

**MINUTES**

**MONTANA SENATE  
53rd LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON STATE ADMINISTRATION**

**Call to Order:** By Senator Eleanor Vaughn, on February 19, 1993,  
at 10:00 a.m.

**ROLL CALL**

**Members Present:**

Sen. Eleanor Vaughn, Chair (D)  
Sen. Jeff Weldon, Vice Chair (D)  
Sen. Jim Burnett (R)  
Sen. Harry Fritz (D)  
Sen. John Hertel (R)  
Sen. Bob Hockett (D)  
Sen. Bob Pipinich (D)  
Sen. Bernie Swift (R)  
Sen. Henry McClernan (D)  
Sen. Larry Tveit (R)

**Members Excused:** Sen. Weldon

**Members Absent:** Sen. Tveit

**Staff Present:** David Niss, Legislative Council  
Deborah Stanton, Committee Secretary

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

**Committee Business Summary:**

Hearing: SB 408, SB 407, SJR 22, SJR 26  
Executive Action: SB 408, SB 407, SJR 22, SJR 26

**HEARING ON SB 408**

**Opening Statement by Sponsor:**

Sen. Christiaens, Senate District #18, presented SB 408 which would amend the Montana Elder and Developmental Disabled Abuse Prevention Act.. There are some amendments to this bill. The gist of this legislation is on page 3 and page 4.

## Proponents' Testimony:

Joe Roberts, represented the Systems Advocacy Group for Developmental Disabilities and spoke on behalf of SB 408. He represents a group that provides the service to people in group homes and sheltered workshops around the state. SB 408 is brought by Sen. Christiaens at the request of the Systems Advocacy Group. It has been a source of some dispute and aggravation even to the point of some lawsuits in the community. Before it gets out of hand this legislation needs to be addressed. "We have been in consultation with the Department of Family Services for the last month or so and have agreed to some amendments to the bill that will take care of the concerns that the group and the Department of Family Services have. Social workers that investigate these complaints of abuse and neglect or exploitation are employees of the Department of Family Services. That's where their responsibility lies. They may receive a complaint about the neglect or abuse of a client in a program or in a group home or in a center that is operated by one of the non-profit providers. Some of the instances of neglect or exploitation present some issues in terms of what the responsibilities of the provider toward that individual is. If an individual with developmental disabilities goes out and gets hurt in an accident, is that neglect on the part of the provider? That can be a delicate question. The ideal of services to developmental disabled people is moving toward a least restrictive alternative for that person to live. This may be an independent home setting, independent living, or a supported work environment where what the provider is actually providing is very limited in nature. So if something happens to that individual, if they get hurt, is that the responsibility of the provider who is providing a limited range of services. Those are delicate questions. One of the abiding concepts of community based services for developmentally disabled people is the concept of dignity of risk that other people learn through their own failures. Developmentally disabled people should be able to make mistakes and learn from those mistakes and that there is dignity in allowing risks in that person's life. That is an overall picture of what the legislation is about." He explained the amendments (EXHIBIT #1). They have discussed this legislation with one of the members of the County Attorneys Association and he is in agreement with this. They have also discussed it with the Department of Family Services who will also indicate their support.

Hank Hudson, Director of the Department of Family Services, spoke in support of SB 408. "The department has worked intensively for the last couple of weeks to arrive at a bill which is agreeable to all of the parties. This bill reflects what the department feels is the changing type of service to this population, one that involves more complexity and requires a different type of approach. The two most important parts of the bill are: 1) requirements that teams made up of people who have a wide variety of relevant expertise will look at these cases prior to county attorney proceedings and therefore, be a resource to the county attorney to deal with what is a complex issue; 2) redefine what we need for this population. The statute that was briefly written seemed to focus more on a residential setting in which a provider had more of a complete control over the activities of a person. As we move towards a more independent life, one more

integrated into society, that type of responsibility for a provider to have complete responsibility for anything that might happen is not realistic. Providers now provide specific services and are not there all day long to supervise and get involved in the entire life of the individual. He is just there to provide a very specific service and for them to be more responsible would be asking something that is not reasonable. This would meet the level of independence that we want these people to achieve. The Department of Family Services supports the bill.

Mike Hanshaw, Administrator of the Developmental Disability Division in the Department of Social and Rehabilitation Services, said the agency that contracts with the private, not for profit agencies that provide these community services to people with developmental disabilities, support SB 408 for the reasons that Mr. Roberts and Mr. Hudson have already elaborated on. It is a positive step to address the very difficult issues and he urged support of SB 408.

The President of Montana Association of Independent Disability Services, wanted to go on record in support of SB 408.

**Opponents' Testimony:**

Russell Hill, representing the Montana Trial Lawyers Association, spoke in opposition to the bill as written. He urged the approval of the amendment to take out section 1, the immunity provision, and with the approval of that amendment, they do not have a problem with the bill.

**Questions From Committee Members and Responses:**

None.

**Closing by Sponsor:**

Sen. Christiaens stated this was a very important bill to look at as we continue to deinstitutionalize people who were formally institutionalized and allow them to live at their fullest capacity within communities. That covers a broad spectrum of living arrangements and having worked in an institution in which people who were at one time institutionalized, as they are not under immediate supervision 24 hours a day, there is a very fine line as to what the responsibilities are. This legislation needs to be on the books. The people who are contracting for the services of the the developmentally disabled need to have the flexibility to help people to live at their fullest capacity. As we continue to ask people to live in their least restrictive environment, this bill as amended is an absolute must.

**HEARING ON SB 407****Opening Statement by Sponsor:**

Sen. Fritz, Senate District #28, presented SB 407. "This bill was originated in the last session when the Montana University System saw a complete divorce from the Teacher's Retirement System. It was messy and contentious and the decree was denied. This bill might be termed an amicable separation to which both parties have consented. What we ended up in the last Legislature was a bill which called for an independent, actuarial evaluation of the University's obligations to the Teachers' Retirement System, conducted under the auspices of the Legislative Auditor, and to determine the proper amount which the Montana University System should be contributing to the Teachers' Retirement to take care of that portion of the unfunded liability in TRS that was obligated by Montana University System members. When the Optional Retirement System Program was implemented back in 1987 the Universities were paying almost 5% of total contributions to TRS. That figure has always been a subject of some contention. Now it has been agreed that it can be reduced to about 3%. Both sides are comfortable with this arrangement which provides for the long term separation of the Montana University System from the Teacher's Retirement System in that all new hires, administrative and faculty in the University System, will be Optional Retirement Plan members not Teacher's Retirement System. People like Sen. Fritz will continue to be members of the Teacher's Retirement System.

**Proponents' Testimony:**

David Evenson, representing the University System, spoke in support of SB 407. One of the highlights of the bill is it was requested by the Board of Regents and the Teacher's Retirement Board. The significant point is the indication of the mutual agreement about the content of the bill. As Sen. Fritz said this dispute has been going on for some years. Last session members of this committee were insistent that we try to reach some compromise with the Teacher's Retirement Board and by doing so they insisted upon an amendment which required this actuarial study. He submitted and explained the study (EXHIBIT #2) to the committee.

Dave Senn, Director of the Teacher's Retirement System, spoke in support of SB 407. SB 407 is a compromise. This bill will provide funding for the Teacher's Retirement System and provide additional funding for the Optional Retirement Plan for the people at the University System. This bill has many winners. It will avoid adverse selection. Adverse selection is when you get someone toward the end of their career and they demand a higher salary so they get larger benefits. They will only participate for a few years. They come in the system at approximately 55 years of age and there are not many years for the money to grow. This bill does not present any opportunities for adverse selection. It will require that all new hires coming into the University System, that are already in the Montana public

retirement systems, PERS and TRS, will go with the Optional Retirement System. It's good for the University System and good for the Teacher's Retirement System. It will provide adequate funding for all the retirement plans that exist and provide an opportunity to review that rate periodically and adjust the rate accordingly. He urged support of SB 407.

Craig Roloff, Montana State University, spoke in favor of SB 407. This is good for all faculty in that many of the employees are TRS members so the disagreement that occurred was always considered to be a University/TRS disagreement. The importance of this bill is that it provides an equitable settlement for all of the employees. He urged support of SB 407.

Staci Riley, representing the Montana Federation of Teachers, spoke in support of SB 407. Faculty in the Montana University System earn less than faculty in other learning institutions and the optional retirement plan will help the University System attract, retain faculty members and improve the quality of education in our state. SB 407 has no fiscal impact to the general fund or the University system. It merely reallocates the retirement contribution to the Optional Retirement Plan and Teacher's Retirement System. This compromise is a good piece of legislation and she asked for support and passage of SB 407.

**Opponents' Testimony:**

None.

**Questions From Committee Members and Responses:**

Sen. McClernan asked Dave Evenson if this legislation is enacted will any new hires in the University System be required to go with the Optional Retirement Plan and not have the option of electing Teacher's Retirement System. Mr. Evenson answered yes. That option is removed for those people but from the University System's perspective over 90% of new hires are electing the Optional Retirement Plan so we see this as a practical matter, not a concession that will affect the recruitment efforts. Sen. McClernan asked why they decided not to make it an option. Mr. Evenson said from the University System's perspective, the option is no real impact to them. "The choice that they have between the Teachers' Retirement System and the Optional Retirement Plan is of impact to teachers. The compromise was reached with Teacher's Retirement Board which was concerned with adverse selection. That is, someone who was 55 years of age who would actually get a better return if they joined Teacher's Retirement. They don't have enough time left for retirement to have the interest working on their benefit. Young people are going to do better with the Optional Retirement Plan. That's why, when we hire, we hire young faculty, typically. They see the advantage of the Optional Retirement Plan and accept it. Choosing a retirement system is predicted and you don't really know what system is the best. An Optional Retirement Plan is designed for someone who may not serve their career in full with one employer. If you tend to move around you can, and often do, end up in a

situation where you don't have an adequate retirement. From a social perspective, having a teacher's retirement plan for mobile faculty is not necessarily a desirable feature. The Optional Retirement Plan covers that. The Teacher's Retirement System works very well and that's one reason why it was strongly supported by the K-12 faculty who tend to stay in Montana in the teaching profession. They get a fine benefit as a result of the long service with the state. It's not an evaluation of which retirement system is better, it relates to the kind of career history that an individual might predict or experience."

Sen. Hockett asked Mr. Senn if there would be no increase in the unfunded liability. Mr. Senn said the university's portion of liability is going to be amortized over a longer period of time than K-12 will. The necessary accounting changes will be made to account for that separately. There will be separate evaluations and that is not a problem. There will be seven more years to the amortization period for the University System but it gets a little stronger plan for the optional plan, a stronger contribution rate for the employer, 12% going in rather than the current 10%. It was a compromise position. The important information in the report, is first that the study was done by an independent actuary and the conclusions reached by this actuary were similar and consistent with the conclusions of Hendrickson and the current actuary.

Sen. Hockett asked if this would impact on the Public Teachers's K-12 and the other members of the Teacher's Retirement System so that they will have to contribute more over a period of time to keep their unfunded liability from changing. Mr. Senn said no, the K-12 may have to contribute more, but if so, it will not be as a result of this proposal. It will be a result of their experience, enhancements made by the Legislation, interest rates, a number of things that can require additional contributions. But this will not have any adverse impact on funding of K-12.

Sen. Swift stated that the report was different than the legislation in relation to percentages and payments, but the extension of the actuary was seven years more. Did they really win when they gave up the 4.5% in payroll and in relation to that, how much will that cost the University System. Mr. Senn said the University System will not pay any more now than they currently do. The total obligation now is 14.5% of salary and it stays 14.5% of salary. It doesn't change their obligation. What does change is the Teacher's Retirement System will receive about \$500,000 a year less than they are receiving now. There will be a smaller amount over a longer period of time.

Sen. Pipinich said this system needs to be renamed because it is no longer an option. For new hires it is mandatory. For older employees they have the option. Mr. Senn said it was called an Optional Retirement Plan in other states and the University System has the option to add additional vendors or carriers.

Sen. Hertel asked Mr. Evenson if it would not affect the University System's budget by changing the percentages from 10 to

12. Mr. Evenson said the answer to that is no. In terms of the general fund support to the University System, it is not affected. It is just a reallocation of retirement contributions that are currently being made.

Sen. Fritz asked Mr. Senn to inform the committee how many people are in Teacher's Retirement System and how many are Montana University System. Mr. Senn referred the committee to page 28 of the report (EXHIBIT #3).

**Closing by Sponsor:**

Sen. Fritz stated he was pleased to bring before the committee a bill that has strong support from both the Montana University System and the Teacher's Retirement Board. "As a member of the Teacher's Retirement system I am very hesitant about doing anything that would adversely impact my anticipated benefits. I expect to be back forty years from now to look back and say we've made the right choice with this bill."

**HEARING ON SJR 22**

**Opening Statement by Sponsor:**

Sen. Hockett, Senate District #7, presented SJR 22 at the request of the Fort Benton Community as a joint resolution urging continuing federal support and funding for the Visitors Center at the Upper Missouri. "The Bureau of Land Management has been budgeting money for this. They have spent about \$1.5 million on this project. The community of Fort Benton is represented by all entities in the area and are very actively involved in supporting historical preservation and tourism related activities. The Visitors Center had a very strong supporter in the Director of Bureau of Land Management who was a Montanan and since that has changed this needs to be continued. It's a positive thing for the State of Montana."

**Proponents' Testimony:**

Arlene Fishbaugh, a resident of Fort Benton, stated that Fort Benton has made an investment in the heritage of Montana. For a little town of 2,000 people, they have two museums including the Montana Agricultural Museum, which is the state Ag Museum in Montana. The Montana Legislature has supported these cultural institutions through the Cultural Trust with grants to the Ag Center and hopefully through the renovation project of the blockhouse in Fort Benton. The local community has made an effort, the state has supported the birthplace of Montana, and this will be an economic boon to the community.

Clint Blackwood, Travel Promotion, Department of Commerce, spoke in support of SJR 22. "This bill fits into the effort of encouraging the development of products so that visitors will stay longer in the state. There is an emphasis on rural tourism

development trying to get people off the four-lane highways. The Dept. of Transportation will be working on the development of a scenic byways program. All of these things speak to the necessity of having a visitors center in Fort Benton. There is also talk of the development of the possible statewide Lewis and Clark Trail and this particular development in Fort Benton would fit nicely with the Museum in Great Falls. We would like to go on record as being in support of this resolution."

Alec Hanson, speaking on behalf of the Town of Fort Benton, spoke in support of SJR 22. "There is a tremendous amount of history in that town and the purpose of the interpretive center is to tell the story of Fort Benton and the Lewis and Clark Expedition in the early days. It is important for the committee to know that this does not represent any cost to the state. We are trying to give the federal government a boost from the Montana Legislature to get this project up and running. It will be a benefit to the state. It will be a tremendous tourist attraction that will pay benefits to all Montanans particularly those in Fort Benton."

**Opponents' Testimony:**

None.

**Questions From Committee Members and Responses:**

Sen. Hertel asked Sen. Hockett if construction had begun. Sen. Hockett said it has not. Sen. Hertel said Bureau of Land Management has already contributed \$1.5 million and asked Sen. Hockett what the actual cost will be. Sen. Hockett said he did not know. Mr. Hanson said one of the problems is that \$1.6 million in architectural and design and only about \$900,000 has been committed to this point. One of the purposes of the resolution is to get the remainder of the architecture and design committed. He did not know for sure what the cost would be.

Sen. Swift asked how much money has the local community earned. Mr. Hanson said he was not sure.

Sen. Swift said that was critical to the project. Mr. Hanson said the community is committed to raising the matching money.

**Closing by Sponsor:**

Sen. Hockett stated the questions asked were valid and he would try to get the answers before the resolution went to the floor.

**HEARING ON SJR 26**

**Opening Statement by Sponsor:**

Sen. Pipinich, Senate District #33, presented SJR 26. He said he would let the other three who signed the bill speak first because they had to get to other hearings.



**Proponents' Testimony:**

Rep. Pavlovich, HD #70, stated SJR 26 deals with what is going on in Yugoslavia now. This resolution will try to stop what is going on over there. He urged the committee's support for SJR 26.

Rep. Tuss, HD #35, spoke in support of SJR 26. The Croats and the Serbs have contributed a tremendous amount to the culture in Montana. She said we, in Montana, cannot solve their ethnic and religious problems but she asked this committee to recognize the contributions in Montana and extend a hand in support. She urged passage of SJR 26.

Bill Strizich, HD #41, spoke in support of SJR 26. He urged the committee to support this bill.

John Fitzpatrick rose in support of SJR 26. He wanted to endorse this resolution as a method of helping to try to bring peace to a troubled area.

Staci Riley rose in support of SJR 26 and urged the committee to pass SJR 26.

**Opponents' Testimony:**

None.

**Questions From Committee Members and Responses:**

None.

**Closing by Sponsor:**

Sen. Pipinich stated the weather has deterred a lot of people from coming to the hearing and speaking in support of this bill. With that he closed.

**EXECUTIVE ACTION ON SJR 26**

**Motion/Vote:** Sen. McClernan moved SJR 26 DO PASS. Motion SJR 26 DO PASS CARRIED UNANIMOUSLY.

**EXECUTIVE ACTION ON SJR 22**

**Motion/Vote:** Sen. McClernan moved SJR 22 DO PASS. Motion SJR 22 DO PASS CARRIED UNANIMOUSLY.

**EXECUTIVE ACTION ON SB 408**

**Motion:** Sen. Pipinich moved to amend SB 408 (sb040801.adn).

**Discussion:** David Niss explained the amendments.

**Vote:** Motion to amend SB 408 CARRIED.

**Motion/Vote:** Sen. Hockett moved SB 408 DO PASS AS AMENDED.  
Motion SB 408 DO PASS AS AMENDED CARRIED UNANIMOUSLY.

**EXECUTIVE ACTION ON SB 407**

**Motion:** Sen. Pipinich moved SB 407 DO PASS.

**Discussion:** Sen. Hockett said he did not want to vote against the bill, but the unfunded liability was a concern. He was concerned about the retirement changes in this session. There was also discussion on the word "optional." Sen. Fritz said one of the features on the bill is that it will be revisited from time to time.

**VOTE:** Motion SB 407 DO PASS CARRIED UNANIMOUSLY.

**EXECUTIVE ACTION ON SB 380**

**Motion/Vote:** Sen. Swift to amend SB 380. Motion to amend SB 380 CARRIED unanimously.

**Motion:** Sen. Swift moved SB 380 DO PASS AS AMENDED.

**Discussion:** Sen. McClernan stated he was concerned about getting good people to run for elected offices. There was additional discussion about this issue. David Niss said there is current law prohibiting people from holding two offices. It does not prohibit a person from running for two offices at once, nor does it prohibit people from holding one office and running for another. What is prohibited is holding two offices. This bill would require that by the time the person gets to the general election, he would resign. He could hold one office and run in the primary for the second office, but if he is a winner and tends to stay on the ballot he must resign.

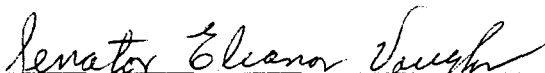
**Motion/vote:** Sen. McClernan made a substitute motion to table SB 380. There was a roll call vote. The vote was a tie with Sen. Burnett, Sen. Hertel, Sen. Hockett, Sen. Swift voting no and Sen. Fritz, Sen. McClernan, Sen. Pipinich, Sen. Vaughn voting yes.

**Vote:** Motion SB 380 DO PASS AS AMENDED FAILED. There was a roll call vote with Sen. Burnett, Sen. Hertel and Sen. Swift voting yes.

There was an adverse committee report with SB 380 amended and as so amended did not pass.

ADJOURNMENT

Adjournment: 12:00 p.m.

  
\_\_\_\_\_  
SENATOR ELEANOR VAUGHN, Chair

  
\_\_\_\_\_  
DEBORAH STANTON, Secretary

EV/ds

# ROLL CALL

SENATE COMMITTEE STATE ADMINISTRATION DATE 2-19-93

NAME	PRESENT	ABSENT	EXCUSED
Sen. Eleanor Vaughn	✓		
Sen. Jeff Weldon			✓
Sen. Jim Burnett	✓		
Sen. Harry Fritz	✓		
Sen. John Hertel	✓		
Sen. Bob Hockett	✓		
Sen. Henry McClernan	✓		
Sen. Bob Pipinich	✓		
Sen. Bernie Swift	✓		
Sen. Larry Tveit		✓	
David Niss	✓		

FC8

Attach to each day's minutes

SENATE STANDING COMMITTEE REPORT

Page 1 of 2  
February 20, 1993

MR. PRESIDENT:

We, your committee on State Administration having had under consideration Senate Bill No. 408 (first reading copy -- white), respectfully report that Senate Bill No. 408 be amended as follows and as so amended do pass.

Signed: Senator Vaughn  
Senator Eleanor Vaughn, Chair

That such amendments read:

1. Title, lines 6 and 7.

Strike: "SPECIFYING" on line 6 through "LIABLE;" on line 7

2. Title, line 8.

Following: "FOR THE"

Insert: "MEMBERSHIP AND"

3. Page 1, lines 12 through 17.

Strike: section 1 in its entirety

Renumber: subsequent sections

4. Page 2, line 19.

Strike: "other"

5. Page 3, line 11.

Following: "teams."

Insert: "(1)"

6. Page 3, line 23.

Following: "attorney."

Insert: "(2)"

7. Page 3, line 25.

Strike: "person"

Insert: "adult in the care of a person providing developmental disabilities services"

8. Page 4, line 4.

Following: "services."

Insert: "The team shall make a report to the county attorney that contains a recommendation concerning any criminal prosecution to be brought pursuant to this part."

9. Page 4, line 6.

Strike: "recommends"

Insert: "makes a recommendation concerning"

10. Page 4, lines 8 through 11.  
Strike: section 4 in its entirety

-END-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
February 19, 1993

MR. PRESIDENT:

We, your committee on State Administration having had under consideration Senate Joint Resolution No. 22 (first reading copy -- white), respectfully report that Senate Joint Resolution No. 22 do pass.

Signed: *Eleanor Vaughn*  
Senator Eleanor Vaughn, Chair

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
February 19, 1993

MR. PRESIDENT:

We, your committee on State Administration having had under consideration Senate Joint Resolution No. 26 (first reading copy -- white), respectfully report that Senate Joint Resolution No. 26 do pass.

Signed: Senator Eleanor Vaughn  
Senator Eleanor Vaughn, Chair



SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
February 19, 1993

MR. PRESIDENT:

We, your committee on State Administration having had under consideration Senate Bill No. 407 (first reading copy -- white), respectfully report that Senate Bill No. 407 do pass.

Signed: Senator Vaughn  
Senator Eleanor Vaughn, Chair

ADVERSE

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
February 19, 1993

MR. PRESIDENT:

We, your committee on State Administration having had under consideration Senate Bill No. 380 (first reading copy -- white), respectfully report that Senate Bill No. 380 be amended as follows and as so amended do not pass.

Signed: Senator Eleanor Vaughn  
Senator Eleanor Vaughn, Chair

That such amendments read:

1. Title, lines 5 and 7.  
Strike: "STATE"

-END-

# ROLL CALL VOTE

*table*

SENATE COMMITTEE STATE ADMINISTRATION

BILL NO. SB 380

DATE 2-19-93

TIME 11:00

A.M P.M.

NAME	YES	NO
Sen. Jim Burnett		<input checked="" type="checkbox"/>
Sen. Harry Fritz	<input checked="" type="checkbox"/>	
Sen. John Hertel		<input checked="" type="checkbox"/>
Sen. Bob Hockett		<input checked="" type="checkbox"/>
Sen. Henry McClernan	<input checked="" type="checkbox"/>	
Sen. Bob Pipinich	<input checked="" type="checkbox"/>	
Sen. Bernie Swift		<input checked="" type="checkbox"/>
Sen. Larry Tveit		
Sen. Jeff Weldon		
Sen. Eleanor Vaughn	<input checked="" type="checkbox"/>	

*Dorrie Stanton*  
SECRETARY

\_\_\_\_\_  
CHAIR

MOTION: \_\_\_\_\_  
TABLE SB 380

# ROLL CALL VOTE

SENATE COMMITTEE STATE ADMINISTRATION BILL NO. SB 380

DATE 2-19-93 TIME 11:00 (A.M.) P.M.

NAME	YES	NO
Sen. Jim Burnett	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Harry Fritz	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sen. John Hertel	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Bob Hockett	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sen. Henry McClernan	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sen. Bob Pipinich	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sen. Bernie Swift	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Larry Tveit	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Jeff Weldon	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Eleanor Vaughn	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Debbie Stanton  
SECRETARY

\_\_\_\_\_  
CHAIR

MOTION: \_\_\_\_\_  
SB 380 DO PASS AS AMENDED

EXHIBIT NO. \_\_\_\_\_  
DATE 2-19-93  
BILL NO. SB408

Amendments to House Bill No. 408  
First Reading Copy

For the Committee on State Administration

Prepared by David S. Niss  
February 19, 1993

1. Title, lines 6 and 7.  
Strike: "SPECIFYING" on line 6 through "LIABLE;" on line 7
  
2. Title, line 8.  
Following: "FOR THE"  
Insert: "MEMBERSHIP AND"
  
3. Page 1, lines 12 through 17.  
Strike: section 1 in its entirety  
  
Renumber: subsequent sections
  
4. Page 2, line 19.  
Strike: "other"
  
5. Page 3, line 11.  
Following: "teams."  
Insert: "(1)"
  
6. Page 3, line 23.  
Following: "attorney."  
Insert: "(2)"
  
7. Page 3, line 25.  
Strike: "person"  
Insert: "adult in the care of a person providing developmental disabilities services"
  
8. Page 4, line 4.  
Following: "services."  
Insert: "The team shall make a report to the county attorney that contains a recommendation concerning any criminal prosecution to be brought pursuant to this part."
  
9. Page 4, line 6.  
Strike: "recommends"

Insert: "makes a recommendation concerning"

10. Page 4, lines 8 through 11.  
Strike: section 4 in its entirety

Exhibit # 1  
2-19-93  
SB-408

Proposed Amendments to SB 408

Prepared by Ann Gilkey  
Department of Family Services

1. Page 1.  
Following: line 11  
Strike: lines 12-17 in their entirety.
2. Page 2, line 19.  
Strike: "other"
3. Page 3, line 11.  
Following: "teams"  
Insert: "(1)"
4. Page 3, line 23.  
Following: "an attorney"  
Insert: "(2)"
5. Page 3, line 25.  
Strike: "person,"  
Insert: "adult in the care of a provider"
6. Page 4, lines 4-7.  
Strike: "The department or a county attorney may not bring a criminal prosecution against a person pursuant to this part unless the team recommends the prosecution."  
Insert: "The team shall make a report to the county attorney prior to any criminal prosecution against a person pursuant to this part."

④  
**BUCK  
 CONSULTANTS**

Bank Western Tower  
 1675 Broadway Suite 1950  
 Denver, Colorado 80202

VIA FAX

SENATE STATE ADMIN.

EXHIBIT NO. 2

DATE 2-19-93

BILL NO. SB 407

February 18, 1993

Senator Eleanor Vaughn  
 Senate State Administration Committee Chairperson  
 State Capitol  
 Helena, Montana 59620

RE: SENATE BILL 407

Dear Senator Vaughn:

Senate Bill 407 would amend certain Montana statutes related to the Montana Teachers' Retirement System (TRS) and the Montana University System (MUS) Optional Retirement Program (ORP).

In 1992, Buck Consultants prepared an independent actuarial review of the issues relating to the current MUS contribution paid to TRS on behalf of ORP participants (4.503% of ORP participants' pay). The results of our analysis and recommendations are contained in the report issued October 9, 1992 by the Office of the Legislative Auditor.

In our opinion, Senate Bill 407 is consistent with the recommendations contained in our report and provides an equitable and appropriate solution for both TRS and MUS based on our understanding of Senate Bill 407 as described below.

We understand that section 5(b)(ii) of Section 19-21-203 (Section 4 of the Bill) provides that the Board of Regents contribution rate to TRS for members of the ORP beginning July 1, 1997 will be based on the experience of the employees of MUS and must be adequate to amortize the past service liability of MUS members by July 1, 2033. It is also our understanding that this provision applies to any past service liability attributable to MUS employees for benefit improvements adopted prior to July 1, 1987. We assume any additional past service liability attributable to MUS employees created by benefit changes subsequent to July 1, 1987 will be subject to the same funding guidelines adopted by TRS for all other members or other agreement reached between TRS and the Board of Regents. Currently, we understand that the



**Senator Eleanor Vaughn  
February 18, 1993  
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**increased past service liability for specific benefit changes is amortized over a fixed period of up to 40 years.**

**If you have any questions concerning this issue, please call.**

**Sincerely,**



**R. Paul Schrader, A.S.A.  
Consulting Actuary**

**RPS:SS  
DOC:021731SS.MON**

**c: Mr. Dave Gould  
Mr. Dave Evenson  
Mr. Dave Senn**

LEGISLATIVE DOCUMENTS  
ENACT NO. 3  
DATE 2-19-93  
BILL NO. SB 407

**Independent Actuarial Analysis  
of Optional Retirement Program  
For Employees of  
Montana University System  
Prepared for the Office of Legislative Auditor**

**October 9, 1992**

The original is stored at the Historical Society at 225 North Roberts Street, Helena, MT 59620-1201. The phone number is 444-2694.



**OFFICE OF THE LEGISLATIVE AUDITOR**  
STATE OF MONTANA  
STATE CAPITOL • HELENA

DATE 2-19-93

SENATE COMMITTEE ON State Administration

BILLS BEING HEARD TODAY: SB 408, SB 407, SJR 22, SJR 26

Name	Representing	Bill No.	Check One	
			Support	Oppose
William Linkbay	Self	SJR 22		
Staci Riley	MFT	SB 407	X	
Clint Blackwood	Travel Montana	SJR 22	X	
Bruce F. FAIN	TIAA-CREF	SB 407		
Russell B Hill	MTLA	SB 408		✓
Bill C. Clark	DDPAC	SB 408	✓	
Joe Roberts	Systems Advocacy for DD	SB 408	✓	
Rita Schilling	Montana Association of Independent Businesses	SB 408	✓	
Hank Hudson	DFS	408	✓	
MING HANSHU	GRS	408	✓	
David Soren	TBS	407	✓	
CRAIG BOLOFF	MSU	407	✓	
Rep Parkovitch	HD # 70	SB-26	✓	
Stacy Riley	self	SJR 26	✓	
Rep Strizich	HD-41	SJR 26	✓	
David Ewenson	U System	407	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE 2/19/93

SENATE COMMITTEE ON State Admin

BILLS BEING HEARD TODAY: 2/19/93

Name	Representing	Bill No.	Check One Support Oppose	
Charles Lewis	HD # 35	SJR 26	<input checked="" type="checkbox"/>	<input type="checkbox"/>

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY