

MINUTES

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

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By Senator Eleanor Vaughn, on March 5, 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: None.

Members Absent: None.

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: HB 329, HB 435
Executive Action: HB 329, HB 435

HEARING ON HB 435

Opening Statement by Sponsor:

Rep. Sayles, House District #61, presented HB 435. HB 435 is a Voluntary Firefighter's retirement plan. The 1991 Legislature set a fixed benefit to be paid to retired volunteer firefighter's under the Volunteer Firefighter's Compensation Act. This bill will extend those benefits for another two years. The Volunteer Firefighter's 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 thirty hours of training to get one year of credit in retirement. 5% of the tax and

insurance premiums is allocated to the fund each year and the fund accumulated an adequate balance in 1973 to begin paying payments and benefits and has been paying every year since 1973. From 1973 through 1991, the benefit was based on the amount of the growth of the fund. As the fund grew there was more money allocated for retirees. This resulted in monthly benefits that fluctuated significantly from one year to the next. The 53rd Legislature established a fixed benefit for 1992-93. This legislation will continue a fixed benefit for the next two years and require a report on the available funding for the 54th Legislature. This legislation is necessary to continue the payment of benefits to the volunteer firefighters. Without this legislation, benefits cannot be paid in 1994-95. It is very critical that we answer any questions that the committee has completely. Volunteer firefighters, retired volunteer firefighters, and their survivors all have an interest in the continuation of the benefits under the Volunteer Firefighter's Compensation Act. Benefits are currently being paid to 561 people in rural areas in Montana that rely on volunteer fire departments to provide fire protection and have an interest in encouraging volunteers to gain qualifications to remain with the departments.

Proponents' Testimony:

Mark Cress, Public Employees Retirement Division, spoke in support of HB 435. "This bill is necessary to give PERD the authority to continue to pay pensions to 561 volunteer firefighters who are currently receiving retirement benefits. Without this legislation those benefits will end in June of this year. Volunteer Firefighter's Pension Plan is funded by 5% of the tax on fire insurance premiums and these revenues are paid into the fund. Those revenues will continue to be paid in the pension fund whether this bill passes or not. The problem is that we will be unable to disperse those funds for the retirees. Prior to FY 92 the pensions to volunteer firefighters were based on the growth on the volunteer pension fund. And a result of that was that in one year those pensions would be quite high and the next year they would quite low. The average monthly benefit in FY 88 was \$62 a month. In FY 89 it went up to \$119 a month. In FY 90 it went back to \$60 a month. In FY 91 it returned to \$118 a month. There was a real "on again-off again" cycle. That was the reason the Legislature in 1991 looked at establishing a fixed benefit so that when the volunteer fireman retired they would get a consistent amount from year to year. The 1991 Legislature asked PERD to begin to study the level of funding of volunteer firefighter's pensions system and come up with a permanent solution. PERD is not prepared to propose a permanent solution and part of the reason is that it was pretty easy to run the volunteer firefighters' pension system when all we had to do was look at how much money was there, divide it up and pay it out. There was no commitment for future years through a set benefit. If we are going to make a commitment on a permanent

basis for a set benefit, we need to be pretty sure of how many volunteer firefighter's there are, how many years of service they have and how many are out there earning service. We're not comfortable at this point with our records or our ability to gather those records on volunteer firefighters. The main thing we need to do in addition to trying to structure a permanent retirement benefit here is to revamp the way that we collect information from volunteer fire departments and we have begun work there. We have set up a small automated system on the records that we have now. We plan to provide reports to the volunteer fire departments saying "here's the people we know about, how many do you have that we don't know about." Last year we received applications from a number of volunteer fire fighters who are ready to retire which we had no information on at that point. We had to tell them that we need to get their records that they had 30 hours of certified training or twenty individual years. That's the problem we are dealing with but it's a problem that we can resolve. We can find out who is eligible, then we can look at funding that is available and come up with a more permanent solution. We're not prepared to do that at this time but it is necessary to have this bill extend benefits for another two years and give us an opportunity to come up with that solution.

Art Korn, Volunteer Fire Department from Butte, stated this was a new program. "No money was paid out when it was found out there was money in the insurance premiums until we reached \$1 million. Then the monthly payments were very low. 35 years ago we drafted, what is now, the pension law for the volunteer firemen. I was the secretary/treasurer for the Montana State Volunteer Firemen's Association for 25 years and when I retired there were 104 bona fide volunteer fire departments in the State of Montana. PERS has gone over the financial statement and found that they can pay the \$120 per month for retirees for 20 years of service. For a volunteer fire fighter, who has taken their fire training, and responded to fire calls 24 hours a day, \$120 per month is well earned. I am now retired and speaking for a lot of volunteer firemen and we hope that the committee will pass HB 435.

Henry Lohr, Broadwater Rural Fire District, spoke in support of HB 435. "This bill will give us another two years to work on this so we can find out who the departments are and give us a little better handhold on it and I urge your passage of this bill."

Lyle Nagel, secretary/treasurer of the Montana State Fire Chiefs Association, spoke in favor of HB 435.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

Sen. Swift asked Mark Cress if the fund was solvent now. Sen. Swift noted there was \$6 million in the fund and the \$200 maximum was deleted in this bill. He asked if there was sufficient funds to continue this and what the status of the funding base was and said that this was supposed to be done in 1993, and asked what happened. Mr. Cress said there was a little over \$8 million in the volunteer fire fighter's pension fund as of June 30 and we are comfortable that that is adequate. To answer to the question of why is there no a permanent solution now, the problem was a little more complex than we anticipated two years ago. The system was quite simple to operate when it was just a matter of counting the money in the fund, finding out how much it grew and dividing it up. If we want to turn it into a retirement system like PERS where we keep track of everybody every month, we're talking about putting into place systems that we had not counted on two years ago.

Sen. Hockett asked Mr. Cress what the source of money was for this fund. Mr. Cress stated the funding comes from the tax premium fund, on tax of insurance premiums, and fire premiums. 5% of those taxes are allocated into this pension fund and that statute will continue to exist whether this bill passes or not. If this bill fails we have no authority to pay that money out so the money will continue transfer into the account. Sen. Hockett asked if all fire departments would be in the same "pot." Mr. Cress said these would be districts certified with the Secretary of State, with a minimum of \$2500, the members have to have at least 30 hours of training in a year. There are rural districts that have paid fire fighters. Those fire fighters would not be included in this bill. They are covered by PERS. These are volunteer, unpaid fire fighters in rural districts which are certified with the Secretary of State.

Mr. Korn stated there were three types of volunteer fire departments in the State of Montana. There are volunteers such as Butte has, then there are rural volunteers that take care of big areas outside of the county, then there are volunteer fire departments in little cities. Those volunteer fire departments are pensioned off by a 4% tax on the city in which they reside. There are differences in fire departments. Fire departments in cities have their own pension plans. Our pension here covers volunteers in rural areas and the volunteers surrounding the bigger suburbs of Montana. If you remember the fire they had in Belt, Montana, that was strictly volunteer in the rural area.

Sen. Hertel stated that this bill was designed to make the payments of \$120 per month. He stated Mr. Cress had stated the inconsistencies of the payments made throughout the years. He asked Mr. Cress how the \$120 per month would affect the budget. Will the \$120 per month increase the amount of payments or increase this considerable amount with having the \$120 figure. Mr. Cress said it was the projection of the division that there

will probably be some growth in the assets in the fund. With the \$120 payment it is difficult to project how much. That is based on projections of the tax premium. The growth in the expenditures would be based on growth in the number of retirees. In general, that is a growing number. Expenditures would grow slightly, based on more people retiring. \$120 is what is currently being paid to retirees. The amount of pension to an individual would remain the same as it has been in 1992-93.

Sen. McClernan asked Mr. Cress if the size of the fund itself would increase this year. Mr. Cress said yes, he would expect, with the revenue coming in that earnings on the fund will exceed the amount that is paid out.

Sen. Vaughn asked Mr. Cress if there was a system of reporting now how many volunteers are in a fire district and the amount of training they have so that the division would know how many people will be eligible for retirement. Mr. Cress said there is a system in place now. The law says the departments are supposed to report to the PERD at a certain time each year and most of the volunteer fire departments do that. There are some that don't. We have allowed the departments that don't to bring in their records and they can become eligible for retirement. We feel we need to put a more rigorous system in place, where the division notifies the volunteer fire departments about the information we have, so they can make sure they have the information in. There are also time limits in place.

Sen. Pipinich stated he has seen the reports of the rural fire departments in Bonner, Clinton, East Missoula and the surrounding communities, where they report on the training received. Every Wednesday, they go for four hours to receive training. It's quite a training program if they want to continue as volunteer firemen. And we're going to give them \$6 a month for all the service that they give us. That's not much. It's just a comment.

Sen. Hockett asked about the eligibility of the survivors of the volunteer fire fighters. Mr. Cress said there were continuing benefits to beneficiaries under the volunteer fire fighter's system. The dependents are eligible as long as they are a dependent.

Closing by Sponsor:

Rep. Sayles stated that Mr. Korn had testified that when he retired there were 104 volunteer fire departments and now there are 433 volunteer fire departments in the State of Montana. Currently, there are 7500 volunteer fire fighters in the state. The money comes in from the fire insurance tax premiums, we need to keep that fund going up so when the people turn in their hours each year we can pay the benefit out. Part of the problem that has led to where we are now, is the changing of administration. Each of the last sessions, within six months the administrator for the department has either gone somewhere else or has

transferred and then there is a whole new set of scenarios on how to take care of this. The system is getting more computerized and that is helping us track people better. We are getting out and notifying people more. There are some volunteer fire departments that need to have \$2500 worth of equipment purchased by the departments. This causes some problems in the Eastern part of the State where they use Department of State Lands vehicles. Some of the people have been in 20 years but they are not eligible for retirement. There are a few areas where we need to do some work. This fund pays only for volunteer fire fighters, not paid fire fighters.

HEARING ON HB 329

Opening Statement by Sponsor:

Rep. Brooks, House District #56, presented HB 329. "HB 329 would revise the manner of selection and duties of election judges. During the last election, we had a large voter turnout, and in many of the precincts we had long lines, the smooth running of the election process was rather bumpy and it took a long time to get through the lines. The Clerk and Recorder and I had a discussion on how to resolve the problems that were present. There was a suggestion on how to get more people to volunteer to be judges and work in the polls. For that purpose, under Section 1, there is a suggested manner in which to choose judges, counties would not be required to do this, it is just another option of choosing judges. It would be something like a jury process. Serving as an election judge is not like being on a jury but the selection would be available for a Clerk and Recorder to use that system. In the subsection 5, lines 15 through 21, it tells the kind of training that they would have to go through, the same as any other election judge.

Proponents' Testimony:

Wendy Cromwell, Clerk and Record from Missoula County, spoke in favor of HB 329 and gave written testimony (EXHIBIT #1).

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

Sen. Weldon asked Ms. Cromwell how many precincts there are in Missoula County. Ms. Cromwell said there were 69 precincts. Sen. Weldon asked if they were fully staffed how many election judges would be needed. Ms. Cromwell said the very minimum would be three per precinct, and some of the precincts have more than one polling place, so with 284 that was hired last year, that is the bare minimum and there would be more desired to handle the workload. Sen. Weldon stated this bill only gives the larger

counties the flexibility to adjust the selection. It wouldn't require the election official in Lake County, for example, to change the way they select judges. Ms. Cromwell said that was correct.

Sen. McClernan asked Ms. Cromwell if the judge was to work for the entire time the polls were open. Ms. Cromwell said it would be for the entire time and there could be more than one person. Sen. Fritz asked Ms. Cromwell if she was going to send out letters and invite them to volunteer. Ms. Cromwell said there would be a computer generated mailout to people saying they were selected to serve as an election judge for the next two years, please complete the enclosed questionnaire, send it back, and then we'll see what response we get. We'll probably send out more letters than we need to send out. One of the questions will be if they are a full time employee, if they can arrange for time off to serve three days in the two years.

Sen. Swift asked Ms. Cromwell if they ask them to reply. Ms. Cromwell said they will ask for the questionnaire to be returned.

Sen. Pipinich asked what the people were paid for being an election judge. Ms. Cromwell said they were paid \$4.25 per hour, minimum wage.

Sen. Weldon asked Ms. Cromwell about part time workers. There was concern expressed about the lack of continuity. If there was a ballot that was questionable in the morning, how would the afternoon shift know how to deal with it. Ms. Cromwell said that there would not be an increase in the lack of continuity from what there is now.

Sen. Weldon asked if there were similar situations in other counties such as Yellowstone or Cascade Counties. Ms. Cromwell said the Secretary of State's Election advisory council has discussed this situation many time so there are other counties who have the same problems. We have discussed this particular method with the other counties.

Sen. Weldon asked Rep. Brooks what her perspective was of the change that the House committee made from a jury-like selection to an optional selection. Rep. Brooks stated it seemed to the majority of the committee that they were having a problem with mandated service. In order to save the bill, we agreed to this language. There might have been a little misunderstanding, that this is an optional thing for counties to do. That if the county system is working fine, this is not an option that they need to adopt.

Sen. Hockett asked if the committee did not already pass a bill that had young people as judges. It was stated that this bill will have no affect on that bill, it would just be another option that is available to election administrators.

Sen. Vaughn asked Ms. Cromwell if there were still restrictions relating to relatives of candidates. Ms. Cromwell said that statute was not addressed with this bill.

Closing by Sponsor:

Rep. Brooks thanked the committee for the hearing and the questions on the bill.

EXECUTIVE ACTION ON HB 329

Motion/Vote: Sen. Weldon moved HB 329 BE CONCURRED IN. Motion HB 329 BE CONCURRED IN CARRIED. Sen. Weldon will carry the bill on the floor.

EXECUTIVE ACTION ON HB 435

Motion/Vote: Sen. Pipinich moved HB 435 BE CONCURRED IN. Motion HB 435 BE CONCURRED IN CARRIED. Sen. Hockett will carry the bill on the floor.

ADJOURNMENT

Adjournment: 10:30 a.m.



SENATOR ELEANOR VAUGHN, Chair



DEBORAH STANTON, Secretary

EV/ds

ROLL CALL

SENATE COMMITTEE STATE ADMINISTRATION DATE 3-5-93

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	✓		

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 5, 1993

MR. PRESIDENT:

We, your committee on State Administration having had under consideration House Bill No. 329 (first reading copy -- blue), respectfully report that House Bill No. 329 be concurred in.

Signed: *Senator Eleanor Vaughn*
Senator Eleanor Vaughn, Chair

ADK
Amd. Coord.
Sec. of Senate

Sen. W. Elden
Senator Carrying Bill

501140SC.San


SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 5, 1993

MR. PRESIDENT:

We, your committee on State Administration having had under consideration House Bill No. 435 (first reading copy -- blue), respectfully report that House Bill No. 435 be concurred in.

Signed: 
Senator Eleanor Vaughn, Chair


Amd. Coord.
Sec. of Senate


Senator Carrying Bill

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(1)

EXHIBIT NO. 1

DATE 3-5-93

BILL NO. HB 329

MADAM CHAIRMAN; MEMBERS OF THE COMMITTEE:

MY NAME IS WENDY CROMWELL. I AM THE ELECTED CLERK & RECORDER/ELECTION ADMINISTRATOR FOR MISSOULA COUNTY.

I HAVE WORKED IN THE COUNTY ELECTIONS OFFICE FOR NEARLY 14 YEARS, EXPERIENCING FIRST-HAND MOST OF THE PROBLEMS WHICH CAN ARISE IN SUCH AN OFFICE.

I WAS DELIGHTED WHEN REPRESENTATIVE VIVIAN BROOKE OFFERED TO HELP FIND A SOLUTION TO ONE PROBLEM WHICH SEEMS TO GROW LARGER EVERY YEAR -- FINDING SUFFICIENT NUMBERS OF QUALIFIED ELECTION JUDGES.

WHEN WE APPOINTED ELECTION JUDGES FOR THE 1980 PRESIDENTIAL ELECTION, WE FOUND 520 PERSONS WHO WERE WILLING TO SERVE. LAST NOVEMBER, WE HAD GREAT DIFFICULTY FINDING THE 284 PERSONS WHO FINALLY AGREED TO SERVE. AT MORE THAN ONE POLLING PLACE, A VOTER WAITING IN LINE WAS RECRUITED AT THE LAST MINUTE TO REPLACE A JUDGE WHO CANCELLED DUE TO ILLNESS. WE HAVE NO RESERVES OF TRAINED PEOPLE AVAILABLE.

THERE ARE SEVERAL REASONS FOR THE DECLINE IN THE NUMBERS OF AVAILABLE AND WILLING WORKERS:

FIRST, THE ELECTION JUDGES WHO HAVE LOYALLY SERVED IN THE PAST ARE AGING (AS WE ALL ARE), AND IN SPITE OF OUR BEGGING THEM TO CONTINUE, ARE RETIRING.

SECOND, OUR OLDER CITIZENS' LIFESTYLES HAVE CHANGED OVER THE PAST DECADE, AND MANY RETREAT TO WARMER CLIMATES FOR THE WINTER, LEAVING JUST BEFORE ELECTION DAY IN NOVEMBER, AND RETURNING LATE IN THE SPRING.

THIRD, THE ELECTION DAY WAS LENGTHENED BY ONE HOUR BY THE 1983 LEGISLATURE. ONE HOUR DOESN'T SOUND LIKE MUCH OF A DIFFERENCE, BUT MANY OF OUR OLDER JUDGES REFUSED TO RISE AT 4:30 A.M. TO REPORT TO THE POLLING PLACES BY 6:00 A.M. TO SET UP SUPPLIES FOR VOTERS AND THEN WORK PAST 8:00 P.M. THAT MAKES A VERY LONG DAY. CURRENT LAW DOES NOT CLEARLY ALLOW FOR THE "DAY CREW" TO WORK IN SHIFTS; ONLY TALLY BOARDS APPEAR TO HAVE THAT OPTION.

FOURTH, IN LARGER COUNTIES IN THE STATE, POLITICAL PARTIES NO LONGER TAKE THE TIME (AND THE TIME COMMITMENT IS A LARGE ONE) TO PREPARE LISTS OF INTERESTED VOTERS FROM WHICH ELECTION JUDGES MAY BE SELECTED. WE HAVE TO RELY ON ADVERTISING, WORD-OF-MOUTH, AND OUR SHRINKING EXISTING POOL OF JUDGES.

FIFTH, RECRUITING YOUNG PEOPLE IS DIFFICULT. MOST HAVE FULL-TIME JOBS, AND DO NOT THINK OF VOLUNTEERING TO GIVE UP A DAY OF VACATION OR LOSE A DAY'S PAY TO SERVE AS AN ELECTION JUDGE. CHILDCARE EXPENSES CAN COST A MOTHER ALL HER WAGES AS AN ELECTION JUDGE.

HOUSE BILL 329 WILL ADDRESS THESE ISSUES IN SEVERAL WAYS. BY CLEARLY PROVIDING STATUTORILY FOR "SHIFT" WORK ON ELECTION DAY, WE COULD REGAIN SOME WORKERS WHO QUIT BECAUSE OF THE LONG HOURS. IN COUNTIES WHERE CURRENT POLITICAL PARTY LISTS ARE EITHER NONEXISTENT OR INSUFFICIENT TO MEET STATUTORY POLLING PLACE REQUIREMENTS, A METHOD SIMILAR TO JURY SELECTION (BUT WITHOUT ANY PENALTY FOR REFUSAL TO SERVE) WILL BE VERY VALUABLE. HOUSE BILL 329 WILL NOT REQUIRE ANY COUNTY TO CHANGE ITS METHOD OF SELECTING ELECTION JUDGES, BUT WILL ALLOW FLEXIBILITY IN CHOOSING A COMBINATION OF METHODS TO SOLVE A PROBLEM WHICH WILL ONLY GROW WORSE IN THE FUTURE.



OFFICE OF THE CLERK AND RECORDER
RECORDING DIVISION
MISSOULA COUNTY COURTHOUSE
MISSOULA, MONTANA 59802

March 4, 1993

Senator Eleanor Vaughn, Chair
Senate State Administration Committee
State Capitol
Helena, MT 59620

Re: HB 329

Madam Chairman:

Representative Vivian Brooke offered last fall to sponsor a bill which would help county election administrators cope with the increasingly difficult task of finding sufficient qualified election judges to serve on election day.

In November, 1980, the Missoula County Election Office was able to recruit, train, and appoint 520 election judges who served between the hours of 8:00 a.m. and 8:00 p.m. That number met the statutory requirement for 7 election judges per precinct.

By 1992, we were able to hire only 284 election judges to work a longer shift from 7:00 a.m. to 8:00 p.m. We had also created an additional 8 precincts by then, but the law was changed to allow a minimum of 3 judges per precinct.

The problem of finding sufficient numbers of election judges is not unique to Missoula County. In other large counties, as well as here, requests to the political parties to provide lists of potential election judges have gone unanswered for at least the past ten years. Election judges who have served for years are growing too old to work the long hours, or their life-styles have changed and they now fly south with the other Montana "snowbirds" for the winter. Younger people who might wish to serve do not volunteer because they are part of the two wage earner per household generation, and do not feel that they can afford a day off work.

House Bill 329 addresses these problems by allowing local election administrators more flexibility in appointing election judges. First, by providing statutorily for "shift" work during election day, more qualified voters will be willing to serve. Second, if the "shift" work approach does not result in enough new judges to fill vacancies, the election administrator would be allowed to use a random selection process to choose and train a larger pool of election judges from among the registered voters in the county. These two choices would greatly benefit the election day process.

Sincerely,

Wendy Cromwell
Clerk & Recorder/Treasurer

DATE 3/5/93

SENATE COMMITTEE ON State Administration

BILLS BEING HEARD TODAY: HB 329 HB 435

Name	Representing	Bill No.	Check One Support Oppose	
Wendy Cromwell	Missoula County	HB 329	✓	
ART KORN	VOL FIRE PENSION ^{BUTIF}	HB 435	-	
Lyle Nayel	MT. ST. FIRE CHIEFS	HB 435	✓	
HENRY E LOHR	Self	HB 435	X	
Jim SAYLES	H.D. #61	H.B. 435	X	
MARK CRESS	PEED	HB 435	X	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY