

**MINUTES**

**MONTANA SENATE  
52nd LEGISLATURE - REGULAR SESSION  
COMMITTEE ON STATE ADMINISTRATION**

**Call to Order:** By Chairperson Eleanor Vaughn, on April 9, 1991,  
at 10 A.M. in room 331.

**ROLL CALL**

**Members Present:**

Eleanor Vaughn, Chairman (D)  
Bob Pipinich, Vice Chairman (D)  
John Jr. Anderson (R)  
James Burnett (R)  
Bill Farrell (R)  
Harry Fritz (D)  
Bob Hockett (D)  
Jack Rea (D)  
Bernie Swift (R)

**Members Excused:** Senator Chet Blaylock

**Staff Present:** David Niss (Legislative Council).

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

**Announcements/Discussion:** None

**HEARING ON HOUSE BILL 595**

**Presentation and Opening Statement by Sponsor:**

Representative Bill Strizich, House District 41, Great Falls, said House Bill 595 covers 434 policemen and women who serve and protect the families and properties in cities around the state. This bill will allow police officers' to retire after 20 years of service and it removes the requirement that a police officer be 50 years of age to be eligible for retirement. Police officers who were hired before July 1, 1975 can retire after 20 years of service. Police officers who were hired after July 1, 1975 must work until age 50 to begin retirement benefits. This bill was amended in the House so that the general fund's share was reduced and the officers' share increased. There are three reasons to do this. Montana officers receive a modest salary compared to other states. There is a high stress level, shift

work, life threatening situations at times, and the money isn't available to make their salaries competitive with the national scale. Secondly, this approach is practical because it involves high physical stress and as a person grows older the chance of injury becomes increasingly greater. Thirdly, it corrects an unfair situation between officers hired before and after July 1, 1975. He gave a letter from James P. Connors, President of the Montana Association of Chiefs of Police, in support of House Bill 595. (Exhibit 5) He offered an amendment which will correct the unfunded liability in the fiscal note. (Exhibit 1)

### Proponents' Testimony:

Marc Racicot, Attorney General, received a request for an opinion presented to his office that focused on this section. The opinion was that those who had begun their service after July 1, 1975 were going to be treated differently than those who had begun their service prior to that date would have to continue their service to age 50 to qualify for retirement. Generally, he's been involved in working with law enforcement around the state for 18 years that have the ability, stamina, dedication and commitment to do the job because it is stressful, places them in considerable risk and requires sacrifice and this will provide fairness in the retirement system. He strongly urges support of House Bill 595.

Tim Shanks, Great Falls Police Officer, and legislative chairman for the Montana Police Protective Association, introduced officers from Kalispell, Butte, Helena, Missoula, Great Falls, Billings, Bozeman, and Havre. Their association had a meeting and agreed to attempt to change the age 50 retirement plan. It does provide a direct incentive for an officer to stay on the job, and serve his community for 20 years.

Bill Ware, MT. Assoc. of Chiefs of Police, endorses House Bill 595. He has completed 25 years service. He's an administrator and agrees that you can't discriminate against someone because of age. If someone 35 or 40 years old is hired, they must retire at age 50 and that isn't fair either. The turnover in Montana is great, because officers can take their retirement with them as it is latterly transferred. The officers have voted to pay a bigger amount of their salary into the retirement fund.

Jerry Williams, Butte Police Officers Association, also the Montana State Police Officers Association. His emphasis was on the unfairness of the July 1, 1975 date for being hired and being placed in a different retirement plan.

Frank Garner, President of the Kalispell Police Association, said that when he was hired he believed that he could retire before age 50 and that resulted in an opinion in 1987 from the Attorney General that said he couldn't receive any benefit short of age 50. That change was not appropriate, permanent or fair and it can be changed. Please support their proposal. Most choose

police work as a career for the job itself. They understand that to live in Montana there are financial restrictions that must be accepted. They plan to pay their fair share which is over 1/3 of the financial responsibility. He must work 27 years to retire. He's the only officer under the age of 30, 6 years younger than those he works with and 1/3 of his department have been hired after him and all of them can retire before he can. Montana is likely to become the training ground for young police officers, so they can go to other states and earn much more salary. He listed many community activities he works with.

Troy McGee, Captain with Helena Police Department, represents the Helena Police Protective Association and the State Association. His focus was on the differences in ages of beginning police officers and the length of time they must serve to retire. He reiterated many of the above points. He pointed out the city of Helena didn't oppose this bill, and several officers who could retire early voted to help fund this for the other officers.

Gene Harada read his testimony into the record in exhibit 2.

Randy Vogel, Billings Police Protective Association, is under the 20 year retirement plan because he was hired before July 1, 1975. He understands the fiscal costs that are attached to this bill. He says the costs are nominal compared to the support it will give 434 officers and their families.

Tom Schneider, Executive Director of the Montana Public Employees Association, said it's important to know that prior to 1975 the people paid 6% of salary to be able to retire after 20 years. The officers are willing to pay 8.7% of salary to retire after 20 years. They are paying the majority of the cost for this benefit. The bill is actuarially sound, and it should not be opposed by the PERB, because they generally do not oppose legislation that is actuarially sound.

Martin Ludemann, Missoula Police Protective Association, represents the 65 officers employed in Missoula. They have lost 6 officers in the past 5 years; 3 due to medical retirements at approximately 40 years of age and 3 due to out of state employment. He is responsible for training police officers and he sees good training leaving the agency.

Mark Langdorf, a field representative for the American Federation of State, County and Municipal Employees, supports House Bill 595.

Christen McKay, on behalf of the AFL-CIO, supports House Bill 595 and urged the committee to pass it.

Charlene Hapemon Stage, a police officer from Missoula, was hired at the age of 23, and 14 years ago she was capable of doing anything. She said as she gets older it's more difficult to perform physical patrol duties and hopes she doesn't have to wait until age 50 to retire.

#### Opponents' Testimony:

Linda King, Assistant Administrator of the Public Employees' Retirement Division, rose in opposition to House Bill 595. She passed out amendments. (Exhibit 3) Her testimony is in exhibit 4.

#### Questions From Committee Members:

Senator Swift asked Linda King if the amendments she gave to them, make this bill actuarially sound? Linda King responded that 8.7% will fund this bill.

Senator Farrell asked if the other 3 systems come in where would their funds come from? Linda King responded that in the sheriffs' retirements it would come from counties; in firefighters it would come from the city and the Tax Premium Fund; Game wardens would come from Fish, Wildlife and Parks money; Highway Patrol would come from either Tax Premium Fund or Highway Gasoline taxes.

#### Closing by Sponsor:

Representative Strizich closed by saying he was proud to carry this bill. This is an opportunity to correct a disparity in benefits, and ensure the high level of service we've all demanded from our police departments. Please pass this bill and Senator Fritz will carry it to the Senate.

#### EXECUTIVE ACTION ON HOUSE BILL 595

#### Motion:

Senator Fritz moved to AMEND HOUSE BILL 595 as outlined in exhibit 3 and proposed by Linda King.

#### Amendments, Discussion, and Votes:

The VOTE to AMEND HOUSE BILL 595 was UNANIMOUS in favor of the amendment.

Senator Fritz said there is a question of what we are going to be asked for when the other service groups see what we do with this one. The other argument is, are we telling city and county governments what they must do?

Senator Hockett asked if he serves 20 years can he retire? Jerry Williams explained that a person must have 20 years service and be age 50 to draw a check. If he was 40 years old he would have to draw his funds out, plus interest and get employment elsewhere.

Senator Hockett said that was terrible not to have vested interests. He talked to the Mayor of Havre and he was in favor of this because he supports the police force, even though it would cost the city. He doesn't oppose the bill but he does wonder who is going to pay for all the retirement.

Senator Rea said they are making a sincere effort when they tax their own wages in order to accomplish the law.

#### Recommendation and Vote:

Senator Fritz moved that we DO CONCUR AS AMENDED IN HOUSE BILL 595. The VOTE was 8 in favor, 1 no (Senator Farrell) and 1 excused (Senator Blaylock). The motion carried and Senator Fritz will carry House Bill 595 to the Senate floor.

#### HEARING ON HOUSE BILL 866

#### Presentation and Opening Statement by Sponsor:

Representative Dave Brown, House District 72, Butte/Silver Bow, is carrying the Governor's reorganization bill. He handed the committee the existing organizational chart and the proposed organizational chart. (Exhibit 6) This bill would reorganize 3 existing departments of state government. It will change their existing missions and sometimes conflicting missions into 3 distinct departments. The missions for the 3 departments would be:

The management of state public health issues would be included in the new Department of Public Health. The proprietary management over state lands and water resources would be the new Department of State Lands. The natural resource and environmental regulation and permitting would be the new Department of Natural Resources and Environment.

This bill changes existing departments by putting the Environmental Sciences Division into the Department of Natural Resources and Environment and leaves the Health Services Division. The Department of State Lands would contribute its Reclamation Division to the Department of Natural Resources and Environment, and acquire State Water Projects from the DNRC. Take the Engineering Bureau out of Water Resources Bureau and put it under the Department of State Lands you have the new agencies. There are considerable conflicts of interests among the agencies in terms of regulation and enforcement. It was not quickly or

ill conceived and it makes sense to give the proper agency the correct work assignment. The House amended House Bill 866 to move the Reclamation Division to the Department of Public Health and the balance of the bill is a study committee for the Environmental Quality Council for the biennium. He asked the committee to put it back in it's original form.

#### Proponents' Testimony:

Dennis Iverson, Director of the Department of Health and Environmental Sciences, said he was before the committee representing the Governor and the Administration. (Exhibits 7 & 8) The amended version does most of one stop permitting. His department of health is 2 separate departments that hardly know each other. He said DNRC owns water reservations and gives permits for hydroelectric development. It owns water in conservation districts and agricultural irrigation units. DNRC is also a regulator of water. If someone comes and files for a water use permit in a basin where DNRC owns some water, they are required to protect their interest by going in and filing an objection. The next step is, the water court, when it received the objections, it asks DNRC to go and investigate. Eventually, someone questioning the allocation of Missouri River Basin water will decide to challenge the fairness of such a system. The McCairn amendment would probably be the basis for a suit and have the potential to have the entire adjudication process put in jeopardy because of this conflict of interest. Department of State Lands has a similar conflict. These are just some of the problems that can be solved by combining these departments' functions.

Ward Shanahan, represents Stillwater Mining, said his company participated in a conference that lasted more than a year involving this reorganization plan. It had environmental groups, state government and industry representatives giving input. They endorsed this bill in it's original form in conjunction with the other bill, House Bill 448, on environmental review, which tightens up mining reclamation provisions. The mining people had agreed that House Bill 448 and House Bill 866 would work together. House Bill 448 has been endorsed by the legislature and the agreement was that both bills would go together. The conference agreement isn't being carried out. He said there are 3 functions of state government. The first is the proprietary function of state government which includes the handling of state properties which includes forests, grazing lands and water. Then you have the state as an evaluator for environmental purposes. Then you have the state as a policeman for the benefit of public health, an advocate for public health. It has a conflict of interest when it's an evaluator of environment and an advocate for public health. He likes the bill in its original condition.

Gary Langley, Executive Director of the Montana Mining Association, said he agrees with House Bill 866 as originally introduced, House Bill 866 was very logical well thought out

reorganization of state government. The changes made in the House aren't good. Please return the bill to it's original form or allow it to die. If you do recommend a study, they suggest the same types of representatives as the Mine Improvement Advisory Council.

Jim Mockler, Executive Director of the Montana Coal Council, stands in favor of the original bill. The House amendments are poor. He sees little to be accomplished by moving one division of state government. He thinks the state government should consolidate programs and authority so that there isn't conflicting authority in 3 different departments.

Kim Wilson, represents the Clark Fork Coalition, said they support the bill as amended. He served on the Mine Permit Advisory Council on behalf of the Environmental Information Center and the Clark Fork Coalition and he believes that the concerns of the Mine Permit Advisory Council were addressed. The Council did propose one stop permitting. They endorse the idea of the full reorganization and there needs to be a study to identify the needs and the reason behind the reorganization. He supports a study and thinks this bill is good.

Dave Wanzenried, House District 7, explained why the House amended the bill. The House Natural Resources Committee held extensive hearings on this. In fact, there were 3 sub-committee hearings held. There is a general willingness that we should consolidate. We need to know the consequences of our actions. We need documentation of conflict of interest, and lack of efficiency. We are considering a major shift in authority from the Department of Health to the Department of Natural Resources. The governing boards of those 2 departments have very different qualifications. There is an important link between the environmental and health concerns, that are recognized in the composition of the Board of Health. There is no change in the substantive law and the expectation on the part of the public can't be that we're changing the laws themselves. We are simply changing the agency that's responsible for the administration of those laws. One stop permitting was one of the goals that needed to be accomplished. This amended bill provides a reasonable first step. The study is necessary to pull together all these concerns. We need to document our needs and suggest necessary changes.

Jim Jensen, Executive Director of the Environmental information Center, said that Representative Wanzenried and Representative Toole have worked in this area. Howard Toole served on the Board of Health and Environmental Sciences for 8 years. He served as the chair of the Board of Health for 4 years. His roll as chair of the Board saw many conflicts between Water Quality Bureau's enforcement authority and licensing authority and the Department of State Lands Reclamation Hard Rock Bureau licensing and enforcement authority pertaining to both surface and groundwater pollution. The sore thumb in the system seemed to be the

Reclamation Division at State Lands. He said this amendment is a healthy fix to a sore problem. This is an opportunity to do something simple to solve a problem.

Representative Vivian Brooke, House District 56 Missoula, said she was part of the subcommittee process out of House Natural Resources and would recommend this bill as amended. Her concern was the fact that the current boards should be definitely restructured. She has concerns for the Conservation Districts if they are moved from the Board of Natural Resources. She supports the bill as amended.

Peggy Parmelee, the Executive Vice President of the Montana Association of Conservation Districts, said some of their concerns are that they had very little communication about the reorganization, about the staffing, about the name change, and the support that they now have with DNRC. The Conservation Districts like where they are.

#### Opponents' Testimony:

John Fitzpatrick, Pegasus Gold Corporation, said that mining is a business that uses the land. It develops, uses, and manages land. He feels they would be most efficiently managed by the Department of Natural Resources or an agency that is involved in land management issues. Mining is not a disease agent, it is not a threat to public health, and it does not appropriately belong in an agency that views the world from a health stand point. Mining is an industry that makes a very valuable contribution to the State of Montana's economy. It needs to be adequately regulated from an agency that contains some balance. He likes the reclamation function as is currently carried out by the Department of State Lands. The agency has a regulatory function on one hand and a management function, too. The original bill had the correct balance and takes care of a number of administrative organizational matters. He opposes the amended bill.

#### Questions From Committee Members:

Senator Hockett said he served on a conservation board for 25 years and worked for the Soil Conservation Service and he understands their feeling of a loss of identity. He knows that they have worked well with the DNRC and putting them with State Lands doesn't appeal to them. He asked Mr. Iverson to comment. Mr. Iverson said several plans were offered to the Governor. He thinks Parks should be taken from Fish, Wildlife and Parks. But it wasn't, primarily because of the monies from fishing fees that go toward parks. He understands some of the different divisions' hesitation to change.



Closing by Sponsor:

Representative Brown said this move will enhance the functional status and the working operations. By defining areas that work together into one department, you will have a better working operation with good communication. He believes the Conservation Districts belong out of the regulatory agency, but if they don't want to move, you could leave them where they are. This system will work toward better management of and by state government. He urged the committee to put the bill back to the original form. Senator Keating will carry House Bill 866 to the Senate floor.

Senator Vaughn said there is much to look at here and she prefers to postpone executive action if the committee agrees. Senator Swift said there is money in this bill. They all agreed to wait to make a decision.

ADJOURNMENT

Adjournment At: 11:45 A.M.

  
ELEANOR VAUGHN, Chairman

  
DOLORES HARRIS, Secretary

EV/dh

ROLL CALL

STATE ADMINISTRATION COMMITTEE

DATE 4-9-91

52 LEGISLATIVE SESSION

NAME	PRESENT	ABSENT	EXCUSED
SENATOR ELEANOR VAUGHN	X		
SENATOR BOB PIPINICH	X		
SENATOR JOHN ANDERSON	X		
SENATOR CHET BLAYLOCK			<i>excused</i>
SENATOR JAMES BURNETT	X		
SENATOR "BILL" FARRELL	X		
SENATOR HARRY FRITZ	X		
SENATOR BOB HOCKETT	X		
SENATOR JACK "DOC" REA	X		
SENATOR BERNIE SWIFT	X		

Each day attach to minutes.

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 9, 1991

MR. PRESIDENT:

We, your committee on State Administration having had under consideration House Bill No. 595 (third reading copy -- blue), respectfully report that House Bill No. 595 be amended and as so amended be concurred in:

1. Title, line 6.

Strike: "SYSTEMS"

Insert: "SYSTEM"

2. Page 5, line 13.

Strike: "8.4%"

Insert: "8.7%"

3. Page 5, line 14.

Strike: "Contributions exclude"

Insert: "Compensation excludes"

Signed: Eleanor Vaughn  
Eleanor Vaughn, Chairman

B 4/9/91  
Amd. Coord.

SL 4/9 2:20  
Sec. of Senate

SENATE STATE ADMIN.

EXHIBIT NO. 1

DATE 4-9-91

Amendment

BILL NO. HB595

House Bill 595

p. 5, line ~~12~~13

Strike: 8.4

Insert: 8.7

SENATE STATE ADMIN.

EXHIBIT NO. 2

DATE 4-9-91

BILL NO. HB 595

Chairwoman Vaughn and Senators.

My name is Gene Harada and I am a Lieutenant with the Havre Police Department. I am a 16 year veteran with that department. I'm here to address you regarding the 20 year retirement bill, HB 595.

This bill will not directly affect me, as I was employed by Havre January 1, 1975 and I am under a 20 year plan. That leaves me with 3 years, 8 months and 21 days in which I will have a choice to continue to work in the law enforcement field or retire and start another career.

When I was hired at the age of 20, I was very excited to get a job in the field that I had went to college and earned an Associate degree in Criminal Justice for. The last thing on my mind upon entering into this career was retirement. I wanted to be a cop forever. I felt that a career in law enforcement would be very exciting and rewarding. I would be able to have a direct impact on the community in which I live in and be associated with a group of professionals that I am proud to call my brother officers.

For me, the law enforcement field has been a very rewarding and exciting career. But now, with over 16 years in this profession, I can truly see that this is an occupation in which really wears on you. It is hard to comprehend the stress on the law enforcement officer and his family. I could go into gory details, but I do not feel that this is an appropriate place and time for such details. Statistically, this profession carries with it a high alcoholism, suicide and divorce rate. The longer a person is in this occupation, the more likely he will become one of these statistics's. These statistics include present officers in the 20 year retirement system and retire out at an of average 21 years of service. Imagine what may happen to these statistics by leaving the retirement system as it is? Presently in my department of 16 officers, 5 of these officers will have to serve an average of over 26 years to be eligible to retire. This is an injustice to these professionals.

As I told you in the beginning, I do feel very fortunate that I have a choice in retiring when I do complete my 20 years. I did mention that this bill does not affect me directly, but indirectly it will, as a citizen in Havre, Mt. The law enforcement professional will not have the same choice I had and will be forced to work many years longer.

As with anything like this benefit, there is a price tag. It has been explained to you where the funding will come from, the officers, Cities and Insurance Premium Tax.

I am looking forward to my choice of retirement or continuing on in this challenging and rewarding career.

## Proposed Amendments to IIB 595

As Amended by House Committee on Appropriations

Prepared by: Linda King, Assistant Administrator  
Public Employees' Retirement Div.

1. Page 1, Line 6. Title. Strike: "S" in the word "SYSTEMS"
2. Page 5, Line 13. Strike: "8.4%"  
Insert: "8.7%"
3. Page 5, Line 14. Strike: "Contributions"  
Insert: "Compensation"

Following: "exclude"  
Insert: "s"



## TESTIMONY ON HB 595

Presented by: Linda King, Asst. Admin.,  
Public Employees' Retirement Division

On behalf of the Public Employees' Retirement Board, I appear today in opposition to HB 595, which would eliminate age 50 as a requirement for drawing a retirement benefit from the MPORS.

While the Board absolutely agrees that a member of the MPORS should be able to terminate employment as a police officer prior to attaining age 50, the monthly benefit payment should not begin being paid prior to age 50. As you know, SB 222 which has been passed by both houses, amends the MPORS so that a member who terminates employment as a police officer with at least 10 years of qualified service in the MPORS is eligible to begin drawing a benefit upon reaching age 50. The Board has supported that bill.

The Board opposes this piece of legislation because it would create inequity between the hazardous duty retirement systems in Montana. Currently, all of the systems which cover members of hazardous duty professions -- Game Wardens, Sheriffs, Highway Patrol Officers, Firefighters, and Police Officers -- require members to attain both a certain period of service (no less than 20) and a certain age (no less than 50) prior to actually receiving full service retirement benefits.

The only exceptions to this rule were "grandfather" clauses which were included to cover members of other retirement systems when they were first brought into the new statewide systems. When the various hazardous duty profession systems were first enacted, all new members of the systems were required to both serve a period of service and reach a minimum age prior to retirement benefits being paid. These provisions responded to recommendations of the 1973 interim legislative study on the state's retirement systems.

To completely change a specific state policy which allows payment of retirement benefits only after a certain minimum age will affect not only the Municipal Police Officers' Retirement System, but the other four statewide hazardous duty retirement systems as well - and at no small cost to employers and the state.

While the fiscal note for this proposed legislation shows only the impact to the state and local government employers during each year of the next biennium for removing the age requirements for drawing a retirement benefit from the MPORS, the Retirement Board feels certain that the actual impact of this legislation will include the even higher costs associated with removing the age requirements from the other hazardous duty occupation retirement systems. If you pass this bill, you will have 4 more bills presented to the next Legislature to do the same thing for the other systems.

The Public Employees' Retirement Board urges your most careful consideration of the real long-term effects of this proposal prior to taking action on this bill.



SENATE STATE ADMIN.

EXHIBIT NO. 5

DATE 4-9-91

BILL NO. HB 595

February 5, 1991

RE: House Bill 595

The Montana Association of Chiefs of Police is writing this letter in support of House Bill 595, an act allowing employees covered under the statewide Police Officers Retirement Systems to retire after Twenty (20) Years of Service, and removing the requirement that a Police Officer be fifty (50) years of age to be eligible for Retirement.

Our Association supports this Bill as we feel based on the hazardous type of work that a Police Officer often confronts the chance of personal injury is increased by the number of years an Officer spends on the job.

Any questions or testimony required of our Association can be directed to:

Chief Bill Ware  
MACOP Legislative Chairman  
% Helena Police Department  
221 Breckenridge  
Helena, Montana 59601

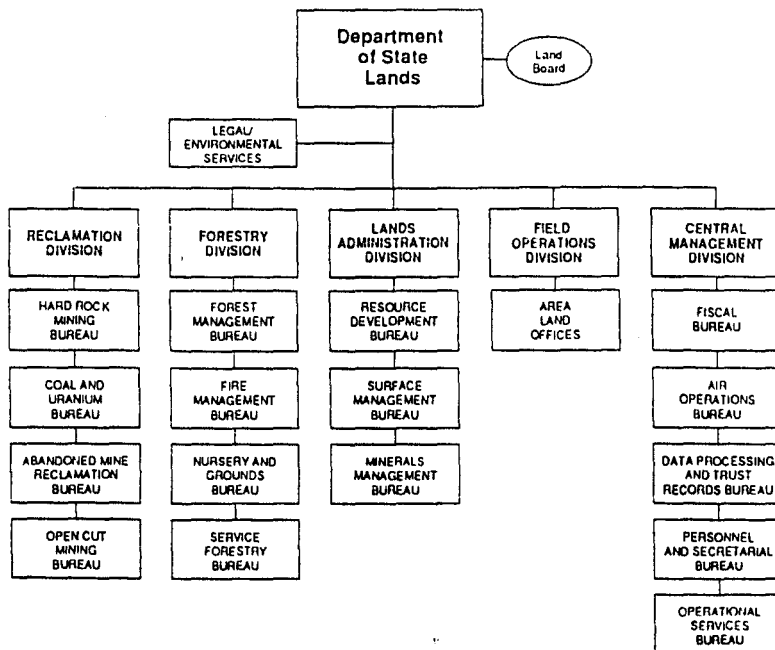
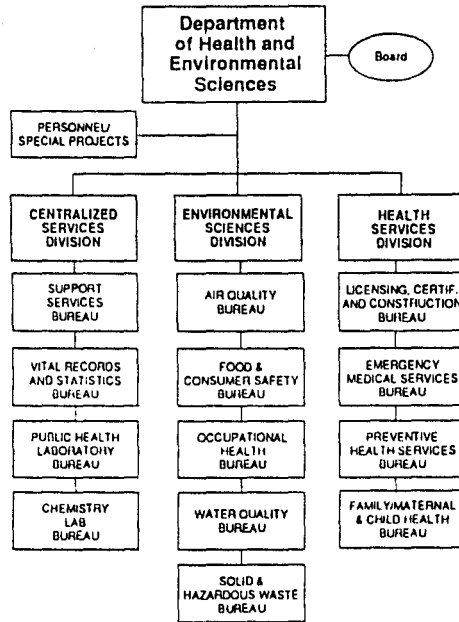
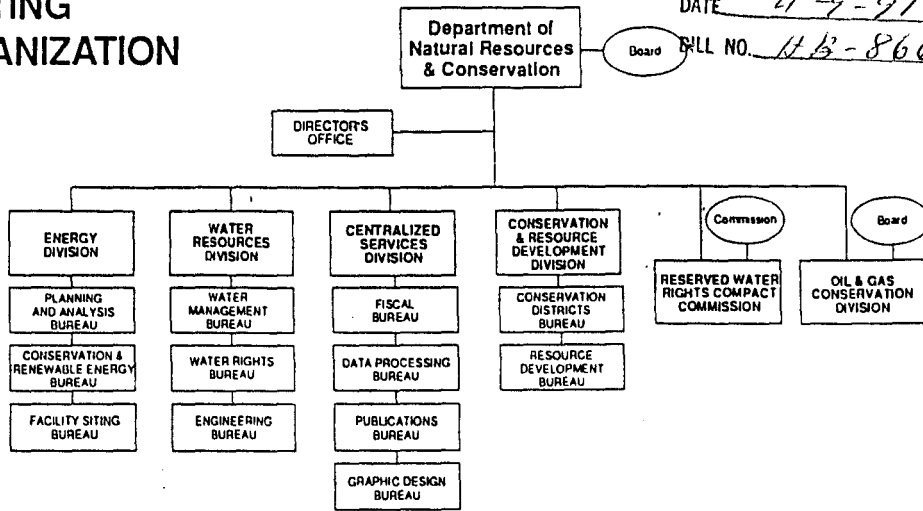
Sincerely,

*James P. Connors*

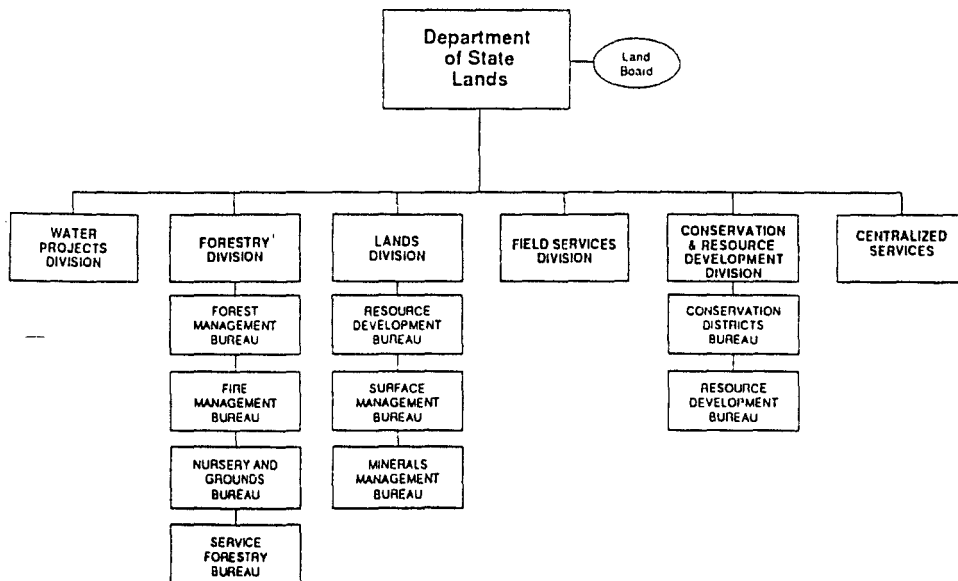
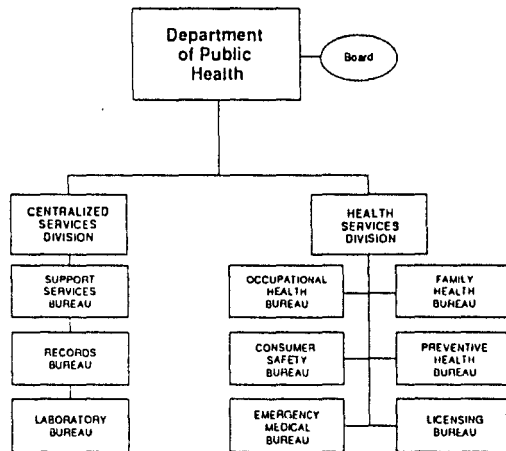
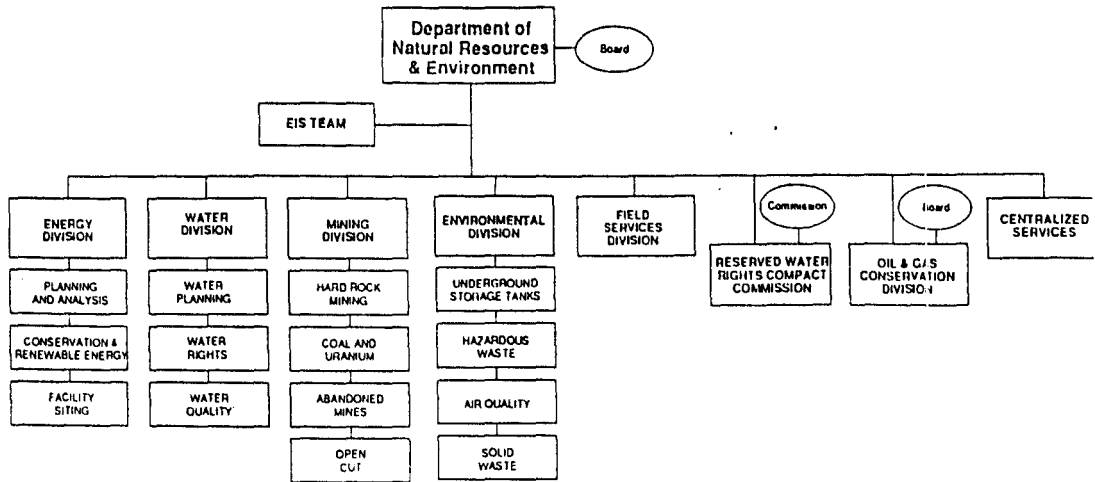
James P. Connors, President  
Montana Association of Chiefs of Police  
P. O. Box 518  
Anaconda, Montana 59711

# EXISTING ORGANIZATION

STATE ADMIN. EXHIBIT NO. 6  
 DATE 4-9-91  
 BILL NO. HB-866



# PROPOSED RE-ORGANIZATION



## SECTION BY SECTION ANALYSIS

HOUSE BILL 866

## ENVIRONMENTAL/RESOURCE AGENCY REORGANIZATION

House Bill 866 comprehensively reorganizes three existing departments of state government. Under the reorganization, new departments with focused and distinct missions would be formed to properly administer the environmental and resource programs of Montana. The following abbreviations are used throughout the memo:

DHES - Department of Health and Environmental Sciences (old)  
DNRC - Department of Natural Resources and Conservation (old)  
DSL - Department of State Lands (both old and new)  
DPH - Department of Public Health (new)  
DNRE - Department of Natural Resources and Environment (new)

- I. The first three sections of the Bill transfer various functions and programs to each new respective department.

Section 1 - transfers the Environmental Sciences Division from DHES to the DNRE.

Section 2 - transfers the Reclamation Division from the old DSL to the DNRE.

Section 3 - transfers the state water projects and the Conservation and Resource Development Division from DNRC to the new DSL.

- II. Sections 4 through 65 simply amend the statutes so that the correct name of the new department is codified for the various environmental and natural resource programs and responsibilities. Most of the amendments occur in the definitional sections of the Montana Code.

Section 4 - changes the department name for the remaining health programs from DHES to DPH.

Section 5 - changes the department name for departmental oversight of the Water Pollution Control Advisory Council to DNRE.

Section 6 - changes the department name of the Board of Natural Resources and Conservation to the Board of Natural Resources and Environment.

Section 7 - clears up redundancies in the public bonding provisions.

Section 8 - changes the department name for the public bond validation procedures to the DNRE.

Section 9 - changes the department name for terminating paternal rights to DPH.

Sections 10 and 11 - change the department name for solid waste programs to DNRE.

Section 12 - removes redundancy concerning hazardous waste management coordination.

Sections 13-34 - change the department name for administering the Major Facility Siting Act to DNRE.

Section 35 - changes the department name for the conservation districts to DSL.

Section 36 - changes the department name for the Department of Agriculture hazardous waste coordination to the DNRE.

Section 37 - changes the department name for Department of Agriculture milk regulation coordination to the DPH.

Sections 38-42 - change the department name for Coal Mine Siting programs to the DNRE.

Sections 43-48 - change the department name for Coal Mine Reclamation programs to DNRE.

Sections 49 and 50 - change the department name for Metal Mine Reclamation to DNRE.

Sections 51-54 - change the department name for Opencut Mine Reclamation to DNRE.

Section 55 - transfers authority to regulate mine reclamation to DNRE from the old DSL and the Board of Land Commissioners.

Section 56 - changes the department name for water projects to DSL.

Sections 57-61 - change the department name for Water Planning and Management to DNRE.

Sections 62-64 - change the department name for conservation districts to DSL.

Section 65 - changes the department name for the Natural Heritage Program to DNRE.

Section 66 - transfers small Department of Fish, Wildlife and Parks' dams to DSL (but not the purposes for the dams).

III. Sections 67-71 are general legislative provisions for effective dates and implementation (note: the Governor is given executive order authority to implement the reorganization from July 1, 1991 to January 1, 1992.

STEPHENS ADMINISTRATION  
FACT SHEET  
HOUSE BILL 866

- This bill would reorganize three existing departments of state government, and change their somewhat schizophrenic missions into three distinct departments. The missions for the three new departments would be:
  1. Management of state public health issues (new Department of Public Health),
  2. Proprietary management over state land and water resources (new Department of State Lands), and
  3. Natural resource and environmental regulation and permitting (new Department of Natural Resources and Environment).
  
- Simply stated, this bill changes the existing departments in the following ways:
  1. The Department of Health and Environmental Sciences
    - Contributes its Environmental Sciences Division to the new DNRE and retains the Health Services Division (which becomes the new Department of Public Health),
  2. Department of State Lands
    - Contributes its Reclamation Division to the new DNRE and acquires state water projects from the old DNRC, and
  3. Department of Natural Resources and Conservation
    - Accepts the Mine Reclamation Division from old DSL and the Environmental Sciences Division from old DHES and contributes state water projects to the new DSL.
  
- This bill would provide numerous benefits to Montana's public and the regulated community, including:
  1. Permitting for major projects (i.e., mines, major facilities, industrial development, etc.) would be processed by one new department (DNRE).

2. Potential conflicts of interest (i.e., mineral ownership and mine regulation at the old DSL and water project ownership and water regulation at the old DNRC) would be eliminated. Departments would be established for the two distinct purposes of proprietary resource management (new DSL) and resource regulation (new DNRE).
3. The new Department of Public Health would have a clear mission and identity concerning important public health issues (i.e., maternal and child health, communicable diseases, health planning and licensing, etc.).

- The reorganization would be accomplished in stages:

- 1) The first stage would occur in July 1991 involving the program exchanges between the old DNRC and the old DSL.
- 2) The second stage would occur thereafter and involve splitting up the old Department of Health and Environmental Sciences, thereby creating the new Departments of Public Health and the comprehensive Department of Natural Resources and Environment.



Amendments to House Bill No. 595  
Third Reading Copy

For the Committee on State Administration

Prepared by David S. Niss  
April 9, 1991

1. Title, line 6.  
Strike: "SYSTEMS"  
Insert: "SYSTEM"

2. Page 5, line 13.  
Strike: "8.4%"  
Insert: "8.7%"

3. Page 5, line 14.  
Strike: "Contributions exclude"  
Insert: "Compensation excludes"

## VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Tom Schneider	MPEA	H 595	X	
Marie Lambert	AFSCME	H 595	X	
Perry W. Casey	Missoula P.D.	H 595	X	
Marty Ludeman	Missoula P.D.	595	X	
Chapelle Anderson	Missoula P.D.	595	X	
Gene Hancock	Haven P.D.	595	X	
Mike Riley	Haven P.D.	595	X	
Don Dwyer	Butte P.D.	595	X	
Nelly Cassette	Butte P.D.	595	X	
Jack Williams	Butte P.D.	H 595	X	
Kandy Boyd	Billings Police	H 595	X	
Carol Dwyer	Chase Falls P.D.	H 595		
Tom Sparks	Great Falls P.D.	H 595	X	
Don Judge	MIST AFL-CIO	H 595	X	
Bill Ware	MT. ASSO. OF Chiefs of Police	H 595	X	
MARK LERUW	Helena Police Federation Assn.	H 595	X	
Russ Whitcomb	Helena P.D.	48595	X	
Mike Brown	Helena P.D.	48595	X	
Pete Rehmann	Helena P.D.	48595	X	
Pete Harriman	Helena P.D.	48595	X	
Jim Anderson	Helena P.D.	48595	X	
TROY McGOE	Helena P.D.	H 595	X	
MARTY LUDEMAN	MISSOULA POLICE	H 595	X	
Ray KRAUSS	KALISPELL POLICE DEPT.	H 595	X	
Mei McCaskey	Butte Police Dept.	H 595	X	
Paul Hines	KALISPELL POLICE DEPT.	H 595	X	



