you what. I can't vote for something like this. Where is it going to stop? You can't desecrate the flag. Then what is going to be the next thing?"

REP. KASTEN stated she did not know how many of the Committee members have lived abroad in the economy in a European nation or otherwise, but if there is one thing that you learn to look for and to respect it is the flag. There are many times and things that you find alien to our American culture when living abroad. You find yourself searching for that symbol that tells of stability and right. We have to remember in all battles, whatever flag was being fought for, the flag was never allowed to drop to the ground. The flag is something special. The more we try and make it less, the more it means to many. It symbolizes the whole reason that America exists.

REP. SOUTHWORTH quoting Sen. Chet Blaylock said, "Assaults on our freedom always come cloaked in patriotism."

Motion/Vote: REP. SOUTHWORTH MOVED SJR 19 BE TABLED. Motion failed 7 to 12. EXHIBIT 3

REP. RICHARD SIMPKINS said he thought the Resolution should be put before the people to make the decision on whether they want an amendment to identify the symbol of the nation and to protect that symbol.

REP. BECK said he thinks the most important thing to someone in the U.S. is their freedom. Many people are voting for this because they think it is good politics. To vote against this Resolution takes a "hell of a lot of guts." Amendments to the Constitution should not be taken lightly. The Constitution has worked for a "good number of years. . . . There is nothing showing that there is a majority of people burning flags that we need to go to the extreme of a Constitutional amendment." He questioned what the penalty would be if desecration of the flag was a law. "I am going to vote my conscience and not my constituency."

REP. WILBUR SPRING said the flag was still the most important symbol in the country to look up to. "I am sure going to vote my conscience and not my constituency."

REP. BEVERLY BARNHART stated that Rep. Simpkins' said we should allow the people to vote on this (issue). Some statements that have been made "make me feel that if I vote against it, I am unpatriotic. I understand what Rep. Kasten is saying and Rep. Spring. I admire their views on this, but it does not mean when I chose to vote against it that I am less patriotic or I feel any less emotion when I say the Pledge of Allegiance on the floor of the House."

REP. SOUTHWORTH stated a "great deal of time will be spent on the floor of the House belaboring this . . . ridiculous issue that the news media takes (the Legislators) apart (for) every day (when) they say we are not getting into the big issues, we sit around and fight over these issues that don't amount to a hill of beans. I hope that you do not pass this one."

REP. SQUIRES said, "I feel there is far more desecration of this flag than people really realize. . . There is a code as to which way the flag will fly . . . There is far more desecration of this flag than the people who are the flag burners. Those particular problems should be taken care of far more and those people should be gotten after far more than those who burn the flag. I vote for veterans' issues and supported veterans until 'hell freezes over'. I believe that they have infringed upon the Constitution of the U.S. of America and I simply cannot do that, and I will be labeled as an anti-American, anti-veteran individual, which is the furthest from the facts. I have two sons that have served in the military . . . For people to label me as unpatriotic is the most despicable thing that I could think of and the most unchristian thing because I so choose to maintain my rights."

REP. FRITZ DAILY said one of the best quotes he ever heard since serving in the Legislature by a Legislator was always used by Rep. Joe Kanduch from Anaconda. "I think it is appropriate to this subject. 'If it is unconstitutional, maybe we ought to change the Constitution.' I think we have a method of doing that, and we're following that method. I think is rather appropriate that we do that. I support this Resolution. I think it is the right thing to do. I certainly understand the feelings of the people who don't support the Resolution, and I respect their opinions and wishes."

Vote: SJR 19 BE CONCURRED IN. Motion carried 12 - 7. EXHIBIT 4

EXECUTIVE ACTION ON SB 192

Motion: REP. PHILLIPS MOVED SB 192 DO PASS.

Motion: REP. PATRICK GALVIN moved his amendments. EXHIBIT 5

Discussion:

Sheri Heffelfinger explained the amendments, saying that the first amendment on Pg. 2 would strike the requirement that these funds be returned to the State Treasurer for deposit in the state General Fund and substitute the money be allocated to the Highway Patrol Officers' Retirement System (HPORS). The second amendment is a coordinating instruction to go with HB 711. HB 711 creates another fee of \$.25 on vehicle registration. The \$.25 is allocated to a lump-sum payout to members of the HPORS at the end of each year. The coordinating instruction, if HB 711 and SB 192 both pass, allows the money in this account (which was for the supplemental benefit that no one so far has qualified for from the HPORS) to be evenly distributed to members of HPORS as a lump-sum benefit.

REP. GALVIN said when he inquired about the unused money in HPORS, he was told by Rep. Mary Ellen Connelly that she had carried the original bill two years ago. The intent of her bill was the same as HB 711. After the Legislative Council put the regulations on the bill and set it up in the manner it stands in today, no one was eligible to draw on the account. That is the reason for HB 711 with the proper language to distribute the monies to the qualified people who could draw on the fund. The funds should be put into the HPORS pension fund to go to the people that it was originally intended.

REP. SOUTHWORTH asked for Linda King's opinion of the bill. Linda King, Assistant Administrator, Public Employees' Retirement Division (PERS), said the way HB 711, which has passed the House and is being heard in the Senate today, is written it collects a \$.25 fee which is distributed once a year in a lump sum to eligible retirees. "It would result in about \$1 thousand a year lump-sum payment as it now stands. If you add this to it, there will be a \$3 thousand payment to those people."

REP. SIMPKINS commented the statement was made that people were denied benefits that they needed. The bill that created the excess money was developed to help those people to buy insurance they were unable to purchase. Do you know of anybody that was denied these benefits that needed them? Ms. King responded that the bill from last session was specifically designed to pay the hospital medical insurance premiums for those who did not have sufficient social security payments to get it for "free." She distributed a newsletter entitled, "For Your Information, Your Retirement System News." EXHIBIT 6 The newsletter was mailed in June, 1989. The memorandum and application were sent in July, 1989. EXHIBIT 7 The Montana Highway Patrol Association notified their entire membership on the date of the bill's passage. "To date the Public Employees Retirement Division (PERD) has received 12 applications, none of whom had to pay for their hospital insurance." The benefit was designed to pay \$156 a month to offset medical insurance payments. It was found that no HPORS retiree, or their survivor, has to pay for this benefit.

REP. VICKI COCCHIARELLA asked for information about the funding in HB 711 and if it is intended, with the coordinating instruction, for the \$.25 fee to remain intact. Will the money from SB 192 replace any in HB 711? **Ms. King** said money in SB 192 would be an addition. SB 192 would end the additional \$.25 fee. But instead of transferring the sum, \$420 thousand, to the General Fund as had been originally anticipated in the bill, it would be put in the fund created by HB 711 to increase the first lump-sum payment. It would not add to it every year.

REP. SOUTHWORTH requested Tom Schneider to comment on the SB 192. **Mr. Schneider, Montana Public Employees Association (MPEA)**, said SB 192 was introduced to transfer the money already in a fund to the General Fund; HB 711 was introduced to recreate the fund and then pay the money to the HPORS. "I really don't think we're adding to HB 711 with this bill. It is a coordinating clause so that the money already in the fund will go to the General Fund. The money collected in HB 711 then would not . . . revert to the General fund and would be used to pay benefits. . . . I don't think we're giving them another \$2 thousand payment. I don't think that is the intention of the coordinating clause."

Ms. Heffelfinger said the intent when Rep. Galvin requested the amendment was to coordinate SB 192 with HB 711 and not to allow the funds to revert to the General Fund -- to save those funds and put those funds into the benefit provided by HB 711. That is what the coordinating instructions do.

REP. SOUTHWORTH said it is not his intent to support anything that would give the HPORS retirees \$3 thousand instead of the \$1 thousand.

REP. GALVIN said, "I think this money belongs to the highway patrol officers and their heirs. If it went to the General Fund, it would go to anyone and everybody. The original bill that collected these monies was not for the General Fund, it was for highway patrol officers."

REP. ROGER DEBRUYCKER asked if the lump sum would be paid to those (in the HPORS) that are now retired and have nothing to do with those who will retire in the future. "So if you happen to be sitting in this elite group that is now retired, you would get this windfall and . . . the others don't." **Ms. King** said the \$420 thousand would be distributed under the first distribution under HB 711 and no one else would receive any of those funds.

CHAIR BROWN said if the Committee were to pass the amendments and the bill and Sen. Farrell didn't like them, it would probably end up in a conference committee.

Vote: SB 192 REP. GALVIN AMENDMENT. Motion carried 11 to 8.
Reps. Simpkins, Kasten, Roger DeBruycker, Hayne, Phillips, Feland, Spring and Bergsagel voted no.

Motion/Vote: REP. PHILLIPS MOVED SB 192 AS AMENDED BE CONCURRED IN. Motion carried 11 to 8. Reps. Simpkins, Kasten, Roger DeBruycker, Hayne, Phillips, Feland, Spring and Bergsagel voting no. EXHIBIT 7A

Motion/Vote: REP. PHILLIPS MOVED SB 192 BE SENT DIRECTLY TO APPROPRIATIONS. The motion carried unanimously.

CHAIR BROWN said that Sen. Farrell will find a sponsor to carry the bill on the Floor of the House.

EXECUTIVE ACTION ON SB 222

Motion: REP. COCCHIARELLA MOVED SB 222 BE CONCURRED IN and moved her amendments.

Discussion:

Ms. Heffelfinger distributed Rep. Cocchiarella's amendments to SB 222. EXHIBIT 8

REP. COCCHIARELLA explained her amendments by saying the purpose of the coordinating amendment is to make sure that if HB 595 and SB 222 passes, the police officers covered under those bill would not be eligible to retire at just any age. If both bills passed, with the way they are now written, the police officers could retire without any age limitation.

Ms. Heffelfinger said HB 595 would remove the requirement for an age 50 retirement. If an officer has worked for 20 years, they can retire. SB 222 would allow an officer to be eligible for retirement after ten years of service at age 50. The coordinating instructions say that an officer would either have to have 20 years of service, regardless of age, to retire or an officer could retire after ten years of service, if they were age 50. One bill removed the age requirement; SB 222 would allow retirement at age 50.

Vote: SB 222 REP. COCCHIARELLA AMENDMENT DO PASS. Motion carried 17 - 2 with Reps. Daily and Roger DeBruycker voting no.

Motion/Vote: REP. COCCHIARELLA MOVED SB 222 BE CONCURRED IN AS AMENDED.

Discussion:

REP. DAILY asked if the amendment would require an officer to be 50 years old before retiring. REP. COCCHIARELLA said no. They would have to have at least 20 years of service to retire; they don't have to be 50. The amendments say they would be vested at 10 years and can only retire after 20 years or the age of 50.

Ms. Heffelfinger said the Police Officers' system did not have a vesting. They had to have served 20 years and reach age 50 prior to the bills being introduced. SB 222 was to allow a vesting of 10 years of service and age 50 before retiring.

REP. DAILY said, "I do not think we are coordinating the two. I think the amendments Rep. Cocchiarella are offering have killed HB 595 because it says that an officer can retire after 20 years of service at any age. With the amendments that were just put in this bill, an officer would not be able to retire until he was 50 years old."

REP. COCCHIARELLA stated she had worked the coordinating amendments out with the police officers and Rep. Strizich. There was a problem with SB 222 which said you could retire in ten years with no obligation of 20 years of service. That is the only purpose for the amendments. That is the intention of the amendments. If the coordinating amendments do not work that way, that was not the intention of the amendments.

Ms. Heffelfinger said the coordinating instructions have a new definition. If both bills pass, there would be a minimum retirement date under the first amendment. The minimum retirement date would be defined as the first day of the month coinciding with or immediately following, if none coincides, the date on which a member both becomes age 50 and completes 10 years of qualified service. The age 50 requirement only goes into effect after an officer has completed 10 years of service. If an officer retires then, they cannot draw on that allowance until age 50. The normal retirement date is a new definition that the coordinating instruction would "put in." This is found in amendment 1. (2).

REP. SOUTHWORTH asked Ms. King for her comments. Ms. King said Ms. Heffelfinger has explained the amendment correctly. "If both HB 595 and SB 222 pass, the regular retirement date will be 20 years of service, regardless of age, for anyone. Anyone with 20 years or more of service can retire at any age. Someone who has at least 10 years but less than 20 when they terminate can be vested. Their benefit will not start until they attained age 50. Someone who has 20 or more years of service has no age requirement.

REP. DAILY said the way the amendments are written is fine. It would still allow a person to retire with 20 years of service under age 50.

REP. SIMPKINS asked how many retirement plans require more than five years to be vested. Ms. King said most hazardous duty occupations, of which the police are one, have a ten-year period. Right now the police have no vesting. Public Employees Retirement Board is very supportive of their being given a vesting provision. Without the coordinating provision, both

bills could not become law. If HB 595 passed, SB 22 could not pass and there would be no vesting.

REP. COCCHIARELLA asked for a clarification. She said she understood that both could pass and would not kill one another. What would happen if both bills passed without amendments is that after 10 years an officer could retire. Ms. King said when HB 595 was heard, it had a coordinating instruction that said if SB 222 passes, HB 595 would not. At the request of the police, they were going to switch that coordinating instruction from HB 595 to SB 222. There was no way that both of those bills could, in fact, become law. They could not be coordinated without a coordinating instruction. The option before the Committee on SB 222 is basically to put a coordinating instruction in that would allow them both to become law or to put the requirement on SB 222 that if HB 595 passed, SB 222 will be void.

Vote: SB 222 BE CONCURRED IN AS AMENDED. Motion carried 18 - 1 with Rep. Roger DeBruycker voting no. EXHIBIT 8A Rep. Cocchiarella will carry the bill on the Floor.

EXECUTIVE ACTION ON SB 243

Motion: REP. DAILY MOVED SB 243 BE CONCURRED IN.

Discussion:

REP. DAILY said that he had talked with Karen Barclay (Department of Natural Resources) about the bill. The bill will provide \$19 thousand to the retirement and will not have a big impact on the Resource Indemnity Trust Fund and will not hurt any projects that have now been funded.

REP. ROGER DEBRUYCKER said there are three or four other judges under the chief water judge; there is also a workers' compensation judge. He asked if they are covered? REP. GALVIN said they are all District Court judges and they are covered.

REP. SIMPKINS questioned which judges were covered under PERS and which were covered under the judicial retirement system. Ms. King, Assistant Administrator, PERD, responded that currently all District Court judges and Supreme Court justices are covered under the Judges' Retirement System (JRS). SB 243 would add the chief water judge to that system. Municipal judges are not covered. The workers compensation judge is covered under PERS. Currently, the chief water judge is covered under PERS. REP. SIMPKINS asked if any other judges were covered under PERS. Ms. King answered that she would have to check to see if municipal judges were covered. "I believe that when they are elected, it is at their option -- as it would be for any elected official -- to be covered under PERS. One point of clarification in the statutes that set up the workers' compensation judge, is that it specifically stated that "this person" would be a member of PERS.

In the water courts, (the statutes) didn't say anything at all. Sen. Mazurek was correct in saying that the first water judge, Judge Lessley, was already retired. The system was . . . set up for him. . . . If you call a retired judge to duty, . . . he continues getting his retirement benefit and his pay, which offset each other. It saved (the state) quite a bit of money so they were not even thinking about a retirement system because they did not have to pay into it."

REP. SIMPKINS said, "I am going to vote against this bill because we are dealing with an administrative judge position, very similar to the workers' compensation judge. I don't think we should put this judge into the District Court Judges' System. . . . I think we should keep him an administrative judge."

REP. SPRING stated, "This is a special situation. Judge Lessley I knew personally, and he was an optimist. He thought he was going to (settle the water issues) in his lifetime. He didn't; that is why (this bill) is here. It has to be addressed."

REP. KASTEN asked for clarification on the following: "The judges' retirement comes out of the fees paid to the court. This retirement will come out of the Water Development Account, is that right?" CHAIR BROWN answered, "That is correct."

REP. ROGER DEBRUYCKER said he went down to the Legislative Council yesterday. They looked this question up. It was in the statutes that the chief water judge would be a District Court judge. "I can't find any place where (the statutes) have been changed."

Ms. Heffelfinger said this judge is just not in any retirement system at all. There is no guidance in statute to say which one he should belong to. The statute dealing with the workers' compensation judge specifically stated he would be a member of PERS.

CHAIR BROWN asked Rep. Roger DeBruycker if he was suggesting that they appointed someone they shouldn't have, that he was supposed to be a District Court judge. REP. DEBRUYCKER responded that a water judge was supposed to be a District Court judge. CHAIR BROWN said, "If that was the case, (Ms. King) in the future if a District Court judge were appointed, he would already be a member of the JRS. Ms. King said, "No. Having looked at it very closely when Judge Lessley's position was up for reappointment, a number of people called our office and said, 'I'll be in the JRS if they appoint me.' I looked it up; there is absolutely nothing that says they will be in the JRS because they will no longer be a District Court judge if they are the chief water judge. As a general state employee, they would be eligible for coverage under PERS. . . . The JRS says . . . who will be a member of (the) system; (it does) not include the chief water judge. The assistant water judges, being District (Court) judges themselves and having dual responsibilities, are in the JRS. The chief

water judge is not a District Court judge."

Motion/Vote: SB 243 BE CONCURRED IN. The motion carried 15 - 4 with Reps. Roger DeBruycker, Feland, Simpkins and Bergsagel voting no.

EXECUTIVE ACTION ON SB 448

Motion: REP. BERGSAGEL MOVED SB 448 BE NOT CONCURRED IN.

Discussion:

Ms. Heffelfinger distributed amendment to SB 448 that were proposed by Sen. Towe. EXHIBIT 9

CHAIR BROWN requested Rep. Beck report on what he discovered during the weekend concerning SB 448. REP. BECK stated that the issue is a "hot potato." The Power County Museum and Arts Foundation has a lease that will continue for 15 years. He felt there wasn't enough input from others that are involved in the issue. He said he would not have a problem with either tabling or killing the bill.

Ms. Heffelfinger explained the amendments. "The amendments were requested by Sen. Towe due to an oversight when the bill was drafted. He intended to include both leases. . . . The language just included one lease. (The amendment) would include the property that is . . . in the second lease and the one that is dated in November."

Motion: REP. PHILLIPS MADE A SUBSTITUTE MOTION THAT SB 448 BE TABLED. The motion carried unanimously.

EXECUTIVE ACTION ON SB 251

Motion: REP. COCCHIARELLA MOVED SB 251 BE CONCURRED IN and moved the amendments.

Discussion:

Ms. Heffelfinger distributed amendments proposed by Rep. Cocchiarella. EXHIBIT 10

CHAIR BROWN informed the Committee that SB 251 had already been passed out of the Committee and had been rereferred.

Ms. Heffelfinger said there was a spelling error on amendment No. 2, "limied" should be "limited."

REP. COCCHIARELLA requested Tom Schneider explain the amendments. Mr. Schneider, MPEA, said that when the bill was in the Senate, MPEA worked out an agreement with the Attorney General's Office.

The bill was introduced to deal with disciplinary matters of 10 days or less. After the hearing in the Committee, he found on Pg. 3, Lns. 19 and 20, where some language had been struck and inserted "in accordance with 2-4-704, RCM, which significantly changes the current law. I really wasn't happy with that. We moved the bill back (to Committee) to look at amendments." Under statute 2-4-704, RCM, you allow the court to review the decision of the attorney general and you do not have any rights to do anything other than make a change if the record is wrong. If a person has done something like take a pencil home and the attorney general fires them, the court can say, "No, that is not enough to fire him for." We just couldn't support that. This bill was not intended to change the right of the officer at the District Court Level. We have put language back in to allow the Court to completely review the decision of the attorney general and to have the right to hold a further hearing if the judge decided there was a necessity to hold a further hearing on the matter.

Vote: SB 251 REP. COCCHIARELLA AMENDMENT DO PASS. The motion carried unanimously.

Motion/Vote: REP. COCCHIARELLA MOVED SB 251 BE CONCURRED IN AS AMENDED. The motion carried 17 to 2 with Reps. Beck and Bergsagel voting no. EXHIBIT 10A

DISCUSSION ON TABLED BILLS

CHAIR BROWN stated that the Committee needs to take action on five other bills that have been tabled. There has been an indication of interest in reviving HB 661, HB 871, SB 241, SB 264 and SB 301. The Committee would have to "untable" them if the Committee so chose before they could be acted on.

EXECUTIVE ACTION ON HB 661

CHAIR BROWN said she had sponsored this bill and had requested the Committee table it because there were no funds available. She received a request to have the bill taken from the table, amended and sent directly to Appropriations so it could be used as one of the bills in negotiating on the retirement and pay bills. It would not be heard on the Floor.

Ms. Heffelfinger distributed amendments proposed by Rep. Jan Brown. EXHIBIT 11

Motion: REP. DAILY MOVED HB 661 BE TAKEN FROM THE TABLE.

CHAIR BROWN asked Mr. Schneider if he knew anything about the bill and the amendments. Mr. Schneider said he hadn't seen the amendments. CHAIR BROWN said she thinks they are the same as what was done to HB 553, the Teachers' Retirement bill.

Ms. Heffelfinger said the amendment specifies that the 2 percent annual increase would be split three ways. The General Fund would pay .53 percent of the total payroll of people who are currently on the payroll; the members' contribution was raised by 1.9 percent; the employers' contribution was raised by 1.19 percent to cover the cost of a guaranteed annual 2 percent increase for adjustment that the bill provided for. This was the same thing the Committee did with the Teachers' Retirement System (TRS) bill to allow that guaranteed 2 percent adjustment.

REP. DAILY said if the bill were to pass, it would go directly to Appropriations. All we are doing with this bill is giving the Pay Plan Committee just another vehicle to work with in trying to establish a state pay plan for state employees. If the Committee sends the bill to Appropriations, it would not necessarily mean that they approve of it. There are some things that I question in this bill, and in the amendments, and in Rep. Harrington's bill dealing with teachers' retirement. One item I question is raising the employee's contribution. If we're going to raise the employee's contribution . . . then I think we ought to look at a lot of other options (such as) reducing retirement down to 25 years, 25/50ths. By passing this, we also have a 25/60th bill downstairs for PERS. I think we can coordinate all of these "things" together and hopefully come out with a decent package for our retirees.

REP. PHILLIPS asked if Rep. O'Keefe had a bill to give 2 percent to retirees; and if so, how would this bill work with his. CHAIR BROWN said that would be just another bill (Appropriations) could work with. "I don't think anything will happen. I am sorry that Leo Berry isn't here. He was here earlier and he left." He was the one who had requested the bill be taken from the table, and he could explain.

VOTE: HB 661 BE TAKEN FROM THE TABLE. The motion carried 10 to 8 with Reps. Bergsagel, Roger DeBruycker, Feland, Hayne, Kasten, Phillips, Simpkins and Spring voting no. Rep. Barnhart was absent for the vote.

MOTION: REP. DAILY MOVED HB 661 DO PASS and moved the amendments.

DISCUSSION:

REP. DAILY said this bill will go to Appropriations and be used with all the other bills down there in a package . . . so we can offer a good (pay plan) to our employees. I can guarantee you this bill is not going to pass as it is. . . . Tom Schneider has testified before this Committee that he does not want to increase any contribution by the employees. He wants the employees to receive a raise. "Probably on about the 88th or 89th day, we'll come out of here with a Pay Plan that will incorporate all of the various (bills). We really are not doing anything if we pass this bill."

Vote: HB 661 REP. BROWN AMENDMENT DO PASS. The motion carried 14 to 4 with Reps. Kasten, Hayne, Bergsagel, and Simpkins voting no. Rep. Barnhart was absent for the vote.

Motion/Vote: REP. DAILY MOVED HB 661 DO PASS AS AMENDED. The motion carried 14 to 5 with Reps. Kasten, Hayne, Bergsagel, Spring and Simpkins voting no. EXHIBIT 11A

EXECUTIVE ACTION ON HB 871

CHAIR BROWN said Rep. Barnhart had indicated an interest in taking HB 871, the Citizen's Advocate Bill, off the table and amending it to put the Citizen's Advocate in statute. Rep. Barnhart is not present although she left her proxy vote.

REP. BERGSAGEL asked Rep. Daily if he had checked into having a toll-free number for the Legislators to use. REP. DAILY said he had. "In state government, we have our own phone system. It would cost an estimated \$8 thousand to put a line into the Legislative Council per year." CHAIR BROWN asked if that amount included staff to operate the phone. REP. DAILY said it did not include staff time. REP. DAILY remarked, "I personally think it is a good idea to put (the toll-free line) in. I think it would save a lot of problems for Legislators because we really do need access to state government."

Motion: REP. DAILY MOVED HB 871 BE TAKEN FROM THE TABLE.

Discussion:

REP. DAILY said, "I think the Citizen's Advocate Program belongs where it is, in the Governor's office. If that passes, I would like to (amend the bill) to put a hot-line phone in the Legislative Council. If that amendment were to pass, it would have to go to Appropriations."

Vote: HB 871 BE TAKEN FROM THE TABLE. Motion failed 8 to 11. EXHIBIT 12

EXECUTIVE ACTION ON SB 241

CHAIR BROWN asked if the Committee would like to take SB 241, Sen. Blaylock's Dual Compensation Bill, off the table.

REP. SOUTHWORTH said Sen. Blaylock did not want his bill amended.

Motion: REP. SOUTHWORTH MOVED SB 241 BE TAKEN FROM THE TABLE.

CHAIR BROWN questioned Rep. Southworth if he had talked to Sen. Blaylock recently about not having his bill amended. REP. SOUTHWORTH responded that he hadn't talked to him recently.

Vote: The motion failed 3 to 15 with Reps. Davis, Forrester and Southworth voting aye. Rep. Barnhart was absent for the vote.

EXECUTIVE ACTION ON SB 264

Motion: REP. GARY FORRESTER MOVED SB 264 BE TAKEN FROM THE TABLE for purposes of amendment.

Discussion:

Ms. Heffelfinger distributed amendments proposed by Rep. Forrester. EXHIBIT 13

CHAIR BROWN read the last sentence of a letter given to her by Rep. Forrester from John M. Hutchinson, Commissioner of Higher Education. "We think that this study is important enough so that if its passage depends on the costs of the outside expert being borne by the University System we stand ready to take on that obligation." EXHIBIT 14 The letter was passed to the members of the Committee to read.

REP. BERGSAGEL stated, "If this is important to them, don't they have the authority already to conduct the study. Do we have to pass a law?" Dave Evenson, Commissioner, Higher Education, University System, responded, "Yes, we probably have authority to do an in-depth study, but we would have the same problem with credibility that we currently have."

REP. ROGER DEBRUYCKER commented that he thought the University System was fairly hard up and wanted to know from where the money for the study would come. Mr. Evenson, said the first source for the money potentially would be a charge back to the campuses. So they would have to give up some of their money. We estimated the cost of the study would range from \$10 thousand to perhaps as high as \$20 thousand. That amount of money would be prorated among the campuses. If that situation isn't acceptable, we have an employee benefit concept that perhaps can pay some of that money. REP. ROGER DEBRUYCKER asked, "Then they have an extra \$20 thousand if they want to use it?" Mr. Evenson answered, "I don't know what the future will bring, but there have been some threatened lawsuits over this issue. In the event that one of those lawsuits would evolve, we would look at a . . . savings. I think that a lawsuit would possibly exceed the cost of the study. So we would have to bear the cost in either case."

Vote: SB 264 BE TAKEN FROM THE TABLE. Motion carried 13 to 6 with Reps. Roger DeBruycker, Hayne, Kasten, Simpkins, Bergsagel and Spring voting no.

Motion/Vote: REP. FORRESTER MOVED SB 264 BE CONCURRED IN and moved his amendments.

Discussion:

REP. FORRESTER said he wasn't "crazy" about the bill, but the funding mechanism had been changed with the Commissioner's Office agreeing to fund the study entirely. The whole purpose of the original bill was to get another independent study. The first "so called" independent study wasn't good enough. "Now we're going for another independent study, which I don't know if anybody could say (whether or not it will) be good enough. It is a dispute among the university faculty. Hopefully, this (will) settle it." He did not know whether the bill would guarantee that, but stated that the bill is now more palatable.

Motion/Vote: REP. FORRESTER MOVED SB 264 BE CONCURRED IN and moved his amendments. The motion carried 17 - 2 with Reps. Kasten and Spring voting no.

Motion/Vote: REP. FORRESTER MOVED SB 264 BE CONCURRED IN AS AMENDED.

Discussion:

REP. COCCHIARELLA pointed out "there is a huge morale problem on the University of Montana campus when it comes to who is getting cheated and who is not in their retirement. Whether you have sympathy for those people and what they are doing there, the outside actuarial evaluation of the systems needs to happen so that they can hold up a document and say, 'You can't sue us for this reason. This is why. The actuary says this.' It is an outside objective source. As Legislators, we need to allow that to happen in an objective way; not to be "hooked" up with the system, but to let them pay for it and resolve the issue.

REP. SIMPKINS said, "I think we have a very interesting dilemma here as far as I am concerned. When they want something and we try to put a limitation on the University system, they remind us of their Constitutional authority to govern the University System, and we can't tell them "diddlysquat." All of a sudden they have the authority . . . to conduct this study, . . . and they want us to put the blessing on it. . . . We're subject to the tail wagging the dog. If they have that authority, they have the Constitutional governance of the System, then exercise that, do it and leave the Legislature out of this process."

REP. COCCHIARELLA said the reason that this is not totally a University Constitutionally limited issue is because it involves PERS. They don't have Constitutional autonomy or authority over Teacher's Retirement System (TRS). "In order for this to happen, we're involving that aspect of state government with the University System."

REP. KASTEN said she has an actuarial analysis of the impact of the University's Optional Retirement Program on the Teachers' Retirement System as of July 1, 1990, by Hendrickson, Miller and

Associates. "What are they going to find that isn't found in the study they have before them?" Mr. Evenson responded, "That is a tough question for someone like me to answer." There were two basic points that Hendrickson and Miller made. When the original bill was passed we had two arguments: 1) adverse impact on the system since all the young people would go with the Optional Retirement Plan; 2) the old people would go with TRS. The cost then would go to TRS. The actuarial impact said this did not occur and was not a problem with the University System. We have fewer people participating in TRS, so TRS gets less money than they did before. The question then becomes, what is the obligation of the University System to amortize the unfunded liability. If we had been a private sector plan and there had been a withdrawal, or partial withdrawal, the actuary would have gone through and they would have calculated the cost of each member participating. This was not so with the state actuary. Perhaps something different would come out of (the study). The assumptions that you establish when you set up an actuarial report are the real key to the outcome. We're disputing some of the assumptions that were made. We feel that the original intent of the statute was not meant by this report.

Vote: SB 264 BE CONCURRED IN AS AMENDED. Motion failed 9 to 8.
EXHIBIT 15 (See further Executive Action on pg. 23.)

EXECUTIVE ACTION ON SB 301

Motion: REP. SOUTHWORTH MOVED SB 301 BE TAKEN FROM THE TABLE.

Discussion:

REP. SOUTHWORTH said they formed a small subcommittee and decided to amend SB 301.

CHAIR BROWN said she met, at the request of Rep. Simpkins, with Scott Seacat (Legislative Audit Committee), and Rep. Southworth to talk further about SB 301. One of the concerns with the bill was that it discriminated in favor of Legislators. Rep. Simpkins worked on some amendments.

REP. SIMPKINS said Scott Seacat gave the Committee his apologies because he arrived just after the vote was taken. He felt he was the representative from the State Employee Group Benefit Advisory Council to the Committee. The members of the Legislative Audit Committee had asked for SB 301 because there is one small group of people, that sort of "fall through the crack." Those are Legislators that have vested rights in PERS but are under age 50. The bill was originally drafted very narrowly and sounded like we were giving benefits specifically for Legislators. That was his objection to the bill. The amendment would do two things: 1) instead of reading "former Legislators," it would read "former state employees, elected officials and Legislators." 2) there will be no cost to the plan, whatsoever, as originally shown in

the fiscal note. We changed the words from "full premium," to the individual would have to "pay the average cost to the plan for members eligible for this provision."

Vote: SB 301 BE TAKEN FROM THE TABLE. The motion carried carried 12 to 7 with Reps. Cocchiarella, Hayne, Kasten, Spring, Phillips, Bergsagel and Feland voting no.

Motion/Vote: REP. SOUTHWORTH MOVED SB 301 BE CONCURRED IN and moved the amendments.

Discussion:

CHAIR BROWN commented that Joyce Brown was in the audience and could give further information to the Committee members if they so desired.

REP. PHILLIPS questioned how the plan would be paid. Ms. Brown, Employee Compensation and Benefits Supervisor, Labor Relations and Employee Benefits Bureau, said if you would allow us to charge what it costs, we would simply be collecting the cost of the coverage. It will increase the premium.

REP. KASTEN said the state will have to collect the premium since it will no longer be deducted from wages, since there are no wages. She asked there would be extra expense of going out and securing the money if someone were to not pay their premium. Ms. Brown said there would be extra expense, but the amendments allow the state to collect the costs, whatever they are, for these additional members of the plan. That would include administrative as well as claims' costs.

REP. COCCHIARELLA asked what the addition of these people would do to the cost of the plan overall for all employees in the plan. Ms. Brown said, "I don't believe it does anything if we treat this as a subgroup and collect what it costs us to administer the plan for this subgroup."

REP. SQUIRES asked if the bill was basically to help those individuals who may have had a problem prior to retirement and possibly would not be able to acquire additional or new kinds of insurance as a result of a "preexisting condition." So, basically, we are just extending the state coverage, and they will just continue to pay. Ms. Brown said that is what she assumes the impact of the bill will be. Those who want the coverage will be those who can't get coverage elsewhere. REP. SQUIRES asked if this would be like a normal conversion policy that happens with individuals. Ms. Brown answered, "Correct. Every ex-member of our plan, currently has the right to convert to a conversion plan, which is an individual plan. That is a fairly expensive plan for the same reason, which is why the people who convert are people who can't get coverage elsewhere."

REP. KASTEN remarked that the state is allowing pre-existing

conditions to come into the calculation; therefore, would the premium, under this calculation, be that much different than a conversion policy? **Ms. Brown** said she had not addressed the question as to "how much different" the premium would be. The conversion premium is set, by Blue Cross\Blue Shield, based on a large group of people who convert. It is actually an individual policy. "We would be rating this little subgroup and cannot tell you, actually, without having the group created how much different the premium would be. **REP. KASTEN** asked if she thought the premium would be much different. **Ms. Brown** answered, "Probably not a lot (but) it will be fairly significant."

REP. DAILY said he understands that the state is self-insured. **Ms. Brown** said, "Correct." **REP. DAILY** said, "If we have one person that wanted in the plan, and that one person needed open-heart surgery that cost \$40 thousand, their premium would end up being \$40 thousand." **Ms. Brown** said, "No, the premiums are set based on average cost to the plan for the subgroup. Not individual." **REP. DAILY** said if there was only one person that was in that group and that person had a \$40 thousand claim. Then the premium would be \$40 thousand; if there were two people, and one had a \$40 thousand claim and one had a \$20 thousand claim, their payment would be \$30 thousand. **Ms. Brown** said we assume they won't have one of those every year; we try to average them out over the years. But it certainly would increase the premium.

REP. SIMPKINS asked for a clarification of the following: "If an individual worked for state government or as a Legislator and had ten years of vested interest, is 46 years old, and no longer comes back to the Legislature, he would be offered 18 months of COBRA. When that time expires, he would have no availability or access to the plan. Even if the Legislator were to retire, at age 50, he would not be eligible to come back to the plan. **Ms. Brown** said they have the right of conversion at the time they lose their COBRA rights, which would be conversion to an individual plan. That is the only right of the individual. **REP. SIMPKINS** asked if conversions could be reconverted. If they get a conversion, are they stuck with it for the rest of their life, or could they revert that at age 50, when they retire, back to the same plan that any other person at age 50 can get. **Ms. Brown** said, "That is correct." You must be an employee at the time of retirement in order to continue the plan. **REP. SIMPKINS** asked if the state is just offering to carry the plan forward until the individual can retire. **Ms. Brown** said, "No, that wouldn't be correct. In order to be on the plan as a retiree, you have to be an employee at the time of retirement age. Even if you continued under this bill, we would not treat them as retirees, under the retirement plan, they would have to continue in the subgroup indefinitely."

REP. SQUIRES asked for clarification on conversion versus the subgroup. "If this individual is 47 years old and is vested with ten years and has diabetes, you are talking about a conversion. If he converted, would he not probably have a disqualification as

the result of the diabetes, where everything else would be covered but the diabetes? . . . I am trying to (allow) the individual, who has acquired the disease process and they are not reelected or employed by the state, to continue to pay the premium. If they went into a conversion, isn't there a possibility that individual would be excluded for that particular coverage?" Ms. Brown said there would be no waiting period and there are no preexisting limitations applied under conversion.

REP. SIMPKINS asked for clarification on the following: The conversion would be less coverage at a higher premium. Ms. Brown answered, "That is correct. We don't know how high the premium, but it is less coverage." REP. SIMPKINS said isn't Rep. Squires correct when she says that the individual will sometimes be technically denied coverage because the coverage does not exist. Ms. Brown said, "By less coverage, I mean higher deductibles. Not less coverage in types of coverage generally."

Vote: SB 301 AMENDMENTS DO PASS. Motion carried 17 to 2 with Reps. Daily and Galvin voting no.

Motion/Vote: REP. SOUTHWORTH MOVED SB 301 BE CONCURRED IN AS AMENDED. The motion carried 15 to 4 with Reps. Hayne, Kasten, Bergsagel and Spring voting no. EXHIBIT 15A

EXECUTIVE ACTION ON SB 264

Motion: REP. COCCHIARELLA MOVED TO RECONSIDER ACTION ON SB 264.

Discussion:

REP. COCCHIARELLA said some members were not present when the vote was previously taken. "Whether you like the University System or not or have a vendetta for their Constitutional autonomy or whatever the issue is here -- this has to do with people. This has to do with employees who feel that one is treated better than the other. If you have ever worked in a situation where some people feel they are being treated unfairly, it is not nice for anybody. . . . We need this bill for the University System."

Vote: TO RECONSIDER ACTION ON SB 264. The motion carried 11 to 8. EXHIBIT 16 and EXHIBIT 17

Motion/Vote: REP. COCCHIARELLA MOVED SB 264 BE CONCURRED IN AS AMENDED. The motion carried 11 to 8 with Reps. Bergsagel, Roger DeBruycker, Feland, Hayne, Kasten, Phillips, Simpkins and Spring voting no.

ADJOURNMENT

Adjournment: 10:27 a.m.


JAN BROWN, Chair


JUDY BURGGRAFF, Secretary

JB/jb

HOUSE OF REPRESENTATIVES

STATE ADMINISTRATION COMMITTEE

ROLL CALL

DATE 3/19/91


NAME	PRESENT	ABSENT	EXCUSED
REP. JAN BROWN, CHAIR	✓		
REP. VICKI COCCHIARELLA, VICE-CHAIR	✓		
REP. BEVERLY BARNHART	✓		
REP. GARY BECK	✓		
REP. ERNEST BERGSAGEL	✓		
REP. FRED "FRITZ" DAILY	✓		
REP. ERVIN DAVIS	✓		
REP. JANE DEBRUYCKER	✓		
REP. ROGER DEBRUYCKER	✓		
REP. GARY FELAND	✓		
REP. GARY FORRESTER	✓		
REP. PATRICK GALVIN	✓		
REP. HARRIET HAYNE	✓		
REP. BETTY LOU KASTEN	✓		
REP. JOHN PHILLIPS	✓		
REP. RICHARD SIMPKINS	✓		
REP. JIM SOUTHWORTH	✓		
REP. WILBUR SPRING	✓		
REP. CAROLYN SQUIRES	✓		

HOUSE STANDING COMMITTEE REPORT

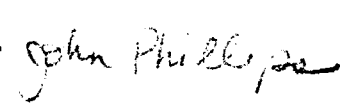
March 19, 1991

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that Senate Bill 192 (third reading copy -- blue) be concurred in as amended.

Signed: 

Jan Brown, Chairman

Carried by: Rep. 

And, that such amendments read:

1. Page 2, lines 17 and 18.

Strike: line 17 through "fund" on line 18

Insert: "allocated to the highway patrol officers' retirement system"

2. Page 5.

Following: line 2

Insert: "

NEW SECTION. Section 3. Coordination instruction. If both House Bill No. 711 and [this act] are passed and approved, then 19-6-506(4) is amended to read:

"(4) Amounts deposited in the highway patrol officers' retirement fund under the provisions of 61-3-321(5) and not required to provide benefits under this section must be used for the supplemental benefits provided under [section 1 of House Bill No. 711]."

Renumber: subsequent section

HOUSE STANDING COMMITTEE REPORT

March 19, 1991

Page 1 of 2

Mr. Speaker: We, the committee on State Administration report that Senate Bill 222 (third reading copy -- blue) be concurred in as amended .

Signed: Jan Brown
Jan Brown, Chairman

Carried by: Rep. Cocchiarella

And, that such amendments read:

1. Page 11.

Following: line 7

Insert: "NEW SECTION. Section 9. Coordination instruction. If House Bill No. 595 and [this act] are passed and approved, then the following amendments apply:

(1) The definition of "minimum retirement date" or "normal retirement date" under the provisions of 19-9-104 is amended to read as follows:

"(15) "Minimum retirement date" means the first day of the month coinciding with or immediately following, if none coincides, the date on which a member both becomes age 50 and completes 10 years of qualified service.

(2) Section 19-9-104 is amended to include a new definition to read as follows and subsequent subsections are renumbered:

"(18) "Normal retirement date" means the first day of the month coinciding with or immediately following, if none coincides, the date on which a member completes 20 or more years of qualified service and has terminated employment as a police officer."

(3) Section 19-9-801, MCA, is amended to read:

"19-9-801. Eligibility for service retirement -- commencement of allowance. Members are eligible for retirement and shall retire as provided in this section:

(1) A member employed by an employer as a police officer is eligible to receive a service retirement allowance when he has completed 20 years or more of qualified service and has terminated covered employment.

(2) A member who terminates employment as a police officer with an employer after completing at least 10 years of qualified service but prior to completing 20 years of qualified service is

eligible to receive a service retirement allowance when he has reached 50 years of age.

(3) (a) Except as provided in subsection (3) (b), the retirement allowance may commence on the first day of the month following the member's minimum retirement date or, if requested by the terminated member in writing, on the first day of the month following receipt of the written application.

(b) The retirement allowance for an eligible terminated member must commence no later than the first day of the month following the member's 55th birthday."

(4) All references to subsections of 19-9-801 must be stricken from sections 19-9-802, 19-9-804, and 19-9-903."

Renumber: subsequent section

HOUSE STANDING COMMITTEE REPORT

March 19, 1991

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report
that Senate Bill 243 (third reading copy -- blue) be concurred
in .

Signed: Jan Brown
Jan Brown, Chairman


Carried by: Rep. J. Brown

HOUSE STANDING COMMITTEE REPORT

March 19, 1991

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that Senate Bill 251 (third reading copy -- blue) be concurred in as amended .

Signed: 

Jan Brown, Chairman

Carried by: Rep. Cocchiarella

And, that such amendments read:

1. Page 3, line 17.

Following: "determination"

Insert: "."

Strike: "in"

2. Page 3, lines 19 and 20.

Strike: "accordance with 2-4-704"

Insert: "The district court is not limited by the scope of review set forth in 2-4-704 and may hold a new hearing"

HOUSE STANDING COMMITTEE REPORT

March 20, 1991

Page 1 of 3

Mr. Speaker: We, the committee on State Administration report that House Bill 661 (first reading copy -- white) do pass as amended .

Signed: Jan Brown

Jan Brown, Chairman

And, that such amendments read:

1. Title, line 7.

Following: "FUND"

Insert: "AND ADJUSTING EMPLOYER AND EMPLOYEE CONTRIBUTIONS"

2. Title, line 8.

Strike: "SECTION"

Insert: "SECTIONS"

Following: "17-7-502,"

Insert: "19-3-701, AND 19-3-801,"

3. Page 2, line 2.

Following: "contribute"

Insert: "from the general fund"

4. Page 2, line 3.

Strike: "2.91%"

Insert: "0.53%"

5. Page 3.

Following: line 24

Insert: "

Section 4. Section 19-3-701, MCA, is amended to read:

"19-3-701. Member's contribution to be deducted. (1) On and before June 30, 1989, the normal contribution of each member is 6% of his compensation. The normal contribution of each member increases to:

(a) 6.15% of his compensation on July 1, 1989;

(b) 6.30% of his compensation on July 1, 1990;

(c) ~~6.417%~~ 7.607% of his compensation on July 1, 1991;

(d) ~~6.55%~~ 7.74% of his compensation on July 1, 1992; and

(e) ~~6.70%~~ 7.89% of his compensation on July 1, 1993.

(2) Payment of salaries or wages less the contribution shall be full and complete discharge and acquittance of all claims and demands whatsoever for the service rendered by members during the period covered by the payment, except their claims to the benefits to which they may be entitled under the provisions of this chapter.

(3) Each employer, pursuant to section 414(h)(2) of the federal Internal Revenue Code of 1954, as amended and applicable on July 1, 1985, shall pick up and pay the contributions which would be payable by the member under subsection (1) for service rendered after June 30, 1985.

(4) The member's contributions picked up by the employer must be designated for all purposes of the retirement system as the member's contributions, except for the determination of a tax upon a distribution from the retirement system. These contributions must become part of the member's accumulated contributions but must be accounted for separately from those previously accumulated.

(5) The member's contributions picked up by the employer must be payable from the same source as is used to pay compensation to the member and must be included in the member's wages as defined in 19-1-102 and his compensation as defined in 19-3-104. The employer shall deduct from the member's compensation an amount equal to the amount of the member's contributions picked up by the employer and remit the total of the contributions to the board."

Section 5. Section 19-3-801, MCA, is amended to read:

"19-3-801. Employer contribution rates -- actuarial determination. (1) Each employer shall contribute to the cost of benefits under the system. The amount of the employer contributions shall be computed by applying to member's compensation the sum of the current service contribution rate and the unfunded liability contribution rate. The sum of these rates is ~~6.417%~~ 7.607% from July 1, 1983, to June 30, 1992. The sum of the rates increases to ~~6.55%~~ 7.74% on July 1, 1992, and to ~~6.70%~~ 7.89% on July 1, 1993.

(2) The actuary shall determine the current service contribution rate to be that level percentage of the present value of the future compensation of the average new member entering the system which equals the then present value of the excess of all prospective benefits in respect of such member over the member's own normal contributions.

(3) The actuary shall determine the minimum unfunded liability contribution rate to be that level percentage of the present value of the prospective compensation of all members for

the 40-year period following the date of the determination which is equal to the unfunded liability on that date. The unfunded liability at any time is the excess of the present value of all future benefits payable in respect of all persons then entitled to benefits under the system over the sum of the retirement fund and the present values of the future current service contributions and normal contributions payable in respect of all such persons."

Renumber: subsequent sections

HOUSE STANDING COMMITTEE REPORT

3/15/91 3:15 PM
3. Bolt
March 19, 1991

Page 1 of 2

Mr. Speaker: We, the committee on State Administration report that Senate Bill 301 (third reading copy -- blue) be concurred in as amended .

Signed: Jan Brown
Jan Brown, Chairman

Carried by: Rep. Southworth

And, that such amendments read:

1. Title, line 4.

Following: "FORMER"

Insert: "STATE EMPLOYEES, ELECTED OFFICIALS, AND"

2. Page 3, line 2.

Following: "a"

Insert: "state employee, elected official, or"

3. Page 3, line 6.

Following: "the"

Insert: "state employee, elected official, or"

4. Page 3, line 7.

Following: "terminates"

Insert: "state"

Following: "service"

Strike: "in the legislature"

5. Page 3, line 11.

Strike: "end of his legislative term"

Insert: "last day of eligibility for state insurance"

6. Page 3, line 12.

Following: "former"

Insert: "state employee, elected official, or"

7. Page 3, line 20.

Following: "A"

Insert: "state employee, elected official, or"

8. Page 3, line 23.

Following: "a"

Insert: "state employee, elected official, or"

9. Page 4, line 1.

Following: "the"

Strike: "full premium"

Insert: "average cost to the plan for members eligible under this
section"

10. Page 4, line 7.

Following: "to a"

Insert: "state employee, elected official, or"

HOUSE STANDING COMMITTEE REPORT

March 19, 1991

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that Senate Bill 261 (third reading copy -- blue) be concurred in as amended.

Signed: _____

Jan Brown, Chairman

Carried by: Rep. Cocchiarella

And, that such amendments read:

1. Page 2, line 14.

Following: "."

Insert: "The office of the commissioner of higher education shall pay for the determination, required by this section, of past service liability of teachers' retirement system members compared to contributions required of the Montana university system."



MONTANA STATE SENATE

SENATOR BOB WILLIAMS
SENATE DISTRICT 15
HOME ADDRESS:
BOX 390
HOBSON, MONTANA 59452

COMMITTEES:
FISH & GAME, CHAIRMAN
AGRICULTURE, LIVESTOCK & IRRIGATION
BUSINESS & INDUSTRY

CAPITOL STATION
HELENA, MONTANA 59620
PHONE (406) 444-4800
HOME PHONE (406) 423-5418

EXHIBIT 1
DATE 3/19/91
~~HB~~ SSR 19

CONSTITUTION OF THE UNITED STATES

I. Need for a Constitution.

1. By 1793 the nation entered a period of unstable commercial and political conditions.
2. Each state acted on its own, made its own currency, people started to take up arms to solve differences.

II. Convention met on May 25, 1787.

1. Twelve states, all but Rhode Island attended.
2. Fifty-five delegates -- thirty-nine signed Constitution.
3. Consists of Preamble, seven Articles, and twenty-six Amendments.
4. Provides for executive, legislative, and judicial branches.
5. By June 21, 1788, nine states had ratified Constitution. Thus putting it into effect.

III. The Bill of Rights. First Ten Amendments.

1. Freedom of religion, speech -- opposition relies on this.
2. Right to bear arms, and eight more. All proposed September 25, 1789. Ratified December 15, 1791.

IV. Additional Amendments (enacted by 2/3 vote of both houses of Congress and ratified by 3/4 of states, at present thirty-eight needed).

*OK to District
Mazur*

*5519
Williams*

EXHIBIT
 DATE 3/17/91
 BY SJR 19

<u>No.</u>	<u>Title</u>	<u>Proposed</u>	<u>Ratified</u>
11	Lawsuits against states.	March 4, 1794	February 7, 1795
12	Election of President and Vice-President.	December 9, 1803	July 27, 1804
13	Abolition of slavery.	January 31, 1865	December 6, 1865
14	Civil rights.	June 13, 1866.	July 9, 1868
15	Black suffrage.	February 26, 1869	February 3, 1870
16	Income taxes.	July 12, 1909	February 3, 1913
17	Direct election of Senators.	May 13, 1912	April 8, 1913
18	Prohibition of liquor.	December 17, 1917	January 16, 1919
19	Woman's suffrage.	June 4, 1919	August 18, 1920
20	Terms of President and Congress.	March 2, 1932	January 23, 1933
21	Repeal of prohibition.	February 20, 1933	December 5, 1933
22	Limitation of President to two terms.	March 24, 1947	February 27, 1951
23	Suffrage in District of Columbia.	June 16, 1960	March 29, 1961
24	Poll taxes.	August 27, 1962	January 23, 1964
25	Presidential disability and succession.	July 6, 1965	February 10, 1967
26	Suffrage for 18-year-olds.	March 23, 1971	July 1, 1971

the Supreme Court ruling of June 21, 1989 indicates we can no longer depend on the Court to resolve this problem. a Constitutional amendment will address the problem.

EXHIBIT 2
DATE 3/19/91
HE SJR 19

March 19, 1991

Madam Chair, Members of the Committee,

For the record, my name is Scott Crichton, Executive Director of the American Civil Liberties Union of Montana. I am speaking on behalf of the 800 Montana families who are dues paying members of ACLU.

This resolution, probably as clearly as any other piece of legislation presented during this session, goes to the core of what brings people together in the ACLU. Our common bond is to defend and protect the Constitution and the Bill of Rights. I rise in opposition to SJ 19 for the following reasons:

The flag is a national symbol. To some, to the proponents of this amendment to our Constitution, it is the national symbol. For others symbols like the Pledge of Allegiance, or the Constitution and the Bill of Rights themselves, are paramount. But today, you have been asked to approve doctoring on the Bill of Rights. This document has served for 200 years as this nation's soul. It has served, in Senator George Mitchell's words, as the "most concise, the most eloquent, the most effective statement of individual liberty in all of human history." The rights of Free Speech guaranteed by the First Amendment are inviolable.

Today proponents of SJ 19 enshrine the flag, like it were a religious icon, an object of uncritical devotion and adoration. I would be the first to argue that these people are entitled to their religious beliefs and to their nationalistic beliefs. But let us not be confused that their sectarianism or their nationalism holds any peculiar claim to patriotism.

Interestingly, the language used in this proposed amendment to our Constitution describes the prohibited action as "desecration" -- insulting the sacred. Is the flag a sacred religious symbol? Should we further propose to amend the Constitution to prohibit the burning of a cross? Bear in mind that the First Amendment guarantees more than the right of freedom of speech. Before our founders addressed the First Amendment protection of speech and free press and the rights to assemble and petition, they laid out clearly that "Congress shall make no law respecting the establishment of religion or prohibiting the free exercise thereof." No, the flag is not and cannot be a religious symbol. Arguably, therefore, by definition, it cannot be desecrated.

But acknowledging that it is a symbol, a national symbol, what does it symbolize? Different things to different people: freedom and liberty, justice and democracy, sacrifice and war, tolerance

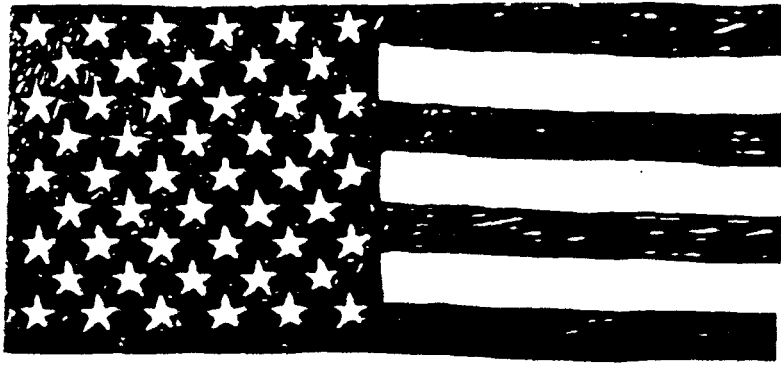
and difference. It symbolizes those ideals and more. But, in the ultimate analysis, the flag remains a symbol. It should never assume greater importance than that which it symbolizes.

Plenty has been written about this issue and I provide with my written testimony a few choice articles from conservative and liberal thinkers. Time magazine wrote "A year after it struck down a Texas law barring flag desecration on the ground that it violated the First Amendment's protection of free speech, the Supreme Court (last June) threw out a law Congress subsequently passed to circumvent that ruling. The 5-to-4 vote was the same as before: conservative Reagan appointees Scalia and Kennedy joined Brennan, Marshall and Blackmun in ruling that even offensive forms of political expression -- in fact, especially those offensive forms -- were what the Constitution was designed to protect. Brennan wrote for the majority, "Punishing desecration of the flag dilutes the very freedom that makes this emblem so revered."

This is not a partisan issue. I suggest to you that the real patriot does not need to wrap himself or herself in the flag. True patriots are the men and women who clearly understand and defend what it is the flag stands for.

I urge you to have the clarity and conviction not to trivialize the Bill of Rights by voting DO NOT PASS on SJ 19.

Thank you.



Washington Post

Tuesday July 11, 1989

EXHIBIT 2

DATE 3/19/91

HB SJR 19

BY WASSERMAN

James H. Warner

When They Burned The Flag Back Home

Thoughts of a former POW.

In March of 1973, when we were released from a prisoner of war camp in North Vietnam, we were flown to Clark Air Force base in the Philippines. As I stepped out of the aircraft I looked up and saw the flag. I caught my breath, then, as tears filled my eyes, I saluted it. I never loved my country more than at that moment. Although I have received the Silver Star Medal and two Purple Hearts, they were nothing compared with the gratitude I felt then for having been allowed to serve the cause of freedom.

Because the mere sight of the flag meant so much to me when I saw it for the first time after 5 1/2 years, it hurts me to see other Americans willfully desecrate it. But I have been in a Communist prison where I looked into the pit of hell. I cannot compromise on freedom. It hurts to see the flag burned, but I part company with those who want to punish the flag burners. Let me explain myself.

Early in the imprisonment the Communists told us that we did not have to stay there. If we would only admit we were wrong, if we would only apologize, we could be released early. If we did not, we would be punished. A handful accepted, most did not. In our minds, early release under those conditions would amount to a betrayal, of our comrades of our country and of our flag.

Because we would not say the words they wanted us to say, they made our lives wretched. Most of us were tortured, and some of my comrades died. I was tortured for most of the summer of 1969. I developed beriberi from malnutrition. I had long bouts of dysentery. I was infested with intestinal parasites. I spent 13 months in solitary confinement. Was our cause worth all of this? Yes, it was worth all this and more.

Rose Wilder Lane, in her magnificent book "The Discovery of Freedom," said there are two fundamental truths that men must know in order to be free. They must know that all men are brothers, and they must know that all men are born free. Once men accept these two ideas, they will never accept bondage. The power of these ideas explains why it was illegal to teach slaves to read.

One can teach these ideas, even in a Communist prison camp. Marxists believe that ideas are merely the product of material conditions; change those material conditions, and one will change the ideas they produce. They tried to "re-educate" us. If we could show them that we would not abandon our belief in fundamental principles, then we could prove the falseness of their doctrine. We could subvert them by teaching them about freedom through our example. We could show them the power of ideas.

I did not appreciate this power before I was a prisoner of war. I remember one interrogation where I was shown a photograph of some Americans protesting the war by burning a flag. "There," the officer said, "People in your country protest against your cause. That proves that you are wrong."

"No," I said. "That proves that I am right. In my country we are not afraid of freedom, even if it means that people disagree with us." The officer was on his feet in an instant, his face purple with rage. He smashed his fist onto the table and screamed at me to shut up. While he was ranting I was astonished to see pain, compounded by fear, in his eyes. I have never forgotten that look, nor have I forgotten the satisfaction I felt at using his tool, the picture of the burning flag, against him.

Aneurin Bevan, former official of the British Labor Party, was once asked by Nikita Khrushchev how the British definition of democracy differed from the Soviet view. Bevan responded, forcefully, that if Khrushchev really wanted to know the difference, he should read the funeral oration of Pericles.

In that speech, recorded in the Second Book of Thucydides' "History of the Peloponnesian War," Pericles contrasted democratic Athens with totalitarian Sparta. Unlike the Spartans, he said, the Athenians did not fear freedom. Rather, they viewed freedom as the very source of their strength. As it was for Athens, so it is for America—our freedom is not to be feared, for our freedom is our strength.

We don't need to amend the Constitution in order to punish those who burn our flag. They burn the flag because they hate America and they are afraid of freedom. What better way to hurt them than with the subversive idea of freedom? Spread freedom. The flag in Dallas was burned to protest the nomination of Ronald Reagan, and he told us how to spread the idea of freedom when he said that we should turn American into "a city shining on a hill, a light to all nations." Don't be afraid of freedom, it is the best weapon we have.

The writer, a Washington attorney and former Marine flyer, was a prisoner of the North Vietnamese from October 1967 to March 1973.

6/28/89

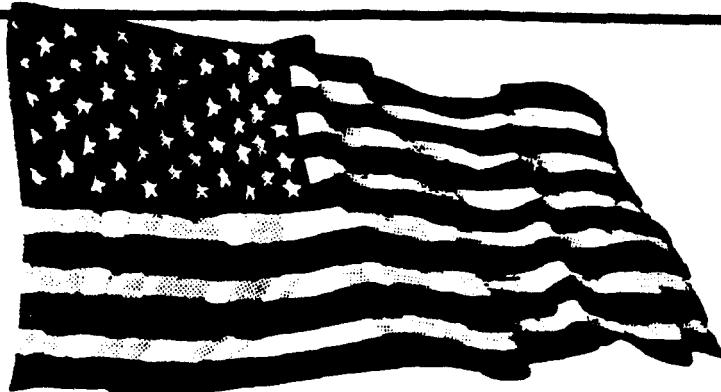
EXHIBIT 2
DATE 3/19/91
HB SJR 19

P.A.23

THE WASHINGTON POST

James J. Kilpatrick

The Flag Will Survive



No amendment is needed, Mr. President.

President Bush is dead wrong in calling for a constitutional amendment to overturn the Supreme Court's ruling last week in the flag-burning case. Given the undisputed facts, the Texas law and the high court precedents, that case was properly decided. The defendant, one Gregory Lee Johnson, was engaged in a form of political "speech" that clearly merits protection under the First Amendment—and that precious amendment ought to be left alone.

The facts are now well known. During the 1984 Republican National Convention in Dallas, a gaggle of demonstrators staged a march and a "die-in" to protest policies of the Reagan administration. At some point in the march, one of the demonstrators stole an American flag and gave it to Johnson. In front of City Hall, "Johnson unfurled the flag, doused it with kerosene and set it on fire." As the flag burned, the protesters chanted, "America, the red, white, and blue, we spit on you."

Johnson was arrested for violation of a Texas law governing "desecration of a venerated object." Specifically he was charged with damaging the flag "in a way that the actor knows will seriously offend one or more persons likely to observe or discover his action." Johnson was convicted and sentenced to a year in prison, but the Texas Court of Criminal Appeals reversed the conviction: "The act for which he was convicted was clearly 'speech' contemplated by the First Amendment."

In affirming the Texas court, five members of the U.S. Supreme Court deliberately accepted a constitutional

challenge the court twice had avoided in the past.

Back in 1966, Brooklyn police arrested Sidney Street for publicly burning a flag as a protest against the notorious harassment of James Meredith at the University of Mississippi. He was convicted of mutilating a flag, but the high court reversed in 1974 on the grounds that the conviction rested in part upon spoken words: "If they can do that to Meredith, we don't need no American flag."

In 1970, Massachusetts police arrested Valerie Goguen for walking around with a small American flag sewn to the seat of his trousers. The charge was that he had treated the flag "contemptuously." The Supreme Court in 1974 reversed the conviction on the grounds that the law was impermissibly vague.

Only once before had the court directly faced the issue of defacing a flag as a form of political expression. In 1970, Seattle police arrested Harold Spence for "improper use" of the flag. Spence had affixed a large peace symbol to the flag, and then hung the flag upside down outside the window of his apartment. His purpose was to protest the invasion of Cambodia and the killing of students at Kent State University. The court found the state law unconstitutional in the context of political protest.

In related cases the high court repeatedly has upheld the protected value of "symbolic" speech. In a 1969 case, the court upheld the right of students in Des Moines, Iowa, to wear black armbands as a protest against the war in Vietnam. Much earlier, in 1931, the court voided the conviction

of a young Communist for flying a red flag in defiance of a law against "anarchistic" banners.

So much for the precedents. A whole string of decisions supports the sensible theory that free "speech," in a political context, embraces free expression. There are limits. When such expression takes the form of vandalism, as in spray-painting a swastika upon a Jewish temple, the First Amendment accords no protection. If Johnson's flag-burning stunt in Dallas had set off a riot, the old exception for "fighting words" might have sufficed to affirm his conviction. But on the record, there was no such disturbance.

It comes down to this: in the context of political protest, flag burning is the expression of an idea—the idea that the nation has done something gravely wrong. Said Justice William Brennan last week: "If there is a bedrock principle underlying the First Amendment, it is that the government may not prohibit the expression of an idea simply because society finds the idea itself offensive or disagreeable."

I cannot argue with that proposition, but I am consoled by the thought that the flag itself, and the American ideals for which it stands, will survive the puny assaults of such contemptible maggots as Gregory Lee Johnson. In the wake of the court's opinion, presumably we will see more flag burnings, but these too will pass. If the press will ignore such odious demonstrations, their point will be lost. Meanwhile our most cherished ideal—the ideal of freedom—will be maintained.

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EXHIBIT 3
DATE 3/19/91
HB SSR 19

HOUSE OF REPRESENTATIVES

STATE ADMINISTRATION COMMITTEE

ROLL CALL VOTE

DATE 3/19/91 BILL NO. SSR 19 NUMBER 1

MOTION: To Table.

NAME	AYE	NO
REP. VICKI COCCHIARELLA, VICE-CHAIR	✓	
REP. BEVERLY BARNHART	✓	
REP. GARY BECK	✓	
REP. ERNEST BERGSAGEL		✓
REP. FRED "FRITZ" DAILY		✓
REP. ERVIN DAVIS		✓
REP. JANE DEBRUYCKER		✓
REP. ROGER DEBRUYCKER	✓	
REP. GARY FELAND	✓	
REP. GARY FORRESTER		✓
REP. PATRICK GALVIN		✓
REP. HARRIET HAYNE		✓
REP. BETTY LOU KASTEN		✓
REP. JOHN PHILLIPS		✓
REP. RICHARD SIMPKINS		✓
REP. JIM SOUTHWORTH	✓	
REP. WILBUR SPRING		✓
REP. CAROLYN SQUIRES	✓	
REP. JAN BROWN, CHAIR		✓
TOTAL	7	12

EXHIBIT 4
DATE 3/19/91
~~HB~~ SJR 19

HOUSE OF REPRESENTATIVES

STATE ADMINISTRATION COMMITTEE

ROLL CALL VOTE

DATE 3/19/91 BILL NO. SJR 19 NUMBER _____

MOTION: To Be Concurred In.

NAME	AYE	NO
REP. VICKI COCCHIARELLA, VICE-CHAIR		✓
REP. BEVERLY BARNHART		✓
REP. GARY BECK		✓
REP. ERNEST BERGSAGEL	✓	
REP. FRED "FRITZ" DAILY	✓	
REP. ERVIN DAVIS	✓	
REP. JANE DEBRUYCKER	✓	
REP. ROGER DEBRUYCKER		✓
REP. GARY FELAND		✓
REP. GARY FORRESTER	✓	
REP. PATRICK GALVIN	✓	
REP. HARRIET HAYNE	✓	
REP. BETTY LOU KASTEN	✓	
REP. JOHN PHILLIPS	✓	
REP. RICHARD SIMPKINS	✓	
REP. JIM SOUTHWORTH		✓
REP. WILBUR SPRING	✓	
REP. CAROLYN SQUIRES		✓
REP. JAN BROWN, CHAIR	✓	
TOTAL	12	7

Exhibit 10
3/19/91
SB
192

FOR YOUR INFORMATION

Your Retirement System News

VOL. 3 - NO. 1

EXHIBIT 6
DATE 3/19/91 JULY 1989
SB 192

MINIMUM RETIREMENT BENEFITS

Game Wardens'. A one-time increase in retirement benefits will take effect for certain retirees on July 1, 1989. The minimum benefit payable in the GWRS may be no less than 2% of a probationary state game warden's base salary on July 1, 1989, for each year of the retiree's creditable service (up to a maximum of 60%). (Effective 7/1/89)

Municipal Police. The minimum benefit payable to a retired MPORS member each year may be no less than 1/2 the base salary in that year for a newly confirmed police officer employed by the city from which the member retired. (Effective 7/1/89)

Firefighters' Unified. The minimum benefit payable to pre-1973 retirees and pre-7/1/81 hires has been extended to post-7/1/81 hires, as well. (Effective 7/1/89)

Public Employees'. The minimum annual benefit payable to PERS members who attain age 70 in service is the lesser of \$480/year or one-half the member's Final Average Salary (FAS).

HIGHWAY PATROL SUPPLEMENTAL RETIREMENT BENEFITS

Beginning July 1, 1989, certain retired highway patrol members (or their surviving spouses) will be eligible for a supplemental retirement benefit of \$156/month designed to pay for their Medicare Part A Hospital Insurance. Retirees must be at least 65 years of age or disabled and must apply in writing to PERD, submitting proof they are paying Medicare Part A premiums.

Application forms will be sent to all HWPRS retirees in the near future. The supplemental benefit will be paid to any retiree, or their surviving spouse, who is not eligible for pre-paid Medicare Part A insurance.

GENERAL RETIREMENT CHANGES

Recent legislative action has resulted in numerous changes being made in all the state's public retirement systems. For more information, please contact the Public Employees' Retirement Division. Members wishing cost statements or retirement estimates must contact the retirement division in writing.

Out-of-State/Federal Service. PERS members may purchase up to 5 years of credit in PERS for service previously covered by another public retirement system (state, federal or local government-administered system) if they have received a refund from the previous system or if the member had service with a public employer prior to the date when that employer adopted a public pension system. A PERS member may not qualify service with another public employer while he was ineligible or elected not to be covered by that employer's public retirement system or if the public employer never adopted a public retirement system.

Retirement Date. Vested members of PERS, Judges', Highway Patrol, Game Wardens', Sheriffs', Municipal Police and Firefighters' Unified Retirement Systems who terminate covered employment have the right to voluntarily defer their retirement dates to the first day of the month following the date their written election is received by the Board. This will allow members who terminate prior to regular retirement age to put off their retirement dates until they reach regular retirement age (or any time in-between) in order to eliminate (or reduce) any reduction in benefits due to early retirement.

Money Purchase. This alternative method of calculating retirement benefits may provide a larger monthly retirement benefit than the formula benefit for some vested PERS members — especially for those who have terminated active employment with 5 or more years of service and left their contributions on deposit for several years prior to drawing a retirement benefit. PERD will automatically calculate retirees' benefits under both the formula and "money purchase" and pay the higher of the two amounts.

Membership Cards. Membership cards no longer need to be notarized in any of the PERD-administered retirement systems; instead, they must be witnessed.

Retirement Date for Elected Officials. Elected officials whose statutory terms of office end prior to the 15th of the month may elect annuity starting dates on the first day of the month in which their terms expire. Service credits will not be earned and employer and employee contributions will not be paid for salaries received for the partial month.

PERS Optional Death Benefits. Beneficiaries of vested PERS members who die within 6 months (previously it was 4 months) after leaving covered employment are eligible to select an optional death benefit, as long as the member's contributions have been left on deposit in PERS. In addition, minors are now eligible for the Optional Death Benefit.

Public Administrators. Legislation was enacted to define service credit and Final Average Salary for Public Administrators who are paid on a fee basis.

Disability Retirement Conversions. The Public Employees' Retirement Board may now convert PERS, Highway Patrol and Game Wardens' disability retirements to service retirements without a change in the monthly benefit amounts for certain disability retirees. This will permit the state's group health plan to be the secondary payer on the medical claims of these individuals.

Remarried Surviving Spouse Benefits. Surviving spouses receiving survivorship benefits in the Highway Patrol, Municipal Police, and Firefighters' Unified Retirement Systems will continue to receive these benefits for life, regardless of their marital status.

Service Transfers between PERS and TRS. After October 1, 1989, members transferring service between the PERS and the Teachers' Retirement System must pay the difference, if any, between the amount transferred from one system and the actuarial cost of granting service in the new system.

QUESTIONS? ?

Call or write to the
Retirement Division in Helena

Amendments to Senate Bill No. 192
Third Reading Copy

Requested by Representative Pat Galvin
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
March 15, 1991

1. Page 2, lines 17 and 18.

Strike: line 17 through "fund" on line 18

Insert: "allocated to the highway patrol officers' retirement
system"

2. Page 5.

Following: line 2

Insert: "

NEW SECTION. Section 3. Coordination instruction. If both
House Bill No. 711 and [this act] are passed and approved, then
19-6-506(4) is amended to read:

"(4) Amounts deposited in the highway patrol officers'
retirement fund under the provisions of 61-3-321(5) and not
required to provide benefits under this section must be used for
the supplemental benefits provided under [section 1 of House Bill
No. 711]."

Renumber: subsequent section

EXHIBIT 7
DATE 3/19/91
~~#~~ SB 192

TO: All Highway Patrol Retirement System Retirees and Survivors

FROM: Larry Nachtsheim, Administrator

DATE: July 13, 1989

SUBJECT: **SUPPLEMENTAL RETIREMENT BENEFIT**

The 1989 Legislature enacted a supplemental retirement benefit for certain retired or disabled Highway Patrol Retirement System retirees, or their surviving spouses.

Retirees or their surviving spouses who are age 65 or older (or disabled) and who are not entitled to prepaid Medicare hospital insurance coverage and who actually pay a premium for such coverage are eligible for a monthly supplemental retirement benefit of \$156/month.

In order to begin receiving this benefit, retirees must apply in writing on the enclosed application form, attaching the most recent copy of the Medicare billing for Medicare Part A hospital insurance as proof of eligibility for this benefit.

Please return the application as soon as possible to:

Public Employees' Retirement Division
1712 Ninth Avenue
Helena, MT 59620

The benefit will begin on the first day of the month following receipt of the written application. Members who are eligible on July 1, 1989 and who return their applications by August 15, 1989 will receive a one-month retroactive benefit with their August benefit checks.

If you have questions, please call: (406) 444-3154

APPLICATION FOR
SUPPLEMENTAL RETIREMENT ALLOWANCE
HIGHWAY PATROL RETIREMENT SYSTEM

I hereby apply for the Supplemental Retirement Allowance payable to retired Highway Patrol Officers (or their survivors) who are either disabled or age 65 and older and who must pay for their Medicare Part A Hospital Insurance premium.

Name: _____

Address: _____

City/State/Zip: _____

Retirement Number: _____

Social Security Number: _____

Date of Birth: _____

I am receiving my Highway Patrol Retirement allowance as a: (Circle one)

Service Retiree

Disability Retiree

Survivor

I certify that I am not eligible for pre-paid Medicare Part A Hospital Insurance and that I am paying \$_____/month for this insurance.

(Attach original copy of the most recent billing statement from Medicare).

Signature of applicant

Date

Note: Benefits for eligible retirees or beneficiaries will be payable effective on the first day of the month following receipt of this application.

Return to: Public Employees' Retirement Division
1712 Ninth Avenue
Helena, MT 59620

Amendments to Senate Bill No. 192
Third Reading Copy

Requested by Representative Pat Galvin
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
March 15, 1991

1. Page 2, lines 17 and 18.
Strike: line 17 through "fund" on line 18
Insert: "allocated to the highway patrol officers' retirement
system"

2. Page 5.
Following: line 2
Insert: "

NEW SECTION. Section 3. Coordination instruction. If both
House Bill No. 711 and [this act] are passed and approved, then
19-6-506(4) is amended to read:

"(4) Amounts deposited in the highway patrol officers'
retirement fund under the provisions of 61-3-321(5) and not
required to provide benefits under this section must be used for
the supplemental benefits provided under [section 1 of House Bill
No. 711]."

Renumber: subsequent section

Amendments to Senate Bill No. 222
Third Reading Copy

Requested by Representative Vicki Cocchiarella
For the Committee on House State Administration
Prepared by Sheri S. Heffelfinger
March 12, 1991

1. Page 11.

Following: line 7

Insert: "NEW SECTION. Section 9. Coordination instruction. If
House Bill No. 595 and [this act] are passed and approved,
then the following amendments apply:

(1) The definition of "minimum retirement date" or "normal retirement date" under the provisions of 19-9-104 is amended to read as follows:

"(15) "Minimum retirement date" means the first day of the month coinciding with or immediately following, if none coincides, the date on which a member both becomes age 50 and completes 10 years of qualified service.

(2) Section 19-9-104 is amended to include a new definition to read as follows and subsequent subsections are renumbered:

"(18) "Normal retirement date" means the first day of the month coinciding with or immediately following, if none coincides, the date on which a member completes 20 or more years of qualified service and has terminated employment as a police officer."

(3) Section 19-9-801, MCA, is amended to read:

"19-9-801. Eligibility for service retirement -- commencement of allowance. Members are eligible for retirement and shall retire as provided in this section:

(1) A member employed by an employer as a police officer is eligible to receive a service retirement allowance when he has completed 20 years or more of qualified service and has terminated covered employment.

(2) A member who terminates employment as a police officer with an employer after completing at least 10 years of qualified service but prior to completing 20 years of qualified service is eligible to receive a service retirement allowance when he has reached 50 years of age.

(3) (a) Except as provided in subsection (3)(b), the retirement allowance may commence on the first day of the month following the member's minimum retirement date or, if requested by the terminated member in writing, on the first day of the month following receipt of the written application.

(b) The retirement allowance for an eligible terminated member must commence no later than the first day of the month following the member's 55th birthday."

(4) All references to subsections of 19-9-801 must be stricken from sections 19-9-802, 19-9-804, and 19-9-903."

Renumber: subsequent section

Amendments to Senate Bill No. 222
Third Reading Copy

Requested by Representative Vicki Cocchiarella
For the Committee on House State Administration
Prepared by Sheri S. Heffelfinger
March 12, 1991

1. Page 11.

Following: line 7

Insert: "NEW SECTION. Section 9. Coordination instruction. If House Bill No. 595 and [this act] are passed and approved, then the following amendments apply:

(1) The definition of "minimum retirement date" or "normal retirement date" under the provisions of 19-9-104 is amended to read as follows:

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(2) Section 19-9-104 is amended to include a new definition to read as follows and subsequent subsections are renumbered:

"(18) "Normal retirement date" means the first day of the month coinciding with or immediately following, if none coincides, the date on which a member completes 20 or more years of qualified service and has terminated employment as a police officer."

(3) Section 19-9-801, MCA, is amended to read:

"19-9-801. Eligibility for service retirement -- commencement of allowance. Members are eligible for retirement and shall retire as provided in this section:

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(2) A member who terminates employment as a police officer with an employer after completing at least 10 years of qualified service but prior to completing 20 years of qualified service is eligible to receive a service retirement allowance when he has reached 50 years of age.

(3) (a) Except as provided in subsection (3)(b), the retirement allowance may commence on the first day of the month following the member's minimum retirement date or, if requested by the terminated member in writing, on the first day of the month following receipt of the written application.

(b) The retirement allowance for an eligible terminated member must commence no later than the first day of the month following the member's 55th birthday."

(4) All references to subsections of 19-9-801 must be stricken from sections 19-9-802, 19-9-804, and 19-9-903."

Renumber: subsequent section

EXHIBIT 9
DATE 3/19/91
~~HB~~ SB 448

Amendments to Senate Bill No. 448
Third Reading Copy

Requested by Senator Tom Towe
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
March 15, 1991

1. Page 3, line 7.
Following: "courthouse"
Insert: ", and all the land and buildings in block 65 and block
68 of the city of Deer Lodge included in the existing lease
between the department of institutions and the city of Deer
Lodge dated November 1, 1983"
2. Page 3, lines 12 and 13.
Following: "money"
Strike: ", the past expenditure of money"
3. Page 3, line 14.
Following: "purposes"
Strike: ", "

EXHIBIT 10
DATE 3/19/91
SB 251

Amendments to Senate Bill No. 251
Third Reading Copy

Requested by Representative Vicki Cocchiarella
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
March 15, 1991

1. Page 3, line 17.

Following: "determination"

Insert: "."

Strike: "in"

2. Page 3, lines 19 and 20.

Strike: "accordance with 2-4-704"

Insert: "The district court is not limied by the scope of review
set forth in 2-4-704 and may hold a new hearing"

Amendments to Senate Bill No. 251
Third Reading Copy

Requested by Representative Vicki Cocchiarella
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
March 15, 1991

1. Page 3, line 17.

Following: "determination"

Insert: "."

Strike: "in"

2. Page 3, lines 19 and 20.

Strike: "accordance with 2-4-704"

Insert: "The district court is not limited by the scope of review
set forth in 2-4-704 and may hold a new hearing"

Amendments to House Bill No. 661
First Reading Copy

Requested by Representative Jan Brown
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
March 18, 1991

1. Title, line 7.
Following: "FUND"
Insert: "AND ADJUSTING EMPLOYER AND EMPLOYEE CONTRIBUTIONS"

2. Title, line 8.
Strike: "SECTION"
Insert: "SECTIONS"
Following: "17-7-502,"
Insert: "19-3-701, AND 19-3-801,"

3. Page 2, line 2.
Following: "contribute"
Insert: "from the general fund"

4. Page 2, line 3.
Strike: "2.91%"
Insert: "0.53%"

5. Page 3.
Following: line 24
Insert: "

Section 4. Section 19-3-701, MCA, is amended to read:

"19-3-701. Member's contribution to be deducted. (1) On and before June 30, 1989, the normal contribution of each member is 6% of his compensation. The normal contribution of each member increases to:

- (a) 6.15% of his compensation on July 1, 1989;
- (b) 6.30% of his compensation on July 1, 1990;
- (c) ~~6.417%~~ 7.607% of his compensation on July 1, 1991;
- (d) ~~6.55%~~ 7.74% of his compensation on July 1, 1992; and
- (e) ~~6.70%~~ 7.89% of his compensation on July 1, 1993.

(2) Payment of salaries or wages less the contribution shall be full and complete discharge and acquittance of all claims and demands whatsoever for the service rendered by members during the period covered by the payment, except their claims to the benefits to which they may be entitled under the provisions of this chapter.

(3) Each employer, pursuant to section 414(h)(2) of the federal Internal Revenue Code of 1954, as amended and applicable

Amendments to House Bill No. 661
First Reading Copy

Requested by Representative Jan Brown
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
March 18, 1991

1. Title, line 7.
Following: "FUND"
Insert: "AND ADJUSTING EMPLOYER AND EMPLOYEE CONTRIBUTIONS"

2. Title, line 8.
Strike: "SECTION"
Insert: "SECTIONS"
Following: "17-7-502,"
Insert: "19-3-701, AND 19-3-801,"

3. Page 2, line 2.
Following: "contribute"
Insert: "from the general fund"

4. Page 2, line 3.
Strike: "2.91%"
Insert: "0.53%"

5. Page 3.
Following: line 24
Insert: "

Section 4. Section 19-3-701, MCA, is amended to read:
"19-3-701. Member's contribution to be deducted. (1) On and before June 30, 1989, the normal contribution of each member is 6% of his compensation. The normal contribution of each member increases to:

- (a) 6.15% of his compensation on July 1, 1989;
- (b) 6.30% of his compensation on July 1, 1990;
- (c) ~~6.417%~~ 7.607% of his compensation on July 1, 1991;
- (d) ~~6.55%~~ 7.74% of his compensation on July 1, 1992; and
- (e) ~~6.70%~~ 7.89% of his compensation on July 1, 1993.

(2) Payment of salaries or wages less the contribution shall be full and complete discharge and acquittance of all claims and demands whatsoever for the service rendered by members during the period covered by the payment, except their claims to the benefits to which they may be entitled under the provisions of this chapter.

(3) Each employer, pursuant to section 414(h)(2) of the federal Internal Revenue Code of 1954, as amended and applicable

on July 1, 1985, shall pick up and pay the contributions which would be payable by the member under subsection (1) for service rendered after June 30, 1985.

(4) The member's contributions picked up by the employer must be designated for all purposes of the retirement system as the member's contributions, except for the determination of a tax upon a distribution from the retirement system. These contributions must become part of the member's accumulated contributions but must be accounted for separately from those previously accumulated.

(5) The member's contributions picked up by the employer must be payable from the same source as is used to pay compensation to the member and must be included in the member's wages as defined in 19-1-102 and his compensation as defined in 19-3-104. The employer shall deduct from the member's compensation an amount equal to the amount of the member's contributions picked up by the employer and remit the total of the contributions to the board."

Section 5. Section 19-3-801, MCA, is amended to read:

"19-3-801. Employer contribution rates -- actuarial determination. (1) Each employer shall contribute to the cost of benefits under the system. The amount of the employer contributions shall be computed by applying to member's compensation the sum of the current service contribution rate and the unfunded liability contribution rate. The sum of these rates is ~~6.417%~~ 7.607% from July 1, 1983, to June 30, 1992. The sum of the rates increases to ~~6.55%~~ 7.74% on July 1, 1992, and to ~~6.70%~~ 7.89% on July 1, 1993.

(2) The actuary shall determine the current service contribution rate to be that level percentage of the present value of the future compensation of the average new member entering the system which equals the then present value of the excess of all prospective benefits in respect of such member over the member's own normal contributions.

(3) The actuary shall determine the minimum unfunded liability contribution rate to be that level percentage of the present value of the prospective compensation of all members for the 40-year period following the date of the determination which is equal to the unfunded liability on that date. The unfunded liability at any time is the excess of the present value of all future benefits payable in respect of all persons then entitled to benefits under the system over the sum of the retirement fund and the present values of the future current service contributions and normal contributions payable in respect of all such persons.""

Renumber: subsequent sections

EXHIBIT 12
DATE 3/19/91
HB 871

HOUSE OF REPRESENTATIVES
STATE ADMINISTRATION COMMITTEE

ROLL CALL VOTE

DATE 3/19/91 BILL NO. HB 871 NUMBER 1

MOTION: To Take from the table

NAME	AYE	NO
REP. VICKI COCCHIARELLA, VICE-CHAIR	✓	
REP. BEVERLY BARNHART	✓	
REP. GARY BECK		✓
REP. ERNEST BERGSAGEL		✓
REP. FRED "FRITZ" DAILY	✓	
REP. ERVIN DAVIS	✓	
REP. JANE DEBRUYCKER	✓	
REP. ROGER DEBRUYCKER		✓
REP. GARY FELAND		✓
REP. GARY FORRESTER		✓
REP. PATRICK GALVIN	✓	
REP. HARRIET HAYNE		✓
REP. BETTY LOU KASTEN		✓
REP. JOHN PHILLIPS		✓
REP. RICHARD SIMPKINS		✓
REP. JIM SOUTHWORTH	✓	
REP. WILBUR SPRING		✓
REP. CAROLYN SQUIRES	✓	
REP. JAN BROWN, CHAIR		✓
TOTAL	8	11

EXHIBIT 13
DATE 3/19/91
HB SB 264

Amendments to Senate Bill No. 264
Third Reading Copy

Requested by Rep. Gary Forrester
For the Committee on State Administration

Prepared by Dave Bohyer
March 15, 1991

1. Page 2, line 14.

Following: "."

Insert: "The office of the commissioner of higher education shall pay for the determination, required by this section, of past service liability of teachers' retirement system members compared to contributions required of the Montana university system."



MONTANA HIGHER EDUCATION SYSTEMS

Office of Commissioner of Higher Education
33 South Last Chance Gulch
Helena, Montana 59620-3101
(406) 444-6570
FAX (406) 444-7729

EXHIBIT 14
DATE 3/19/91
~~HB~~ SB 264

MONTANA UNIVERSITY SYSTEM

University of Montana
Missoula

Montana State University
Bozeman

Montana College of Mineral
Science and Technology
Butte

Western Montana College
of the University of Montana
Dillon

Eastern Montana College
Billings

Northern Montana College
Havre

March 14, 1991

Honorable Gary Forrester
Montana House of Representatives
State Capitol
Helena, MT 59620

Dear Rep. Forrester:

MONTANA POST-SECONDARY VOCATIONAL-TECHNICAL SYSTEM

Billings Vo-Tech Center
Butte Vo-Tech Center
Great Falls Vo-Tech Center
Helena Vo-Tech Center
Missoula Vo-Tech Center

MONTANA PUBLIC COMMUNITY COLLEGES*

Dawson Community College
Glendive
Miles Community College
Miles City
Flathead Valley Community
College
Kalispell

You have voiced concern that the study mandated by S.B. 264 imposes a cost upon TRS that duplicates the approximately \$6,000 previously expended by TRS for an in-house study of the same issue. Our goal in pushing S.B. 264 has been to finally get a neutral and definitive answer to the question posed by the 1987 Optional Retirement Legislation: What is an appropriate level of ongoing University System contribution to TRS on behalf of University employees who have chosen to participate in the Optional Retirement Program instead of in TRS? The problem with the TRS report was that it was an in-house project that in no way could be perceived as a neutral study that determined our liability under the 1987 compromise in a detached way.

I should emphasize that in no way are we trying to get out of the obligations anticipated by the 1987 legislation. One must recall that the 1987 legislation did not anticipate that the present 4-1/2% contribution to TRS would be written in stone. The only way this issue can be laid to rest is by a study, not done merely by TRS or the University System, but by an outside expert. We think this matter is important enough so that if its passage depends on the costs of the outside expert being borne by the University System we stand ready to take on that obligation.

Sincerely,

John M. Hutchinson
John M. Hutchinson
Commissioner of Higher Education

JH:ew
2790w

*Share local and
state governance

EXHIBIT 15
DATE 3/19/91
~~HB~~ SB 264

HOUSE OF REPRESENTATIVES
STATE ADMINISTRATION COMMITTEE

ROLL CALL VOTE

DATE 3/19/91 BILL NO. SB 264 NUMBER _____

MOTION: To Be Concurred In As Amended

NAME	AYE	NO
REP. VICKI COCCHIARELLA, VICE-CHAIR	✓	
REP. BEVERLY BARNHART	✓	
REP. GARY BECK	✓	
REP. ERNEST BERGSAGEL		✓
REP. FRED "FRITZ" DAILY	✓	
REP. ERVIN DAVIS	✓	
REP. JANE DEBRUYCKER		
REP. ROGER DEBRUYCKER		✓
REP. GARY FELAND		✓
REP. GARY FORRESTER	✓	
REP. PATRICK GALVIN		
REP. HARRIET HAYNE		✓
REP. BETTY LOU KASTEN		✓
REP. JOHN PHILLIPS		✓
REP. RICHARD SIMPKINS		✓
REP. JIM SOUTHWORTH		✓
REP. WILBUR SPRING		✓
REP. CAROLYN SQUIRES	✓	
REP. JAN BROWN, CHAIR	✓	
TOTAL	8	9

Amendments to Senate Bill No. 301
Third Reading Copy

For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
March 19, 1991

1. Title, line 4.
Following: "FORMER"
Insert: "STATE EMPLOYEES, ELECTED OFFICIALS, AND"
2. Page 3, line 2.
Following: "a"
Insert: "state employee, elected official, or"
3. Page 3, line 6.
Following: "the"
Insert: "state employee, elected official, or"
4. Page 3, line 7.
Following: "terminates"
Insert: "state"
Following: "service"
Strike: "in the legislature"
5. Page 3, line 11.
Strike: "end of his legislative term"
Insert: "last day of eligibility for state insurance"
6. Page 3, line 12.
Following: "former"
Insert: "state employee, elected official, or"
7. Page 3, line 20.
Following: "A"
Insert: "state employee, elected official, or"
8. Page 3, line 23.
Following: "a"
Insert: "state employee, elected official, or"
9. Page 4, line 1.
Following: "the"
Strike: "full premium"
Insert: "average cost to the plan for members eligible under this section"
10. Page 4, line 7.
Following: "to a"
Insert: "state employee, elected official, or"

EXHIBIT 16
DATE 3/19/91
HB SB 264

HOUSE OF REPRESENTATIVES
STATE ADMINISTRATION COMMITTEE

ROLL CALL VOTE

DATE 3/19/91 BILL NO. SB 264 NUMBER 1

MOTION: To reconsider action of SB 264

NAME	AYE	NO
REP. VICKI COCCHIARELLA, VICE-CHAIR	✓	
REP. BEVERLY BARNHART	✓	
REP. GARY BECK	✓	
REP. ERNEST BERGSAGEL		✓
REP. FRED "FRITZ" DAILY	✓	
REP. ERVIN DAVIS	✓	
REP. JANE DEBRUYCKER	✓	
REP. ROGER DEBRUYCKER		✓
REP. GARY FELAND		✓
REP. GARY FORRESTER	✓	
REP. PATRICK GALVIN	✓	
REP. HARRIET HAYNE		✓
REP. BETTY LOU KASTEN		✓
REP. JOHN PHILLIPS		✓
REP. RICHARD SIMPKINS		✓
REP. JIM SOUTHWORTH	✓	
REP. WILBUR SPRING		✓
REP. CAROLYN SQUIRES	✓	
REP. JAN BROWN, CHAIR	✓	
TOTAL	11	8

EXHIBIT 17
DATE 3/19/91
~~HB~~ SB 264

Amendments to Senate Bill No. 264
Third Reading Copy

Requested by Rep. Gary Forrester
For the Committee on State Administration

Prepared by Dave Bohyer
March 15, 1991

1. Page 2, line 14.

Following: "."

Insert: "The office of the commissioner of higher education shall pay for the determination, required by this section, of past service liability of teachers' retirement system members compared to contributions required of the Montana university system."

db\amends\SB026402.ADB

**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

STATE ADMINISTRATION

COMMITTEE

BILL NO.

SJR 19

DATE 3/19/91

SPONSOR(S) SEN. BOB WILLIAMS

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

[illegible]

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.