

MINUTES

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

COMMITTEE ON FINANCE & CLAIMS

Call to Order: By Senator Judy Jacobson, Chair, on April 12, 1993, at 3:45 p.m.

ROLL CALL

Members Present:

Sen. Judy Jacobson, Chair (D)
Sen. Eve Franklin, Vice Chair (D)
Sen. Gary Aklestad (R)
Sen. Tom Beck (R)
Sen. Don Bianchi (D)
Sen. Chris Christiaens (D)
Sen. Gerry Devlin (R)
Sen. Gary Forrester (D)
Sen. Harry Fritz (D)
Sen. Ethel Harding (R)
Sen. Bob Hockett (D)
Sen. Greg Jergeson (D)
Sen. Tom Keating (R)
Sen. Lynch
Sen. Chuck Swysgood (R)
Sen. Daryl Toews (R)
Sen. Larry Tveit (R)
Sen. Eleanor Vaughn (D)
Sen. Mignon Waterman (D)
Sen. Cecil Weeding (D)

Members Excused: None

Members Absent: None

Staff Present: Terry Cohea, Legislative Fiscal Analyst
Lynn Staley, Committee Secretary

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

Committee Business Summary:

Hearing: None
Executive Action: HB 198, HB 522, HB 517, HB 146, HB 427

EXECUTIVE ACTION ON HOUSE BILL 198

Motion: Senator Beck moved Representative Ewer's amendment (Exhibit 1)

Discussion: Senator Keating asked if it is permanent language.

Senator Beck said it terminates at the end of the biennium, June 30, 1995.

Senator Jacobson said on page 30, following line 12, the new section should have the termination date June 30, 1995. This would provide two weeks' severance pay for employees that are terminated.

When questioned by Senator Swysgood regarding the vacancy savings, Senator Jacobson said they are assuming if there is an actual termination, there will be some savings.

Ms. Cohea said in response to a question from Senator Hockett regarding general fund, that Representative Ewer assumed agencies, if this amendment were successful, knew far enough in advance that they would be laying off that they would lay employees off two weeks earlier, severance pay.

Vote: Senator Beck's amendment motion (Exhibit 1) CARRIED with Senators Devlin, Aklestad, Swysgood, Tveit, Harding opposed.

Motion/Vote: Senator Harding moved to amend HB 198 (Exhibit 1a with Summary included). Motion CARRIED on a roll call vote.

Motion: Senator Franklin moved to amend HB 198 (Exhibit 2).

Discussion: Terry Minow, representing teachers for the Montana School for the Deaf and Blind, said two years ago the amendment passed for institutional teachers. The School for the Deaf and Blind did not receive the two steps that teachers in other departments received.

Senator Harding asked Jane Hamman to comment on this.

Jane Hamman, Office of Budget and Program Planning, said it is correct that the School for the Deaf and Blind was not included in a previous amendment. This would be a one step increase, and it is not tied to the Great Falls School District. She said another question raised is relative to medicaid reimbursement in that there are a number that are not certified at the School for the Deaf and Blind, and the lack of certification has caused difficulties there.

Senator Franklin asked if teachers at the School for the Deaf and Blind are certified, and Ms. Minow said they are definitely certified.

Senator Harding asked Ms. Hamman if she was referring to teacher certification or medicaid certification. Ms. Hamman said she was referring to teacher certification.

Vote: Senator Franklin's amendment motion (Exhibit 2) CARRIED on a roll call vote.

Motion: Senator Waterman moved to amend HB 198 (Exhibit 3).

Discussion: Senator Waterman said state employees should receive more than an insurance increase that was proposed by the administration, and this amendment would help solve some of the pay inequities.

Vote: Senator Waterman's amendment motion (Exhibit 3) FAILED on a roll call vote.

Motion: Senator Beck moved that instead of implementing this July 1 that it be cut in half and be implemented on January 1, 1995. It would cut the \$7 million in half to about \$3.5 million.

When questioned by Senator Jacobson as to the intent of the motion, Senator Beck said he would want this implemented on January 1, 1995. It would cut it in half to half as much money.

Senator Jacobson said this would cut the appropriation in this biennium to about \$3.6 million, and in the next biennium it would cost four times as much as it does in this biennium.

Senator Beck said he would like Tom Schneider to comment relative to this.

Tom Schneider said it would depend on whether we are calling it an increase or paying it. Once longevity is paid, it is in the person's salary but it does not increase again. It will be paid for six months in this biennium, and it will go in the base in the Governor's budget for the following biennium. There will be no increase except for the people that earn longevity during that period of time.

Senator Jacobson said Ms. Cohea has informed her that there are four more halves in the next biennium where it would continue to be paid. Where it is paid for 6 months, it will be paid for 24 months.

Ms. Cohea said the cost of it in the '97 biennium will be over \$12 million in the base.

Vote: Senator Beck's amendment motion FAILED on a roll call vote.

Motion: Senator Forrester moved to amend HB 198 (Exhibit 4).

Senator Forrester said this amendment deals with collective

bargaining agreements. The bill provides only for an increase in health insurance.

When questioned regarding the cost, Senator Jacobson said there is no cost to this.

Senator Aklestad asked regarding the type of increase. Senator Forrester said there is no pay increase, as he understands. He felt if the employee is still here, we should not hold the \$20 insurance back because there is no contract signed.

Mr. Schneider said because the language refers to compensation and not pay increase, it is questionable whether they would hold up the payment of the health insurance into the trust fund. There is no pay increase, therefore it obviously has no effect on negotiations but if the money does not go into the trust fund, the health fund will be short until the contracts are ratified.

Vote: Senator Forrester's amendment motion (Exhibit 4) CARRIED with Senators Swysgood, Tveit, Keating, Aklestad opposed.

Motion/Vote Senator Franklin moved that HB 198 AS AMENDED BE CONCURRED IN. Motion CARRIED with Senators Aklestad, Lynch, Tveit, Swysgood, Fritz opposed.

EXECUTIVE ACTION ON HOUSE BILL 522

Discussion: Senator Jacobson said Claudia Clifford, Secretary of the Senate, told her that people employed this legislative session would not be eligible for further state employment unless they are exempted out of HB 522 because it deals with terminations for a period of three years; that is the reason for the amendment (Exhibit 4a).

Motion/Vote: Senator Lynch moved the amendment (Exhibit 4a). Motion CARRIED.

Motion: Senator Lynch moved to amend HB 522 (Exhibit 5); the amendments were prepared by Rep. Squires.

Discussion: Senator Hockett questioned the cost. Rep. Squires said it is funded through the UI admin tax, which is \$500,000 in HB 2.

Senator Aklestad questioned the increase in the amendment. Rep. Squires said it is at the expense of the university system. The university system is getting the money from their own budget.

LeRoy Schramm, Higher Education Office, said it probably will not come out of the budget. They are offering the health insurance coverage so the insurance fund will have to absorb claims made by those people for six months. The money will come from the health

insurance reserves.

Senator Aklestad asked Ms. Cohea to address the funding. He said the fiscal note mentioned general funding.

Ms. Cohea said subsequent to the fiscal note being prepared, the money was put in HB 2 in the Department of Labor UI admin tax. There is also money in HB 4, the budget amendment bill, and those two will be coordinated.

Vote: Senator Lynch's amendment motion (Exhibit 5) CARRIED with Senators Swysgood, Tveit, Devlin, Aklestad opposed.

Motion/Vote: Senator Lynch moved that HB 522 AS AMENDED BE CONCURRED IN. Motion CARRIED with Senators Tveit, Swysgood, Aklestad, Devlin opposed.

EXECUTIVE ACTION ON HOUSE BILL 517

Motion: Senator Fritz moved to amend HB 517. (Exhibit 6)

Discussion: Senator Fritz said the amendment extends HB 517 to the university system by providing a window of opportunity for retirement.

Senator Jacobson asked Taryn Purdy to comment on this.

Ms. Purdy said HB 517 pertaining to PERS does allow the state to purchase additional service time for state employees. University system employees with this amendment would provide a cash payment to the employees as an early retirement incentive, if they are eligible within a certain period of time to retire.

Senator Swysgood questioned the cost and number of people being affected.

David Senn, Administrator, Teacher's Retirement Division, (TRS) said it is difficult to tell how many people will take this incentive. Within the six units of the university system, there are approximately 550 people that would be eligible under this proposal, which means they are at least 50 years of age and have at least five years of service. From that group, maybe one-third or one-half would take advantage. He said the group has an average salary of approximately \$48,000. If 100 people retired, it would be about \$2.8 million. It would also include the Vo-Tech centers so there would be approximately 650 people eligible.

Senator Swysgood asked the university system where they planned to get the money.

Mr. Schramm said the principle is that not everyone of the people would be replaced. The maximum incentive is about 43 percent

salary; it would vary from 14 to 43 percent of salary. If 45 of the 100 were not replaced or 22 1/2 for two years, they would break even. If more than that are not replaced, that is where the savings would begin.

Senator Swysgood said the impact from HB 517 is included in HB 2. If this amendment passes, he questioned where the impact would be; where the money would be derived from.

Mr. Schramm said they are making the same assumptions as regarding PERS which is that not everyone retiring will be replaced, and there will be enough that are not replaced that ultimately there are some savings. If there is not a savings, there would be a potential cost and that cost would have to be made up by instead of replacing them with full-time people, they would have to hire adjuncts or part-time employees until the savings was made up.

Senator Jacobson said currently in the bill in PERS, the employer is purchasing three additional years so they are paying into someone's retirement fund if they desire to retire. In this amendment, the people are being paid out of pocket one to three years of their salary as an incentive to retire. It is not being paid into their retirement.

Mr. Schramm said they are being paid the exact equivalent of what the state is paying the PERS early retirees; three years of employer/employee contribution. The TRS system is different so they desired what could be gotten for exactly the same cost and still allow some flexibility. It is structured so some people will be allowed to buy extra years of TRS; some people will buy an annuity, and others will cash it out. The cost to the employer is exactly the same cost as in the first part of the bill under PERS.

Senator Jacobson said in PERS they are not paying it in a lump sum; they are paying into a retirement that is coming out in monthly benefits. Mr. Schramm is talking about a lump sum payment in some cases to some of the people of a cash buy-out.

Mr. Schramm said he felt very few people would take that option because it is probably fiscally unwise. Most of them will work it into a retirement program. The result would be the same as that under PERS; there would be a vacant position; that is the principle.

Senator Lynch questioned where the \$48,000 average salary figure was derived.

Mr. Schramm said these are the senior people, mostly over the age of 50, and in most cases having 15 years of service. These are the ones that would be eligible.

Senator Jergeson said if we have to cut \$22.7 million out of the

university system, there will have to be a way found to do it. There has to be a means found to get these people to retire. The only way to absorb that is to get FTE's from the university system.

Senator Swysgood said he did not recall this option being offered by the Regents in the subcommittee hearing.

Mr. Schramm said early retirement was one of 21 items considered.

Senator Jacobson asked if this amendment was offered in the Finance and Claims committee.

Mr. Schramm said no; this amendment was discussed with faculty members and TRS to develop a plan.

Senator Jacobson asked Mr. Hutchinson to comment on whether the faculty members are in agreement with the amendment.

John Hutchinson, Commissioner of Higher Education, said it was his opinion that it was agreed upon by faculty members. The university presidents are in agreement with the current amendment.

Senator Keating asked Mr. Hutchinson if this amendment would require an appropriation from the legislature to cover the cost of this.

Mr. Hutchinson said it would not.

Senator Keating said he would like to know where the money will come from.

Mr. Schramm said they would get it from the salaries that are already in the budget. The assumption would be when hiring to hire a new faculty member or new administrator at a lower salary or leave it vacant, although in some cases they would have to hire at the same salary.

Senator Fritz in closing said the amendment would allow the managers in the university system the needed flexibility to develop a voluntary retirement system which will go in place in the first part of the biennium, the savings to be recouped in the second part. He said savings would be accrued when faculty members are not replaced, and in other cases faculty would be hired at lesser salary. He concluded it provides much needed flexibility in the university system.

When questioned by Senator Swysgood if the termination date should be June 30, 1995 rather than July 1, 1995, Senator Jacobson said that was correct.

Vote: Senator Fritz' amendment motion (Exhibit 6) CARRIED with Senators Devlin, Tveit, Aklestad opposed.

Motion/Vote: Senator Franklin moved to amend HB 517 (Exhibit 6a). Motion CARRIED unanimously.

Motion/Vote: Senator Lynch moved that HB 517 AS AMENDED BE CONCURRED IN. Motion CARRIED unanimously.

EXECUTIVE ACTION ON HOUSE BILL 146

Discussion: Senator Jacobson said HB 146 allows money that has been saved in the first year of the biennium, instead of being reverted, would be moved into the second year of the biennium. It also allows for two years of borrowing and gets into fund balances that are interest bearing accounts.

Motion/Vote: Senator Franklin moved that HB 146 BE TABLED. Motion CARRIED with Senators Keating, Aklestad, Waterman opposed.

EXECUTIVE ACTION ON HOUSE BILL 427

Motion/Vote: Senator Christiaens moved to amend HB 427 (Exhibit 7). Motion CARRIED unanimously.

Motion: Senator Waterman moved to amend HB 427 (Exhibit 8).

Discussion: Senator Aklestad questioned that telling the counties how to run their operations is contrary to what we do in state government.

Senator Lynch stated passing HB 427 is breaking the faith with the counties in what was previously passed. He stated counties in his opinion are already dissatisfied with legislators.

Senator Jacobson said if some counties decide to have a county poor fund and another county decides not to have the poor fund, people will be moved all over the state. She concluded there is a real danger in these inequities between counties.

Senator Beck said there is a real impact on hospitals in smaller areas, and he felt they should be able to levy some mills to keep the hospitals open, but that is not direct health care to the indigent.

When questioned regarding the effective date, Ms. Cohea said it currently states it is effective upon passage and approval. It was assumed in the House that it would be approved in early May; they therefore estimated there would be \$633,000 general fund savings from not have general assistance and having a scaled-down state medical program in the last two months. Therefore, \$633,000 has been pulled out of the SRS supplemental in HB 3. If this would become effective July 1, 1993, SRS is short \$633,000

in the supplemental bill.

Senator Weeding questioned if this is addressing the 12 assumed counties, and Senator Jacobson said that was correct.

Senator Harding questioned Gordon Morris regarding levying of mills.


Gordon Morris, Director of Association of Counties, stated this applies only to the 12 state-assumed counties. Some of those counties are levying the full 13 1/2 mills, so in their case 4 1/2 mills would become available for a local program, and under the proposed amendment it would be directed to community based welfare assistance programs and could not be reduced there and used in the county general fund. It does not affect the other non-assumed counties who will continue as they currently are paying for the federally mandated programs as they have been doing and as they continue to do.

Vote: Senator Waterman's amendment motion (Exhibit 8) FAILED on a roll call vote.

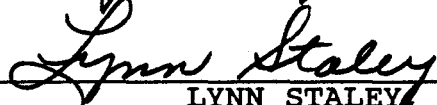
Motion/Vote: Senator Keating moved that HB 427 AS AMENDED BE CONCURRED IN with the indigent burial amendment. Motion CARRIED on a roll call vote.

ADJOURNMENT

Adjournment: 5:20 p.m.



JUDY JACOBSON, Chair



LYNN STALEY, Secretary

JJ/LS

ROLL CALL

SENATE COMMITTEE FINANCE AND CLAIMS

p.m. meeting
DATE 4/12/93

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACOBSON	✓		
SENATOR FRANKLIN	✓		
SENATOR AKLESTAD	✓		
SENATOR BECK	✓		
SENATOR BIANCHI	✓		
SENATOR CHRISTIAENS	✓		
SENATOR DEVLIN	✓		
SENATOR FORRESTER	✓		
SENATOR FRITZ	✓		
SENATOR HARDING	✓		
SENATOR HOCKETT	✓		
SENATOR JERGESON	✓		
SENATOR KEATING	✓		
SENATOR LYNCH	✓		
SENATOR TOEWS	✓		
SENATOR SWYSGOOD	✓		
SENATOR TVEIT	✓		
SENATOR VAUGHN	✓		
SENATOR WATERMAN	✓		
SENATOR WEEDING	✓		

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Attach to each day's minutes

SENATE STANDING COMMITTEE REPORT

Page 1 of 2
April 13, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 198 (third reading copy -- blue), respectfully report that House Bill No. 198 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Title, line 8.

Following: "SCHEDULES;"

Strike: "AND"

Insert: "REMOVING RESTRICTIONS ON RECEIVING PAY DUE TO THE LACK OF A COLLECTIVE BARGAINING AGREEMENT; PROVIDING LIMITED SEVERANCE PAY TO STATE EMPLOYEES TERMINATED UNDER CERTAIN CONDITIONS;"

2. Title, line 10.

Following: "2-18-315,"

Insert: "2-18-622,"

Following: "MCA"

Insert: "; AND PROVIDING A TERMINATION DATE"

3. Page 3, line 8.

Strike: "(7) and (8)"

Insert: "(6) and (7)"

4. Page 6, line 1.

Strike: "YEARS OF EXPERIENCE"

Insert: "the step occupied on June 30, 1993"

5. Page 6, line 2.


Strike: "ON"

Insert: "The compensation of each teacher on"

6. Page 6, lines 7 through 9.

Strike: lines 7 through 9 in their entirety.

Insert: "in July 1994 is determined by the teacher's level of academic achievement and the step occupied on June 30, 1994."


Amd. Coord.
Sec. of Senate


Senator Carrying Bill

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7. Page 6.

Following: line 9.

Insert: "(iv) On the first day of the first pay period of each fiscal year, each teacher employed by the Montana school for the deaf and blind shall advance one step on the teacher pay matrix used by the school."

8. Page 7, lines 6 through 25.

Strike: subsection (4) in its entirety

Renumber: subsequent subsections

9. Page 26.

Following: line 13

Insert: "Section 8. Section 2-18-622, MCA, is amended to read:

"2-18-622. Reduction in force -- severance pay and retraining allowance ~~required~~. (1) If a reduction in force is necessary, the state may shall provide severance pay, as provided in subsection (2), and may provide a retraining allowance. Within a collective bargaining unit, severance pay and the retraining allowance are negotiable subjects under 39-31-305.

(2) A state employee whose employment is terminated because of a reduction in force is entitled to 1 week of severance pay for each year the employee has been employed by the state, not to exceed a total of 2 weeks of severance pay. Payment of the severance pay is to be made in a lump sum to the employee on the employee's termination date."

Renumber: subsequent sections

10. Page 30, line 12.

Strike: "963,220" (general fund FY94) "1,910,475" (general fund FY95)

Insert: "930,761" (general fund FY94) "1,845,556" (general fund FY95)

11. Page 30.

Following: line 15

Insert:

"NEW SECTION. Section 12. Termination. [Section 8] terminates June 30, 1995."

-END-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 13, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 522 (third reading copy -- blue), respectfully report that House Bill No. 522 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Page 2, line 3.

Following: "STATE"

Strike: the remainder of line 3

Insert: "who has achieved permanent status, as defined in 2-18-101, or employed by the senate or house of representatives during the 53rd legislature for a period of at least 8 continuous weeks."

2. Page 2, line 16.

Strike: "TERMINATING AGENCY"

Insert: "state"

3. Page 5, lines 8 and 9.

Following: "contributions" on line 8

Strike: the remainder of line 8 through "ALLOWANCE" on line 9

Following: "." on line 9

Insert: "(1)"

4. Page 5, line 17.

Following: "first."

Insert: "This section does not apply to employees of the senate or house of representatives."

5. Page 5, line 18.

Following: line 17

Insert: "(2) For the purposes of this section, the term "agency" includes the Montana university system."

-END-

AC Amd. Coord.
MU Sec. of Senate

Lynch
Senator Carrying Bill

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SENATE STANDING COMMITTEE REPORT

Page 1 of 3
April 13, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 517 (third reading copy -- blue), respectfully report that House Bill No. 517 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson

Senator Judy H. Jacobson, Chair

That such amendments read:

1. Title, line 13.

Following: " ; "

Insert: "PROVIDING A VOLUNTARY TERMINATION INCENTIVE FOR CERTAIN MEMBERS WHO ARE ELIGIBLE TO RETIRE UNDER THE TEACHERS' RETIREMENT SYSTEM AND WHO TERMINATE EMPLOYMENT WITHIN A PRESCRIBED WINDOW OF ELIGIBILITY;"

2. Title, line 14.

Following: "DATE"

Insert: ", A TERMINATION DATE,"

3. Page 3, line 3.

Following: "subsection ~~(3)~~ (4),"

Insert: "a person who is"

Following: "member"

Insert: "on February 1, 1993, and"

Following: "who"

Insert: "voluntarily"

Following: "service"

Insert: "or whose service is involuntarily terminated because of a reduction in force"

4. Page 3, line 21.

Following: "TERMINATED"

Insert: "because of a reduction in force"

5. Page 5, following line 1.

Insert: "NEW SECTION. Section 2. Montana university system voluntary termination for teachers' retirement system members. (1) The board of regents shall establish a voluntary termination incentive during the 1994-95 biennium for all members of the teachers' retirement system employed on a full-time basis on or before February 1, 1993, who are eligible for normal service retirement under 19-4-801 and 19-4-802. The termination incentive, combined with employer contributions due the teachers' retirement system under 19-4-101(5)(d), must be an amount equal to 1 year of the

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Sec. of Senate

Jacobson
Senator Carrying Bill

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combined member and employer contributions established in 19-4-602 and 19-4-605 for each 5 years of creditable service within the teachers' retirement system, not to exceed the amount of combined contributions for 3 years.

(2) A member who terminates employment under the provisions of subsection (1) and who returns to employment in a unit of the Montana university system, except as provided in 19-4-804, shall refund the voluntary termination incentive to the university system.

(3) To qualify for the termination incentive authorized in this section, the participant shall announce an intent to terminate employment at the end of the 1993-94 academic contract year or at the end of the 1994 summer session on or before December 1, 1993.

(4) The board of regents shall define the terms of the voluntary termination incentive by July 1, 1993.

NEW SECTION. Section 3. Montana university system voluntary termination for optional teachers' retirement system participants. (1) The board of regents shall establish a voluntary termination incentive during the 1994-95 biennium for all optional retirement participants who are employed on a full-time basis on or before February 1, 1993, and who are at least 50 years of age on or before the date of termination. The incentive must be an amount equal to 1 year of the combined member and board of regents contributions established in 19-21-203 for each 5 years of service with the Montana university system, not to exceed the amount of combined contributions for 3 years.

(2) A participant who terminates employment under the provisions of subsection (1) and who returns to employment in a unit of the Montana university system, except as provided in 19-4-804, shall refund the voluntary termination incentive to the university system.

(3) To qualify for the termination incentive authorized in this section, the participant shall announce an intent to terminate employment at the end of the 1993-94 academic contract year or at the end of the 1994 summer session on or before December 1, 1993.

(4) The board of regents shall define the terms of the voluntary termination incentive by July 1, 1993."

Renumber: subsequent sections

6. Page 5, line 7.
Following: "system"
Strike: "under [section 1]"
Insert: "employed by the state, including the university system,"

7. Page 5, following line 23.
Insert: "NEW SECTION. Section 8. Termination. [Sections 2 and
3] terminate June 30, 1995."

-END-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 13, 1993

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 427 (third reading copy -- blue), respectfully report that House Bill No. 427 be amended as follows and as so amended be concurred in.

Signed: Judy H. Jacobson
Senator Judy H. Jacobson, Chair

That such amendments read:

1. Page 47, line 12.

Following: "burial"

Insert: ", entombment, or cremation"

2. Page 48, line 5.

Following: line 4

Insert: "(5) A person is indigent for purposes of this subsection if the value of all income and resources available to pay for that person's burial, entombment, or cremation at the time of death is less than the negotiated amount due the funeral home or mortician for an indigent burial. Available income and resources may be determined by the county.

(6) A county may seek reimbursement under 40-6-303, if applicable, for costs paid under this section.

(7) A county may not deduct amounts that may be recovered from an adult child of a deceased indigent or recovered from resources of a deceased indigent from a contract amount due a funeral home or mortician for burial services provided under 7-4-2915 or this section. A funeral home or a mortician that recovers an amount in excess of a contract amount paid under this subsection shall reimburse the county for the amount recovered up to the amount of the contract."

-END-

AK Amd. Coord.
Mr. Sec. of Senate

Keating
Senator Carrying Bill

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ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. HB 198

DATE April 12, 1993

TIME _____

A.M. P.M.

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGSON		✓
SENATOR AKLESTAD	✓	
SENATOR BECK	✓	
SENATOR BIANCHI		✓
SENATOR CHRISTIAENS		✓
SENATOR DEVLIN	✓	
SENATOR FORRESTER		✓
SENATOR FRANKLIN		✓
SENATOR FRITZ	✓	
SENATOR HARDING	✓	
SENATOR HOCKETT	✓	
SENATOR KEATING	✓	
SENATOR LYNCH		✓
SENATOR TOEWS		
SENATOR SWYSGOOD	✓	
SENATOR TVEIT	✓	
SENATOR VAUGHN		✓
SENATOR WATERMAN	✓	
SENATOR WEEDING		✓

Lynn Stealey
SECRETARY

CHAIR

MOTION: Senator Harding amendment
motion (Exhibit 1a) to HB 198. Carried

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. HB 198

DATE April 2, 1993

TIME _____ A.M. P.M.

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BIANCHI	✓	
SENATOR CHRISTIAENS	✓	
SENATOR DEVLIN		✓
SENATOR FORRESTER	✓	
SENATOR FRANKLIN	✓	
SENATOR FRITZ	✓	
SENATOR HARDING		✓
SENATOR HOCKETT	✓	
SENATOR KEATING	✓	
SENATOR LYNCH	✓	
SENATOR TOEWS		
SENATOR SWYSGOOD		✓
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN		✓
SENATOR WEEDING	✓	

Lynn Stealey
SECRETARY

CHAIR

MOTION: Senator Franklin moved
amendment to HB 198 (Exhibit 2)
Carried

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. 713 198

DATE April 12, 1993 TIME _____ A.M. P.M.

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGESON		✓
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BIANCHI	✓	
SENATOR CHRISTIAENS		✓
SENATOR DEVLIN		✓
SENATOR FORRESTER	✓	
SENATOR FRANKLIN	✓	
SENATOR FRITZ	✓	
SENATOR HARDING		✓
SENATOR HOCKETT		✓
SENATOR KEATING		✓
SENATOR LYNCH	✓	
SENATOR TOEWS		✓
SENATOR SWYSGOOD		✓
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN	✓	
SENATOR WEEDING		✓

Lynn Staley
SECRETARY

CHAIR

MOTION: Senator Waterman amendment
Motion (Exhibit 3) to 713 198.

M. + L. 100

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. 218 198

DATE 4/12/93 TIME _____ A.M. P.M.

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGESON		✓
SENATOR AKLESTAD		✓
SENATOR BECK	✓	
SENATOR BIANCHI	✓	
SENATOR CHRISTIAENS		✓
SENATOR DEVLIN		✓
SENATOR FORRESTER	✓	
SENATOR FRANKLIN	✓	
SENATOR FRITZ	✓	
SENATOR HARDING		✓
SENATOR HOCKETT		✓
SENATOR KEATING		✓
SENATOR LYNCH	✓	
SENATOR TOEWS		✓
SENATOR SWYSGOOD		✓
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN	✓	
SENATOR WEEDING	✓	

Lynn Stalley
SECRETARY

CHAIR

MOTION: Senator Beck's amendment motion -
implement in January 1995 - approx \$3.5 million
for 100 on tie vote

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. HB 427

DATE April 12, 1993 TIME _____ A.M. P.M.

NAME	YES	NO
SENATOR JACOBSON	✓	
SENATOR JERGSON	✓	
SENATOR AKLESTAD		✓
SENATOR BECK		✓
SENATOR BIANCHI	✓	
SENATOR CHRISTIAENS	✓	
SENATOR DEVLIN		✓
SENATOR FORRESTER	✓	
SENATOR FRANKLIN	✓	
SENATOR FRITZ		
SENATOR HARDING		✓
SENATOR HOCKETT	✓	
SENATOR KEATING		✓
SENATOR LYNCH		✓
SENATOR TOEWS		✓
SENATOR SWYSGOOD		✓
SENATOR TVEIT		✓
SENATOR VAUGHN	✓	
SENATOR WATERMAN	✓	
SENATOR WEEDING		✓

Lynn Stalley
SECRETARY

CHAIR

MOTION: Senator Waterman amendment
to HB 427 (Exhibit 8)

W. T. Liles

ROLL CALL VOTE

SENATE COMMITTEE FINANCE AND CLAIMS

BILL NO. HB 427

DATE April 12, 1993 TIME _____ A.M. P.M.

NAME	YES	NO
SENATOR JACOBSON		✓
SENATOR JERGESON	✓	
SENATOR AKLESTAD	✓	
SENATOR BECK		✓
SENATOR BIANCHI	✓	
SENATOR CHRISTIAENS		✓
SENATOR DEVLIN	✓	
SENATOR FORRESTER	✓	
SENATOR FRANKLIN		✓
SENATOR FRITZ	✓	
SENATOR HARDING	✓	
SENATOR HOCKETT	✓	
SENATOR KEATING	✓	
SENATOR LYNCH		✓
SENATOR TOEWS	✓	
SENATOR SWYSGOOD	✓	
SENATOR TVEIT	✓	
SENATOR VAUGHN	✓	
SENATOR WATERMAN		✓
SENATOR WEEDING	✓	

Lynn Staley
SECRETARY

CHAIR

MOTION: HB 427 As Amended Be
Concurred In. Motion Carried.

HOUSE COMMITTEE OF THE WHOLE AMENDMENT
House Bill 198
Representative Ewer

March 22, 1993 5:30 pm

Page 1 of 1

Mr. Chairman: I move to amend House Bill 198 (second reading copy -- yellow).

Signed: David Ewer

Representative Ewer

And, that such amendments to House Bill 198 read as follows:

1. Title, line 8.

Following: ";

Strike: "AND"

Insert: "PROVIDING LIMITED SEVERANCE PAY TO STATE EMPLOYEES
TERMINATED UNDER CERTAIN CONDITIONS;"

2. Title, line 10.

Following: "2-18-315,"

Insert: "2-18-622,"

Following: "MCA"

Insert: "; AND PROVIDING A TERMINATION DATE"

3. Page 26.

Following: line 11

Insert: "Section 8. Section 2-18-622, MCA, is amended to read:

"2-18-622. Reduction in force -- severance pay and retraining allowance ~~required~~. (1) If a reduction in force is necessary, the state ~~may~~ shall provide severance pay, as provided in subsection (2), and may provide a retraining allowance. Within a collective bargaining unit, severance pay and the retraining allowance are negotiable subjects under 39-31-305.

(2) A state employee whose employment is terminated because of a reduction in force is entitled to 1 week of severance pay for each year the employee has been employed by the state, not to exceed a total of 2 weeks of severance pay. Payment of the severance pay is to be made in a lump sum to the employee on the employee's termination date."

Renumber: subsequent sections

4. Page 30.

Following: line 12

Insert: "NEW SECTION. Section 12. Termination. [Section 8]
terminates ~~July 1, 1995~~."

-END-

June 30, 1995

ADOPT

REJECT

HB 198.2
641730CW.Hss

*Harding
amendment*

Amendments to HB 198, Third Reading
Senate Finance and Claims

April 2, 1993
Senator Ethel Harding

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 1a
DATE 4/12/93
BILL NO. NB198

1. Page 6, line 1.
Strike: "YEARS OF EXPERIENCE"
Insert: "the step occupied on June 30, 1993"
2. Page 6, lines 7 through 9.
Strike: lines 7 through 9 in their entirety.
Insert: "in July 1994 is determined by the teacher's level of academic achievement and the step occupied on June 30, 1994."
3. Page 30, line 12.
Strike: "963,220 1,910,475"
Insert: "905,094 1,794,223"

Summary: These amendments restore equity to the bill by deleting the special provisions added on the House Floor for 46 teachers at Pine Hills, Mountain View and Department of Corrections and Human Services. Although it was stated that the extra pay was needed for retention, in fact one-third of these teachers have remained long enough to reach the maximum step 13. Special pay provisions have been made by the last two Legislatures for these teachers as follows:

1. In FY90, these teachers received three steps, compared to no steps for other state employees;
2. In FY90, there also was appropriated approximately \$2,000 for each of these teachers to increase their base above the pay plan, which they also received;
3. In FY91, there was appropriated approximately \$2,000 for each of these teachers to increase their base above the pay plan, which they also received;
4. In FY92, these teachers were given a step increase over and above the 60 cent per hour increase in the pay plan, which they and other state employees received;
5. In FY93, these teachers were given a step increase over and above the average 30 cent per hour increase in the pay plan, which they and other state employees received.

The general fund savings is \$174,378 for the biennium.

Franklin

Amendments to House Bill No. 198
Third Reading Copy

Requested by Senator Franklin
For Senate Finance and Claims

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 2

Prepared by Skip Culver
April 2, 1993

DATE 4/12/93

BILL NO. HB 198

1. Page 6.

Following line 9.

Insert: "(iv) On the first day of the first pay period of each fiscal year, each teacher employed by the Montana school for the deaf and blind shall advance one step on the teacher pay matrix used by the school."

2. Page 30, line 12.

Strike: "963,220" (general fund FY94) "1,910,475" (general fund FY95)

Insert: "988,887" (general fund FY94) "1,961,808" (general fund FY95)

Explanation: This amendment adds \$77,000 during the biennium (\$25,667 in FY 1994 and \$51,413 FY 1995) in general fund to be distributed to the Montana school for the Deaf & Blind for a 1 step increase in their pay matrix each year of the biennium. The MSDB teachers are not included in the pay matrix for teachers listed in this bill.

{Office of Legislative Fiscal Analyst

444-2986}

Waterman

Amendments to House Bill No. 198
Third Reading Copy

Requested by Rep. Vicki Cocchiarella

Prepared by Sheri S. Heffelfinger
March 29, 1993

1. Title, line 7.
Following: "1995;"
Insert: "REVISING THE LONGEVITY ALLOWANCE;"

2. Title, line 8.
Strike: "AND"

3. Title, line 9.
Following: "2-18-303,"
Insert: "2-18-304,"

4. Title, line 10.
Following: "MCA"
Insert: "; AND PROVIDING EFFECTIVE DATES"

5. Page 9.
Following: line 8
Insert:

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 3
DATE 4/12/93
BILL NO. HB 198

fixed

"Section 3. Section 2-18-304, MCA, is amended to read:
"2-18-304. Longevity allowance. (1) (a) In addition to the compensation provided for in 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who has completed 5 at least 3 years of uninterrupted state service ~~shall must~~ receive, beginning the first full pay period in July 1994, the greater of:

~~(i) \$10 a month; or~~
~~(ii) 9/10 of 1% of the employee's base salary 25 cents an hour multiplied by the number of completed, contiguous 5-year 3-year periods of uninterrupted state service.~~

(b) Service to the state is not interrupted by authorized leaves of absence.

(2) (a) For the purpose of determining years of service under this section, an employee must be credited with 1 year of service for each period of:

(i) 2,080 hours of service following ~~his~~ the employee's date of employment; an employee must be credited with 80 hours of service for each biweekly pay period in which ~~he~~ the employee is in a pay status or on an authorized leave of absence without pay, regardless of the number of hours of service in the pay period; or

(ii) 12 uninterrupted calendar months following ~~his~~ the employee's date of employment in which ~~he~~ the employee was in a pay status or on an authorized leave of absence without pay, regardless of the number of hours of service in any one month. An employee of a school at a state institution or the university system must be credited with 1 year of service if ~~he~~ the employee is employed for an entire academic year.

(b) State agencies, other than the university system and a school at a state institution, shall use the method provided in subsection (2)(a)(i) to calculate years of service under this section."

Renumber: subsequent sections

6. Page 30.

Following: line 15

Insert:

"NEW SECTION. Section 12. {standard} Effective dates. (1) [Sections 1, 2, and 4 through 11 and this section] are effective July 1, 1993.

(2) [Section 3] is effective July 1, 1994.

This amendment would require the following addition to the appropriation:

FY 95

General Fund 7.196M*

Other Funds 4.992M **

* Includes 2.7M for faculty and staff of Montana University System

**Includes .3M for faculty and staff of Montana University System

Forrester

Amendments to House Bill No. 198
Third Reading Copy

Requested by Rep. Vicki Cocchiarella

Prepared by Sheri S. Heffelfinger

April 1, 1993

SENATE FINANCE AND CLAIMS

COLLECTIVE BARGAINING

EXHIBIT NO. 4

DATE 4/12/93

BILL NO. HB 198

1. Title, line 6.

Following: "LEVELS;"

Insert: "REMOVING RESTRICTIONS ON RECEIVING PAY DUE TO THE LACK
OF A COLLECTIVE BARGAINING AGREEMENT;"

2. Page 3, line 8.

Strike: "(7) and (8)"

Insert: "(6) and (7)"

3. Page 7, lines 6 through 25.

Strike: subsection 4 in its entirety

Renumber: subsequent subsections

Amendments to House Bill No. 522
Third Reading Copy

Requested by Sen. Judy Jacobson
For the Committee on Finance and Claims

Prepared by Robert Person
April 5, 1993

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 4 A

DATE 4/12/93

BILL NO. HB 522

1. Page 2, line 3.

Following: "years"

Insert: "or by the senate or house of representatives during the
53rd legislature for a period of at least 8 continuous
weeks"

2. Page 5, line 17.

Following: "first."

Insert: "This section does not apply to employees of the house or
senate."

Jerisa Cohen

Amendments to House Bill No. 522
Third Reading Copy

Requested by Rep. Squires
For the Committee on Finance and Claims

Prepared by Susan B. Fox
March 31, 1993

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 5

DATE 4/12/93

BILL NO. HB 522

1. Page 2, line 3.

Following: "STATE"

Strike: the remainder of line 3

Insert: "who has achieved permanent status as defined in 2-18-101."

2. Page 2, line 16.

Strike: "TERMINATING AGENCY"

Insert: "state"

3. Page 5, lines 8 and 9.

Following: "contributions" on line 8

Strike: the remainder of line 8 through "ALLOWANCE" on line 9

Following: "." on line 9

Insert: "(1)"

4. Page 5, line 18.

Following: line 17

Insert: "(2) For the purposes of this section, the term "agency" includes the Montana university system."

Amendments to House Bill No. 517
Third Reading Copy

Requested by Senator Fritz
For the Committee on Finance and Claims

Prepared by Taryn Purdy
April 12, 1993

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 6
DATE 4/12/93
BILL NO. HB 517

1. Title, line 14.

Following: "DATE"

Insert: ", A TERMINATION DATE,"

2. Page 5, following line 1.

Insert: **"NEW SECTION. Section 2. Montana university system voluntary termination for teachers' retirement system members.** (1) The board of regents shall establish a voluntary termination incentive during the 1994-95 biennium for all members of the teachers' retirement system employed on a full-time basis on or before February 1, 1993, who are eligible for normal service retirement under 19-4-801 and 19-4-802. The termination incentive, combined with employer contributions due the teachers' retirement system under 19-4-101(5)(d), must be an amount equal to 1 year of the combined member and employer contributions established in 19-4-602 and 19-4-605 for each 5 years of creditable service within the teachers' retirement system, not to exceed the amount of combined contributions for 3 years.

(2) A member who terminates employment under the provisions of subsection (1) and who returns to employment in a unit of the Montana university system, except as provided in 19-4-804, shall refund the voluntary termination incentive to the university system.

(3) To qualify for the termination incentive authorized in this section, the participant shall announce an intent to terminate employment at the end of the 1993-94 academic contract year or at the end of the 1994 summer session on or before December 1, 1993.

(4) The board of regents shall define the terms of the voluntary termination incentive by July 1, 1993.

NEW SECTION. Section 3. Montana university system voluntary termination for optional teachers' retirement system participants. (1) The board of regents shall establish a voluntary termination incentive during the 1994-95 biennium for all optional retirement participants who are employed on a full-time basis on or before February 1, 1993, and who are at least 50 years of age on or before the date of termination. The incentive must be an amount equal to 1 year of the combined member and board of regents contributions established in 19-21-203 for each 5 years of service with the Montana university system, not to exceed the amount of combined contributions for 3 years.

(2) A participant who terminates employment under the provisions of subsection (1) and who returns to employment in a unit of the Montana university system, except as provided in 19-4-804, shall refund the voluntary termination incentive to the university system.

(3) To qualify for the termination incentive authorized in this section, the participant shall announce an intent to terminate employment at the end of the 1993-94 academic contract year or at the end of the 1994 summer session on or before December 1, 1993.

(4) The board of regents shall define the terms of the voluntary termination incentive by July 1, 1993."

Renumber: subsequent sections

3. Page 5, following line 23.

Insert: "NEW SECTION. Section 8. Termination. [Sections 2 and 3] terminate July 1, 1995."

{Office of Legislative Fiscal Analyst

444-2986}

PROPOSED AMENDMENTS TO HB 517, THIRD READING COPY

1. Page 3, line 3.

Following: "subsection ~~(3)~~ (4),"

Insert: "a person who is"

Following: "member"

Insert: "on February 1, 1993 and"

Following: "who"

Insert: "voluntarily"

Following: "service"

Insert: "or whose service is involuntarily terminated because of
a reduction in force"

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 6a

DATE 4/12/93

BILL NO. HB 517

2. Page 3, line 21

Following: "terminated"

Insert: "because of a reduction in force"

3. Page 5, line 7.

Following: "system"

Insert: "employed by the state, including the university system,"

RATIONALE FOR HB 517, THIRD READING COPY AMENDMENTS

The intent of first amendment is (1) to prevent persons who are currently retired and receiving monthly benefits from filling current vacancies in anticipation of this window incentive so that they may terminate employment during the window and receive a retirement enhancement; and (2) to limit the retirement incentive to persons who voluntarily terminate service or whose service is involuntarily terminated because of a reduction in force. By negative implication, the amendment excludes from retirement incentive eligibility those persons whose service was involuntarily terminated for performance-related reasons. The phrase "reduction in force" is intended to include job loss due to reorganization, privatization or unit closure.

The intent of the second amendment is to parallel the first amendment by limiting the incentive to members whose service was involuntarily terminated between the applicable dates (on or after March 1, 1993, and before June 25, 1993) due to a reduction in force, as opposed to those members whose service was terminated during that same time period for performance-related reasons.

The intent of the third amendment is to limit the reporting requirement to state government, including the university system, as opposed to state and local governments.

The amendments are posed in direct response to questions raised by agencies in anticipation of implementing HB 517.

Indigent Burial

Amendments to House Bill No. 427
Third Reading Copy

For the Committee on Finance and Claims

Prepared by Greg Petesch
April 5, 1993

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 7

DATE 4/12/93

FILE NO. HB 427

1. Page 47, line 12.

Following: "burial"

Insert: ", entombment, or cremation"

2. Page 48, line 5.

Following: line 4

Insert: "(5) A person is indigent for purposes of this subsection if the value of all income and resources available to pay that person's burial, entombment, or cremation at the time of death is less than the negotiated amount due the funeral home or mortician for an indigent burial. Available income and resources include may be determined by the county.

(6) A county may seek reimbursement under 40-6-303, if applicable, for costs paid under this section.

(7) A county may not deduct amounts that may be recovered from an adult child of a deceased indigent or recovered from resources of a deceased indigent from a contract amount due a funeral home or mortician for burial services provided under 7-4-2915 or this section. A funeral home or a mortician that recovers an amount in excess of a contract amount paid under this subsection shall reimburse the county for the amount recovered up to the amount of the contract. "

Waterman

Amendments to House Bill No. 427
Third Reading Copy

Requested by Senator Waterman
For the Committee on Senate Finance and Claims

Prepared by Lois Steinbeck
April 8, 1993

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 8
DATE 4/12/93
BILL NO. HB 427

1. Title, line 16.
Following: "53-2-1103,"
Insert: "AND"

2. Title, line 18.
Following: "53-3-309,"
Strike: "53-3-205, AND 53-3-310,"

3. Title Page 2, line 3.
Following: "AN"
Insert: "AN"
Following: "EFFECTIVE"
Strike: "DATES"
Insert: "DATE"

4. Page 30, line 11.
Following: "fund"
Insert: ","
Following: "or"
Insert: "[section 24],"

5. Page 31, line 3.
Following: "THE COUNTY"
Insert: "for the purposes and programs provided in [section 24]"

6. Page 40, line 3.
Following: "1"
Insert: "Counties that opt for state assumption may not use the funds derived from the difference between the 9-mill levy and the maximum amount of 13.5 mills permitted by 53-2-322 for any purposes other than those provided in 53-3-322(7) and (8) and [section 24]."

7. Page 47, line 13.
Following: "include"
Strike: "INCLUDES"
Insert: "may include"

8. Page 53, line 22 through page 59, line 13.
Strike: sections 28 and 29 in their entirety.

Renumber subsequent sections.

9. Page 67, lines 12 through 17.
Following: "Effective" on line 12.
Strike: "dates"
Insert: "date"
Following: "."
Strike: the remainder of line 12 through line 17 in their entirety.
Insert: "[This act] is effective July 1, 1993."

Explanation: This amendment specifies that mill levies authorized for the county poor fund and the additional 12 mills that may be levied subject to a public vote must be used for indigent assistance programs as provided in section 24 of the act. The amendments also clearly specify that job training, employment, and health care programs are permissive, at the discretion of county commissioners, as are all other types of indigent assistance listed in section 24. Finally, the amendments make the act effective July 1, 1993.

{Office of Legislative Fiscal Analyst

444-2986}