

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By DICK SIMPKINS, CHAIRMAN, on February 8, 1993,
at 9:07 a.m.

ROLL CALL

Members Present:

Rep. Dick Simpkins, Chair (R)
Rep. Wilbur Spring, Vice Chair (R)
Rep. Ervin Davis, Vice Chair (D)
Rep. Beverly Barnhart (D)
Rep. Pat Galvin (D)
Rep. Bob Gervais (D)
Rep. Harriet Hayne (R)
Rep. Gary Mason (R)
Rep. Brad Molnar (R)
Rep. Bill Rehbein (R)
Rep. Sheila Rice (D)
Rep. Sam Rose (R)
Rep. Dore Schwinden (D)
Rep. Carolyn Squires (D)
Rep. Jay Stovall (R)
Rep. Norm Wallin (R)

Members Excused: None.

Members Absent: None.

Staff Present: Sheri Heffelfinger, Legislative Council
Dorothy Poulsen, Committee Secretary

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

Committee Business Summary:

Hearing: HB 435; HJR 12
Executive Action: HB 435; HJR 12; HB 329; HB 249 (tie
vote)

HEARING ON HB 435

Opening Statement by Sponsor:

REP. TIM SAYLES, House District 61, Missoula, introduced HB 435,
by request of the Department of Administration, which would

revise the volunteer firefighters' retirement system. **REP. SAYLES** provided written testimony in which he reported the volunteer firefighters' pension trust fund had been created in 1965 and funded by the insurance premium tax. He said the last legislature had established a fixed retirement benefit for volunteer firefighters for 1992-93. He explained the bill was necessary in order to continue paying benefits in 1994-95.

EXHIBIT 1

Proponents' Testimony:

Mark Cress, Administrator, Public Employees' Retirement Division (PERD), spoke on behalf of the Public Employees' Retirement Board who had requested the bill. He said the bill was necessary to continue pension benefits to volunteer firefighters. He explained that prior to 1992, benefits from the volunteer firefighters' pension fund had been paid based on the balance available in the fund with the result that benefit payments fluctuated from year to year. In order to stabilize benefits, the 1991 legislature established a fixed retirement benefit of \$120 per month. They also asked the Board to study the pension trust fund and return to the 1993 legislature with a report. **Mr. Cress** said PERD discovered accurate records for volunteer firefighters were unavailable. The Board is asking the legislature to extend the fixed benefit for two more years in order for PERD to improve the records from the volunteer fire departments. The Board needs to determine the number of voluntary firefighters and probable retirement dates to ensure the future funding of the retirement benefit. He urged support of HB 435.

Art Korn, Butte, retired voluntary firefighter, presented written testimony in support of HB 435. **EXHIBIT 2**

Henry E. Lohr, Townsend, retired voluntary firefighter, asked the committee to give voluntary firefighters more time to work on the pension fund by passing the bill.

Lyle Nagel, Simms, Secretary-treasurer, Montana State Fire Chiefs Association, urged support of the bill.

Opponents' Testimony: None.

Informational Testimony: None.

Questions From Committee Members and Responses:

REP. GALVIN asked **Mark Cress** whether PERD had a record of the number of volunteer fire departments and whether the departments had a record of members. **Mr. Cress** said PERD had relied on volunteer fire departments completing an annual certification; some departments have kept good records, some have not, and PERD has not heard from some. **REP. GALVIN** asked **Mr. Cress** whether volunteer fire departments had been requested to keep records.

Mr. Cress said PERD was developing a computerized data system with all available records to help volunteer fire departments update their records. He said once departments have organized their records, then PERD will be more rigid in requiring regular reporting of records.

REP. ROSE asked **Mr. Cress** whether the major problem was volunteers transferring to different fire departments. **Mr. Cress** agreed that movement of volunteers among fire departments created problems in knowing the number of volunteers. **REP. ROSE** asked if volunteer fire departments were aware of the need to keep records and certify their volunteers. **Mr. Cress** responded many departments were aware through the efforts of PERD and the volunteer fire departments association; however, some departments are still confused about their need to report to PERD.

REP. WALLIN asked **Mr. Cress** how he knew the fund could afford to pay the fixed benefit of \$120 per month for the next two years. **Mr. Cress** explained the volunteer pension fund has an \$8 million reserve which is sufficient for two years, but PERD does not know what the long-term cost of the system might be.

REP. REHBEIN asked **Mr. Cress** the effect of not passing HB 435. **Mr. Cress** said the bill is needed for the Board to have authority to pay benefits; without the bill, benefits will end June of 1993.

REP. SIMPKINS asked **Mr. Lohr** whether the volunteer fire departments association had any plans for advising the departments on how to manage the paperwork. **Mr. Lohr** said the departments have been notified by the association of the need for records. He said the association has had difficulty in contacting people and departments have been confused about where records should go. **REP. SIMPKINS** asked **Mr. Lohr** whether two years was sufficient time to organize the departments' recordkeeping. **Mr. Lohr** responded two years would be sufficient; departments not complying in two years would lose out on pension benefits.

REP. GERVAIS asked **Mr. Cress** whether city firefighters were included. **Mr. Cress** responded the fund applied only to rural volunteer firefighters; city firefighters, who receive pay, have a different retirement system. He explained PERD did not have a similar problem with city firefighters because the division receives payroll information; since volunteers have no payroll, recordkeeping is much more difficult.

REP. REHBEIN reported volunteers in his local fire district did not receive training and asked **Mr. Cress** whether the bill would affect his fire district. **Mr. Cress** responded that in order to qualify for the pension fund, the law requires the volunteer fire department be certified with the Secretary of State, have \$2,500 in fire equipment, and have 30 hours of training per year. Thus,

he said he did not think the bill would apply to REP. REHBEIN'S fire department.

Closing by Sponsor:

REP. SAYLES explained that while it was assumed there are about 400 volunteer fire departments in the state, no one was sure about the number. He said one problem is departments must have \$2,500 in equipment to have a fire district which qualifies for the pension fund; if a department uses donated equipment, then it may not qualify. He said it is assumed there are 7,500 volunteers in the state, and PERD needs to know how many of these volunteers would qualify for the pension fund. Currently, 561 people are receiving benefits, and HB 435 is required in order to continue their benefits. He urged passage of the bill.

HEARING ON HJR 12

Opening Statement by Sponsor:

REP. NORM WALLIN, House District 78, Bozeman, introduced HJR 12 urging the United States government to grant commonwealth status to Guam. He provided written testimony. EXHIBIT 3

REP. WALLIN distributed information from Joseph F. Ada, Governor of Guam, which describes Guam and the reasons they are seeking commonwealth status. EXHIBIT 4

Proponents' Testimony: None.

Opponents' Testimony: None.

Informational Testimony: None.

Questions From Committee Members and Responses:

REP. SCHWINDEN asked REP. WALLIN whether Guam had sent governors to the National Governors' Conference and the Western Governors' Association for several years, and whether the Western Governors' Association had adopted a resolution similar to HJR 12. REP. WALLIN responded the Association had adopted a similar resolution and was urging resolutions be adopted by individual states.

REP. GERVAIS asked REP. WALLIN whether Guam's problems were similar to those faced by Native American reservations. REP. WALLIN said some problems may be similar. REP. GERVAIS said he sees many similarities such as immigration, taxes, and trade issues. He asked whether Guam would be competing against Native Americans. REP. WALLIN said he could not foresee any competition between Guam and Native Americans.

REP. SIMPKINS asked REP. WALLIN whether one of the main differences between Guam and Native Americans is Native Americans are American citizens. REP. WALLIN said the people of Guam are

also American citizens. He stated Guam was seeking commonwealth status in order to have greater self-governing capabilities.

Closing by Sponsor:

REP. WALLIN closed.

EXECUTIVE ACTION ON HB 329

Motion/Vote: REP. SQUIRES moved to remove amendments placed on HB 329 on February 4, 1993. The motion passed 12 to 4 with REPS. REHBEIN, WALLIN, SPRING, and STOVALL voting no.

Motion: REP. SQUIRES moved to amend HB 329. EXHIBIT 5

Discussion:

Sheri Heffelfinger reviewed the amendments which remove mandatory language in the bill.

REP. SQUIRES asked Ms. Heffelfinger whether passing the amendments would give counties the option to choose election judges by random selection from lists of registered voters but would not require any county to use such a selection method. Ms. Heffelfinger concurred.

REP. MASON asked Ms. Heffelfinger the reason for striking "elector may be excused." Ms. Heffelfinger responded the section had also required an affidavit; she noted an elector can be excused for an emergency even on polling day.

REP. SPRING asked Ms. Heffelfinger whether electors could decide they did not want to participate as election judges even after appointed. Ms. Heffelfinger said once they agreed to be election judges, they would be required to be trained and they would be placed on a list; but nothing in the bill requires them to stay on the list.

REP. ROSE said he had the opportunity to talk to his county clerk and recorder and she indicated her support of the bill.

Vote: HB 329 BE AMENDED. Motion carried unanimously with REP. RICE voting by proxy. EXHIBIT 6

Motion/Vote: REP. SQUIRES MOVED HB 329 DO PASS AS AMENDED. Motion passed 15 to 1 with REP. WALLIN voting no and REP. RICE voting by proxy. EXHIBIT 6

EXECUTIVE ACTION ON HB 435

Motion/Vote: REP. GERVAIS MOVED HB 435 DO PASS. Motion carried unanimously with REP. RICE voting by proxy. EXHIBIT 6

EXECUTIVE ACTION ON HJR 12

Motion: REP. WALLIN MOVED HJR 12 DO PASS.

REP. MOLNAR asked REP. WALLIN whether commonwealth status would confer greater federal benefits to Guam. REP. WALLIN said he did not know; he reiterated Guam's primary goals were to have greater control of land use and immigration policies.

REP. GALVIN asked whether Guam had the same status as Puerto Rico.

REP. WALLIN responded that the citizens of Guam have no vote and no rights to self-determination.

Vote: HJR 12 DO PASS. Motion carried unanimously.

EXECUTIVE ACTION ON HB 249

Motion: REP. DAVIS MOVED HB 249 DO NOT PASS.

Discussion:

REP. ROSE expressed his concern that HB 249 would affect employees' health insurance and contractual agreements. REP. MOLNAR responded his amendments exempted health insurance from the bill. He said current contracts would not be affected, but "double-dipping" would not be allowed in future contracts.

REP. ROSE asked whether public employees were giving up constitutional rights by becoming legislators. REP. MOLNAR responded he did not think public employees would be giving up any constitutional rights. He contended if they wanted to have a second income during the legislature, they could work at a fast-food restaurant at night. REP. MOLNAR said the intent of the bill was to make sure public employees did not continue to receive taxpayer money for their public employment while they served as legislators.

REP. SIMPKINS clarified the health insurance benefit for legislators could be sent to their employers to pay for health benefits.

REP. SQUIRES commented HB 249 was very exclusionary to a group of people and was specifically directed toward teachers. She said teachers she knows have negotiated directly with their school boards. She contended the bill takes away local control of school boards to determine whether or not they were willing to accommodate their employees. She suggested the ramifications of

the bill were not obvious in terms of who it would preclude from becoming legislators.

REP. STOVALL said he agreed "double-dipping" was not appropriate, but he was also concerned that the bill might exclude some people as legislators. He asked **REP. MOLNAR** whether the individual employer should have the authority to determine whether or not they wanted to pay their employee. **REP. MOLNAR** answered that it was within the purview of the state to determine the use of tax money. He asked **REP. STOVALL** whether he wanted a legislature run by government employees. He said he did not think the bill was unconstitutional and pointed out several legislators who support the bill are also public employees. He insisted he was not trying to exclude any potential legislator; his purpose is to preclude public employees from being paid twice by tax money while they are legislators.

REP. GERVAIS noted **REP. BILL BOHARSKI**, a sponsor of HB 249, receives pay as a legislator and also benefits for his injuries. He reported special legislation had been passed for **REP. BOHARSKI** in order to continue his injury benefits while he served as a legislator. **REP. SIMPKINS** clarified the payment to **REP. BOHARSKI** was from federal funds, not state funds. **REP. GERVAIS** responded that he received federal benefits which are taken away while he serves as a legislator. He said his opposition to HB 249 was that it singled out a group of people rather than applying to everyone who received taxpayer funds.

REP. REHBEIN stated if the federal government ends payments to legislators, then the state should do likewise. He suggested the bill could be amended to allow public employees to receive whichever salary was higher.

REP. SPRING supported the bill and compared the situation to jury duty in which employers deduct the jury duty pay from employees' pay or employees receive whichever amount is greater.

REP. DAVIS stated the Montana legislature is a citizen legislature which, he suggested, was being confused with other elected officials. He said elected officials such as county commissioners, secretary of state, or governor cannot also serve as legislators. He said "double-dipping" would apply to these other elected officials if they were also legislators. He claimed the bill was aimed at one group of people--school teachers. He said he could almost point out the community at which the bill was aimed. He said the bill was absolutely wrong for citizen legislators who served only 90 days.

REP. SPRING noted he resigned as school board chairman when he was elected as a legislator. He said he still supported the bill.

REP. MOLNAR said there were only two choices: (1) stop the practice of having taxpayers pay some legislators more than

others, which he asserted was grossly unfair; or (2) convince taxpayers to increase legislator's pay so no one would sacrifice by serving.

REP. SIMPKINS presented his view of HB 249. He said retirement pay was for past action and therefore the bill would not apply. He said federal policy was to deduct legislative pay from federal employees' wages, and the state has no authority over federal policy. He suggested the questions for HB 249 were whether teachers are state taxpayer employees, and, if so, whether the state is best served by paying both salaries. He contended the bill was not a local control issue but an attempt to ensure a statewide policy for all publicly paid employees. He disagreed the bill singled out a particular group of people, although certain teachers were the only individuals in the state who were currently receiving two public salaries. He contended the issue was whether or not there should be a state policy on dual taxpayer pay.

Vote: HB 249 DO NOT PASS. Motion failed 7 to 8 on a roll call vote with REPS. DAVIS, BARNHART, GALVIN, GERVAIS, RICE, SCHWINDEN, and SQUIRES voting aye and REP. ROSE abstaining.
EXHIBIT 7

Motion: REP. SPRING MOVE HB 249 DO PASS.

Motion: REP. MASON moved to amend HB 249. EXHIBIT 8

Discussion:

Ms. Heffelfinger explained the amendment deleted insurance contribution as a form of compensation.

REP. MASON asked whether the state only reimbursed the employee's contribution for legislators who choose to maintain their employer's health insurance. REP. MOLNAR confirmed that to be the case. REP. SIMPKINS noted the reimbursement was limited to \$190.

REP. ROSE asked REP. MOLNAR how the bill affected retirement. REP. MOLNAR responded HB 249 does not affect retirement payments. REP. ROSE said REP. MOLNAR had misunderstood his question. He pointed out teacher retirement benefits were based on average salary in the last three years of service. If a teacher-legislator had their salary reduced under HB 249, then their retirement benefit would also be reduced.

REP. DAVIS said teachers retire on their highest three years; a reduction in their salary to serve in the legislature would affect their retirement benefit. REP. MOLNAR did not think the bill would affect their retirement. He contended teacher retirement was based on wage rate rather than actual compensation.

REP. BARNHART said she believes the bill was aimed at teachers and would make teachers unable to serve as legislators. She asserted the legislature needs people from all parts of the community, and HB 249 would deprive teachers of the opportunity to participate.

REP. SPRING contended the bill just provided rules to prevent "double-dipping".

Vote: Motion to amend HB 249 passed unanimously with REP. GERVAIS voting by proxy. EXHIBIT 9

Motion: REP. SPRING MOVED HB 249 DO PASS AS AMENDED.

Discussion:

REP. SIMPKINS said some teacher-legislators are not receiving their teaching salary. He suggested it was time to set a state policy.

REP. SQUIRES said private-sector employees were being compensated while serving as legislators.

REP. SIMPKINS asked REP. SQUIRES if she thought the legislature could constitutionally restrict the private sector from paying their employee-legislators. REP. SQUIRES contended local school boards have the authority to negotiate contracts with employees and determine whether or not they are willing to pay salaries while the employee serves in the legislature. She contended the bill was discriminatory against public employees.

Vote: DO PASS HB 249 AS AMENDED. Motion failed 8 to 8 on a roll call vote with REPS. DAVIS, BARNHART, GALVIN, GERVAIS, RICE, ROSE, SCHWINDEN, and SQUIRES voting no and REP. GERVAIS voting by proxy. EXHIBIT 9, 10

Announcements:

REP. SIMPKINS introduced a letter from Joe Tropila, Cascade County Clerk and Recorder, opposed to HB 79 which is currently tabled in committee. EXHIBIT 11

ADJOURNMENT

Adjournment: 10:45 a.m.


DICK SIMPKINS, Chair


DOROTHY POULSEN, Secretary

DS/DP

HOUSE STANDING COMMITTEE REPORT

February 8, 1993

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Mr. Speaker: We, the committee on State Administration report that House Bill 435 (first reading copy -- white) do pass.

Signed: *Dick Simpkins*
Dick Simpkins, Chair

Committee Vote:
Yes 5, No 2.

311202SC.Hss

OK 1/1/93

HOUSE STANDING COMMITTEE REPORT

February 8, 1993

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Joint Resolution 12 (first reading copy -- white) do pass.

Signed: *Dick Simpkins*
Dick Simpkins, Chair

Committee Vote:
Yes 1, No 1.

311159SC.Hss

GR 2/8/93 13-10

HOUSE STANDING COMMITTEE REPORT

February 8, 1993

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Bill 329 (first reading copy -- white) do pass as amended .

Signed: *Dick Simpkins*
Dick Simpkins, Chair

And, that such amendments read:

1. Page 2, line 10.

Strike: "shall"

Insert: "may"

2. Page 2, line 14.

Following: "to"

Insert: "potentially"

3. Page 2, line 16.

Following: "elector"

Strike: "chosen"

Insert: "who agrees to serve as an election judge"

4. Page 2, lines 19 through 22.

Following: "years." on line 19

Strike: "An" through "public." on line 22

Committee Vote:

Yes 5, No 1.

311203SC.H3s

GL 2/12/93

PROPOSED TESTIMONY

The 1991 legislature set a fixed benefit to be paid to retired volunteer firefighters under the Volunteer Firefighters' Compensation Act. This bill will extend those benefits for another two years.

The Volunteer Firefighters' Pension Trust Fund was created in 1965 to encourage participation of qualified individuals in volunteer fire departments. Volunteers have to serve a year in a rural volunteer fire department and complete 30 hours of certified training to get a year's retirement credit.

Five percent of the tax on insurance premiums is allocated to the fund. The fund accumulated an adequate balance in 1973 to begin paying benefits and benefits have been paid in every year since 1973. From 1973 through 1991, the benefit was based on the amount of growth in the fund. This resulted in monthly benefits that fluctuated significantly from one year to the next.

The 53rd legislature established a fixed benefit for 1992 and 1993. This legislation would continue a fixed benefit for the next two years and require a report on available funding to the 54th legislature.

This legislation is necessary to continue the payment of benefits to retired volunteer firefighters. Without legislation, benefits could not be paid in 1994 or 1995.

Volunteer firefighters, retired volunteer firefighters, and their survivors all have an interest in the continuation of benefits under the VFCA. Benefits are currently being paid to 561 people. Rural areas in Montana that rely on volunteer departments to provide fire protection have an interest in encouraging volunteers to gain qualifications and remain with the departments.

EXHIBIT 1
DATE 2/8/93
HB 435

MR. & MRS. ART KORN
1914 SHERMAN BUTTE, MONTANA 59701

Feb. 8, 1993

Chairman Simpkins, and members of The State Administration:

My name is Art Korn, I was the executive secretary-treasurer of the Montana State Volunteer Firemen's Association for 25 years. Some 35 years ago we drafted what is now the law for pensions for Volunteer Firemen of our State.

You have heard from Representative Sayles and Mark Cress of the P.E. R. S., so I won't repeat because of your busy schedule, but ~~I will say, I still follow all bills that pertain to the Volunteer Firemen.~~ P.E.R.S has gone over this budget and find that it can again pay the \$120.00 to Volunteer Firemen who has given 20 years of service to his respective Volunteer Fire Department.

I was a volunteer Firemen for over 35 years and now retired and drawing my Volunteer Firemen pension, and I am speaking for a lot of other retirees and we all hope and ask that you Do Pass HB 435



Art Korn

EXHIBIT 2
DATE 2/8/93
HB 435

COMMONWEALTH OF GUAM

GUAM IS A SMALL ISLAND. ITS PEOPLE ARE NOT NUMEROUS. ITS CULTURE, ITS RACE IF YOU WILL, THE CHAMORRO PEOPLE, ARE FEW IN COMPARISON WITH THE MANY INDIVIDUALS WHO COMPRISE SO MANY OF THE EARTH'S CULTURES.

IN AMERICA, THE COUNTRY THAT HAS RULED US FOR SO MANY YEARS, MOST PEOPLE - IF THEY HAVE EVEN HEARD ABOUT GUAM AT ALL - THINK THAT GUAM IS A SANDBAR WITH NOTHING BUT A MILITARY BASE ON IT. THEY HAVE NO IDEA THAT THERE ARE A PEOPLE WHO HAVE LIVED HERE FOR THOUSANDS OF YEARS.

THE REALITY, OF COURSE, IS THAT NONE OF THIS IS TRUE. GUAM HAS AN EDUCATED, SOPHISTICATED AND TALENTED POPULATION OF PEOPLE, WELL ESTABLISHED IN A WORLD VIEW THAT IS AIDED BY THE FACT THAT GUAM IS INDEED A CULTURAL MELTING POT. WE HAVE THE SAME DREAMS, THE SAME SKILLS, THE SAME TALENTS... AS ANY OTHER PEOPLE.

THEY SEEK THE SIMPLE FREEDOM OF BEING RESPONSIBLE FOR CHARTING THEIR OWN COURSE. THE SIMPLE RIGHT TO BE THE MASTER OF THEIR OWN DESTINY.

EXHIBIT 3
DATE 2/8/93
HB HJR 12

AND UNDER AMERICAN RULE, ONE COULD NOT ENTER GUAM WITHOUT A SECURITY CLEARANCE UNTIL THE EARLY 60'S..... A VIRTUAL DEATH SENTENCE ON ANY ATTEMPT TO CREATE A LOCAL ECONOMY.

CONSIDER AS WELL OUR OWN SITUATIONS. WE ARE THE ELECTED REPRESENTATIVES OF SOVEREIGN PEOPLES. OUR RIGHT TO HOLD OFFICE, AND THE RIGHT OF OUR PEOPLE TO ELECT US AS THEIR GOVERNMENT, IS A SACRED RIGHT, DEFINED BY A CONSTITUTION THAT IS THE INSTRUMENT OF OUR PEOPLE.

THIS DOCUMENT, AND THE RIGHTS OF OUR PEOPLE, CANNOT BE UNILATERALLY CHANGED BY THE FEDERAL GOVERNMENT. THE POWERS OF THE FEDERAL GOVERNMENT ARE INDEED LIMITED OVER YOU BY THE VERY CONSTITUTION OF THE UNITED STATES OF AMERICA. AND IN ANY EVENT, THE FEDERAL GOVERNMENT IS ELECTED BY U.S. PEOPLE.

THIS IS NOT SO IN GUAM. THE MEMBERS OF THE GUAM LEGISLATURE ARE NOT ELECTED BY VIRTUE OF ANY RECOGNIZED RIGHT OF THEIR PEOPLE TO DO SO. NOR AM I, ~~AS~~ ^{THE} GOVERNOR OF GUAM. THE U. S. CONGRESS HAS SIMPLY GIVEN THEM THIS ABILITY AS A GIFT, AND AS IN THE CASE OF ANY GIFT, IT CAN BE TAKEN AWAY... ELIMINATED BY THE STROKE OF A PEN... TAKEN AWAY AS IT WAS GIVEN BY A BODY WHICH THEY DO NOT ELECT, BY

PEOPLE WHO DO NOT REPRESENT THEM, BY A GOVERNMENT WHICH DOES NOT - AS THOMAS JEFFERSON ONCE SO ELOQUENTLY STATED IN THE BEST DEFINITION OF DEMOCRACY - RULE BY THE CONSENT OF THE GOVERNED.

THEIR GOALS AND ASPIRATIONS ARE JUST AS LOFTY, THEIR DESIRE TO PROTECT AND GUARANTEE THE FUTURE FOR THEIR CHILDREN IS AS STRONG.

THE UNCHECKED AND ABSOLUTE ABILITY OF THE FEDERAL GOVERNMENT TO RUN THE AFFAIRS OF GUAM HAS HAD MANY PRACTICAL DRAWBACKS FOR GUAM AND THEIR PEOPLE AS WELL.

BUT TO THE FEDERAL GOVERNMENT, GUAM IS PART OF THE U. S. COASTLINE AS FAR AS SHIPPING IS CONCERNED, AND THUS SHIPPING BETWEEN GUAM AND THE UNITED STATES OF AMERICA FALLS UNDER THE JONES ACT. THE RESULT OF GUAM BEING INCLUDED IN COASTWISE SHIPPING REGULATIONS HAS BEEN THE DENIAL OF COMPETITION WHEN IT COMES TO SHIPPING, THE IMPOSITION OF A FEDERALLY GUARANTEED MONOPOLY AND MILLIONS UPON MILLIONS OF DOLLARS IN SHIPPING OVERCHARGES, ALL OF WHICH HAVE BEEN PASSED ON TO THEIR PEOPLE IN THE FORM OF A HIGHER COST OF LIVING.

THEY VALUE AND TREASURE THEIR RELATIONSHIP WITH AMERICA. THEY DO NOT WISH TO LOSE THIS

CLOSE RELATIONSHIP. RATHER, THEY WISH TO SEE IT MADE STRONGER AND MORE STABLE. THEY WISH A PARTNERSHIP WITH AMERICA.

BUT JUST LIKE YOU, THEY WANT A SENSE OF STABILITY IN THEIR RELATIONSHIP WITH THE FEDERAL GOVERNMENT. JUST LIKE US, AND PEOPLE THROUGHOUT THE WORLD, THEY WANT TO BE SELF GOVERNING.

WE CAN MAKE THIS HAPPEN FOR THEM. THEY HAVE BEFORE CONGRESS A BILL TO MAKE GUAM A COMMONWEALTH AND GRANT THEM SELF GOVERNMENT AND SELF DETERMINATION RIGHTS THAT HAVE BEEN DENIED TO THEM FOR SO LONG.



HOW COMMONWEALTH WILL AFFECT YOU

Commonwealth Now! *by Joseph F. Ada*
Governor of Guam

To properly answer the question of how Commonwealth will affect each of us, we need to consider where we are today- and how we got to this point.

Guam is, first and foremost, our home. Most of us were born here. We grew up here. We are working and raising our children here. And Guam is a good place to do all of these things. Our island home has become a leader in the western Pacific. We have the ability to meet the needs of our people of Guam while not spending more than we take in. Our standard of living is higher than it has ever been. Improvements in infrastructure are being made to better our living.

We are also taking steps to ensure that our island's natural beauty is preserved-that growth is for the benefit of our people-that Guam remain an island paradise. And we are succeeding. Guam is truly the pearl of the Pacific. But as good as Guam is today, as fortunate as we have been, things could be better. Guam faces many obstacles that have no good reason to exist; difficulties which can be overcome through the protective umbrella of Commonwealth.

All that we have today can be lost tomorrow. Our people, for example, have no input in trading decisions which have time and again killed any real attempts to establish light industries such as garment or watch manufacturing. We have no input on shipping decisions which have time and again increased the cost of goods being shipped to Guam. We are paying more for food, medical supplies, construction materials, cars, and household goods because of decisions made outside of Guam!

Our people have no input on political decisions made in Washington -decisions in which Guam's needs never even come up in conversation-but decisions which prove to be to the detriment of our people. The Immigration Act of 1990 is an example of an Act designed to serve the needs of the U.S. but which could seriously jeopardize our island's ability to bring in the necessary temporary labor to continue construction for housing and development. Also, shipping rates have been raised without justification despite business increase in the shipping lines.

Guam is good now. But we want to ensure that it stays good for generations to come. We need the protective umbrella of Commonwealth. We need the stability of Commonwealth.

We need a stable trading relationship with the United States, one which recognizes our island's need for a diversified economy. We need the return of federal land in Guam which now lies idle-which the federal government cannot justify holding onto. We need to plan properly for adequate housing, schools, and infrastructure for both those who regard Guam as home and those who immigrated; in order to do so, we need to control immigration. Most of all, we need mutual consent-the assurance that decisions made in Washington which affect our people are made with the full input and approval of our people.

These things and the many more contained in Commonwealth will ensure the stability of our island home for generations to come. And that is how Commonwealth will affect you-by giving you the assurance that all you are working for today will not be lost; that the goodness and richness we enjoy today will be here for your children and your children's children.

COMPARISON BETWEEN GUAM AS A U.S. POSSESSION AND GUAM AS A COMMONWEALTH.

POLITICAL RELATIONSHIP

Possession:

- Federal government has control over the property and people.
- Federal government sets rules and can change them as they wish.
- Local government created by and exists at the wishes of the U.S. government.

Commonwealth:

- Partnership with U.S. government through mutual consent.
- Guam would be self-governing by limiting federal action and through the creation of a constitutional government by the people of Guam.
- Recognition of the Chamorro people to make a determination on Guam's ultimate political status.

APPLICATION OF FEDERAL LAWS

Possession:

- U.S. government can apply any law to Guam without Guam's representation or consent.
- American citizenship is unprotected by U.S. Constitution.

Commonwealth:

- U.S. laws would not apply without Guam's consent.
- Constitutionally guaranteed American citizenship.
- Federal laws extended to Guam would have to meet local needs.

IMMIGRATION

Possession:

- U.S. immigration laws apply to Guam as they do to the entire U.S. mainland.
- Strain on Guam's infrastructure, public services, and limited property due to the increased, unregulated population rate.
- Guam's native people are becoming a minority in their own island.

Commonwealth:

- Immigration policies would fit the conditions of our small island.
- Labor needs would be met by the creation of a new class of non-immigrant alien workers.
- The migration of aliens to Guam for U.S. citizenship would be limited, and the sponsorship "chain" of continuing migration for citizenship would be broken.

LAND

Possession:

- Federal government has the power to take and hold Guam land without justifying its use.
- Loss of available land suitable for housing or economic development.
- Federal government decides what lands to return to Guam and the conditions of land return.
- No consultations on land usage.

Commonwealth:

- Federal government must return land that it does not use.
- Federal government must return Guam property at no cost or conditions on land use.
- Access to private property, recreational, historical, and archaeological sites held by the military.
- Federal government could not take Guam lands except in times of war.
- Federal government would have to pay Guam for loss of economic potential as a result of federal land use.

TRADE

Possession:

- Inconsistent changes in federal trade guidelines have killed Guam's efforts to diversify its economy.
- No local input allowed on international agreements affecting Guam.

Commonwealth:

- Free trade between the U.S. and Guam which includes freedom from duties, tariffs, and quotas.
- Guam could enter into agreements with foreign countries to advance its trade and commerce interests.

FOREIGN AFFAIRS AND DEFENSE

Possession:

- Complete federal authority over land use in relation to military and foreign affairs activities.
- U.S. enters into treaties and agreements that affect Guam without Guam's knowledge or consent.

Commonwealth:

- U.S. continues defense and foreign affairs authority.
- U.S. military must consult with Guam before establishing new bases and prior to increasing or decreasing military operations on Guam.

OCEAN RESOURCES

Possession:

- No revenue or benefits gained from Guam's ocean resources.
- U.S. and foreign vessels take economic advantage of our waters.
- U.S. claim to our 200 mile Exclusive Economic Zone (EEZ) is not consistent with international standards.

Commonwealth:

- Income gained from licensing and other charges obtained from foreign and domestic vessels allowed to fish in Guam waters.
- Control over the management, exploration, and exploitation of all ocean resources and the prevention of pollution. Guam's legitimate claim to its 200 mile Exclusive Economic Zone (EEZ) would be recognized.

AIRLINES

Possession:

- Limitation on potential economic expansion by restrictions on foreign airline service to Guam.
- U.S. government uses Guam as a bargaining chip in negotiations with foreign governments over airline routes.

Commonwealth:

- Guam may sponsor foreign airline services to the island.
- Maintenance of standard passenger and cargo service between Guam and the U.S.
- U.S. must consult Guam when adding or changing existing routes.

TAXATION

Possession:

- Guam is allowed to adopt its own tax code, but the Department of Treasury or Department of Interior could change or cancel Guam's tax system.
- Stateside tax laws which are not necessarily suitable to our island nor attracting different types of investment are applicable to Guam.

Commonwealth:

- Ability to construct our tax system to attract more business investors and to adjust it according to our needs.
- Non-requirement of federal approval of our tax system, and tax right would be covered by mutual consent.

SHIPPING

Possession:

- Jones Act applies which requires that only U.S. vessels are used to bring U.S. goods to Guam.
- High shipping rates as a result of U.S. carriers overcharging Guam clients.
- Most vessels in Guam's waters must be U.S. built—a cost factor that is passed on to consumers.

Commonwealth:

- Lower priced goods due to foreign vessels being allowed to bring U.S. goods to Guam.
- Local residents would be allowed to buy, register, and use foreign built boats in Guam.
- Removal of costly restrictions, allowing easier and cheaper methods of sending fish and fish products off island.

LABOR

Desk #5
Rep 20 copies
Wallin

Possession:

- No authority over local employment regulations.
- Preference for stateside hire for top level federal civil service jobs.

Commonwealth:

- Ability to adjust local employment regulations to fit our needs.
- Priority for qualified local residents in federal civil service jobs.

COURTS

Possession:

- Local laws are given interpretation by U.S. judges who are unfamiliar with Guam and its people.
- Unnecessary oversight of Guam's forty-year experience in court operations by the U.S. District and Circuit courts.

Commonwealth:

- Guam would create its own courts under the Constitution of Guam.
- State-like relationship between Guam and U.S. courts; local laws would be appealed to the U.S. Supreme Court rather than lower federal courts.

FINANCIAL ASSISTANCE

Possession:

- Prime land used by the federal government, unavailable for economic development, is non-taxable.
- Restricted number of federal programs available to local residents.

Commonwealth:

- Yearly compensation for the vast federal use of Guam's land and public infrastructure.
- Wider availability of federal benefits and assistance.
- Financial assistance for the cost of changing our political status and for the transition to Commonwealth.

OUR COMMONWEALTH DESTINY

"Commonwealth" is a status that is vaguely defined in American law. Some States are "commonwealths," and both the Northern Mariana Islands and Puerto Rico are "Commonwealths." Our Commonwealth Act is like the CNMI's and Puerto Rico's, but it more clearly sets out the rights of Guam citizens to self-government by limiting the powers of the federal government to interfere with our internal affairs.

Commonwealth was selected because it best suited Guam's needs and was most likely to receive federal support. Commonwealth would continue Guam's long relationship with the United States while giving us a full measure of local self-government leaving defense and national security matters in the hands of the U.S. government.

Following a 1982 vote which selected Commonwealth, the Commission on Self-Determination drafted a document which would give Guam the most amount of self-government while maintaining a partnership with the U.S. The document, which received a majority vote of the people of Guam in 1987 included many specific federal-Guam relations issues such as trade, land return, natural resource rights, transportation, continued federal funding and U.S. defense rights, under the umbrella of a new political status protected by mutual consent.

Since Guam's voters selected Commonwealth, the Presidential vote or voting representation in Congress were not included in the draft Commonwealth Act; under the U.S. Constitution only States have these rights. A change in the U.S. Constitution would be required for Guam to receive these state-like voting powers and would open up Guam being treated as a State for the purposes of federal taxation. Subsequently, Guam, which currently retains nearly half a million in taxes it collects, would have to turn over these taxes to the federal government, and also levy an equal amount of taxes from the people just to maintain an existing level of services provided. This would result in a minimum of over one billion dollars to Guam taxpayers if Guam citizens were to receive state-like voting powers. This unequal representation, with full taxation would not meet our needs.

An example of the Federal position on the issue of statehood is clearly seen in the case of Puerto Rico. Recent attempts by Puerto Rico to get U.S. support for the statehood option were killed by the U.S. Congress. Statehood, then, does not even appear to be acceptable to the U.S. for Puerto Rico and its 3.2 million citizens.

Instead of representation on the same basis as States, the Commonwealth Act would give Guam direct representation in the process of federal decision-making that affects us. Through our consent to federal law applications, the Commonwealth Act would give Guam a powerful stand in which to represent our interests.

Commonwealth would give Guam a period of maximum self-government while retaining our partnership with the United States. A final act of self-determination—which the Guam Constitution would establish—would establish Guam's ultimate political status.

Guam Commission on Self-Determination
P.O. Box 2950
Agana, Guam 96910
Tel: (671) 472-2829/2804 Fax: (671) 477-4826

Governor Joseph F. Ada, Chairman
Senator Francisco R. Santos, Vice-Chair
Presiding Judge Alberto C. Lamorena III
Senator Marilyn D. Manibusan
Senator Pilar C. Lujan

Mayor Francisco N. Lizama
Attorney David Lujan, Public Member
Pete Perez, Public Member

Mr. Leland R. Bettis, Executive Director

Amendments to House Bill No. 329
First Reading Copy

Requested by Rep. Vivian Brooke
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
February 5, 1993

1. Page 2, line 10.

Strike: "shall"

Insert: "may"

2. Page 2, line 14.

Following: "to"

Insert: "potentially"

3. Page 2, line 16.

Following: "elector"

Strike: "chosen"

Insert: "who agrees to serve as an election judge"

4. Page 2, lines 19 through 22.

Following: "years." on line 19

Strike: "An" through "public." on line 22

EXHIBIT 5
DATE 2/8/93
HB 329

Caroline Squires has my
proxy for voting this day

2/8/93

Sheela Rice

EXHIBIT 6
DATE 2/8/93
HB 329, HB435, ~~HB436~~

HOUSE OF REPRESENTATIVES

STATE ADMINISTRATION

COMMITTEE

ROLL CALL VOTE

DATE 2/8/93 BILL NO. HB 249 NUMBER _____

MOTION: _____

Do not pass HB 249

NAME	AYE	NO
REP. DICK SIMPKINS, CHAIR		✓
REP. WILBUR SPRING, VICE CHAIR		✓
REP. ERVIN DAVIS, VICE CHAIR	✓	
REP. BEVERLY BARNHART	✓	
REP. PAT GALVIN	✓	
REP. BOB GERVAIS	✓	
REP. HARRIET HAYNE		✓
REP. GARY MASON		✓
REP. BRAD MOLNAR		✓
REP. BILL REHBEIN		✓
REP. SHEILA RICE	✓	
REP. SAM ROSE		
REP. DORE SCHWINDEN	✓	
REP. CAROLYN SQUIRES	✓	
REP. JAY STOVALL		✓
REP. NORM WALLIN		✓
TOTAL	7	8

abstain

EXHIBIT 7

DATE 2/8/93

HB 249

Amendments to House Bill No. 249
First Reading Copy

Requested by Rep. Brad Molnar
For the Committee on House State Administration

Prepared by Sheri S. Heffelfinger
February 4, 1993

1. Page 3, line 22.

Strike: "insurance contribution,"

2. Page 5, line 8.

Strike: "insurance contribution,"

EXHIBIT 8
DATE 2/8/93
HB 249

2/8/92

To whom it may concern,

I give my proxy vote TO
Rep Davis on all Bills, Amendments
and other actions in State House.

Committee on 2/8/92

Rep. Hawaii

HB 249

Thalman Amendment

YES

HB 249

As Amended

~~YES~~ No

EXHIBIT 9
DATE 2/8/93
HB 249

HOUSE OF REPRESENTATIVES

STATE ADMINISTRATION

COMMITTEE

ROLL CALL VOTE

DATE 2/8/93 BILL NO. HB 249 NUMBER _____

MOTION: _____

Do Pass HB 249 as amended.

NAME	AYE	NO
REP. DICK SIMPKINS, CHAIR	✓	
REP. WILBUR SPRING, VICE CHAIR	✓	
REP. ERVIN DAVIS, VICE CHAIR		✓
REP. BEVERLY BARNHART		✓
REP. PAT GALVIN		✓
REP. BOB GERVAIS		✓
REP. HARRIET HAYNE	✓	
REP. GARY MASON	✓	
REP. BRAD MOLNAR	✓	
REP. BILL REHBEIN	✓	
REP. SHEILA RICE		✓
REP. SAM ROSE		✓
REP. DORE SCHWINDEN		✓
REP. CAROLYN SQUIRES		✓
REP. JAY STOVALL	✓	
REP. NORM WALLIN	✓	
TOTAL	8	8

EXHIBIT 10
DATE 2/8/93
HB 249

EXHIBIT 11
DATE 2/8/92
HB 79

Cascade County

State of Montana

TELEPHONE: (406) 761-6700



Great Falls, Montana 59401

February 1, 1993

Honorable Richard Simpkins
Chairman House State Administration Committee
Capitol
Helena Mt 59620

Dear Mr. Chairman and Members of the Committee:

I have been apprised of an effort to take from the table, HB 79, and amend it to read 20 days and/or same day registration.

Firstly I would like to address same day registration:

- We in Cascade County have 55 voting precincts and 44,000 registered voters.
- With same day registration will the voters vote in the proper Districts ? ie, House District, Senate District, Irrigation District, Flood District, Fire District, Transportation District, Water District, Sewer District, etc. etc. etc.. How many ballots would we have to print and have available at all these precincts, so that the voter may cast his ballot for all he/she are eligible to vote for ?
- Now to mention the voter fraud that can occur, something that we build in safeguards to prevent. Without proper procedures and computer networking between the precincts and the election office, how would we know if a person is voting more than once in different precincts until after the fact when we examine the signatures. The cost of this system would be prohibitive at this time.

Secondly I would like to address the 20 day close of registration:

- Maybe the counties with fewer voters and less population can accomodate a 20 day close, but even tiny Ravalli County had trouble getting confirmed and assigned to proper precincts with the 30 day close.
- We in Cascade County worked overtime the full 30 days including weekends to place all of the registered voters in the proper precincts and districts to make them eligible to vote on election day. This included hiring temporary workers who have to be skilled in the procedures and processes. The logistics were and still will be horrendous.
- We still maintain that 335 days prior to election is enough time to register if you want to vote. This includes all the advertising we place in the newspapers and other media informing the people how many days left to register.

We ask your consideration to keep this bill tabled of recommend a Do Not Pass.

Thank you. Sincerely, Joe Tropila Clerk & Recorder
CENTER OF MONTANA'S LIVESTOCK AND FARMING AREAS

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

State Administration

COMMITTEE

BILL NO. HB435

DATE 2/8/93

SPONSOR(S) Rep. Sayles

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Lyle Nigel ^{Box 93} Simms Mt.	st. fire chiefs Assn	✓	
Henry E Lohr ^{Townsend} ^{MT.} ^{Box 287}	Self	X	
Bruce Swenson	Justice	X	
Mark Cum	PERD	X	
Tim Sayles	Sponsor		

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