

MINUTES

MONTANA SENATE  
55th LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By CHAIRMAN DON HARGROVE, on March 21, 1997, at  
9:12 a.m., in Room 331.

ROLL CALL

**Members Present:**

Sen. Don Hargrove, Chairman (R)  
Sen. Kenneth "Ken" Mesaros, Vice Chairman (R)  
Sen. Vivian M. Brooke (D)  
Sen. Delwyn Gage (R)  
Sen. Fred Thomas (R)  
Sen. Bill Wilson (D)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** David Niss, Legislative Services Division  
Mary Gay Wells, Committee Secretary

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

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HJR 7; HJR 12; HJR 16; HJR 17;  
HJR 22;  
Executive Action: SR 10; HB 174; HB 569; HJR 7;  
HJR 12; HJR 16; HJR 17; HJR 22

{Tape: 1; Side: A; Approx. Time Count: 9:23 AM; Comments: N/A.}

EXECUTIVE ACTION ON HB 174

**Motion:** SEN. DEL GAGE MOVED HB 174 BE CONCURRED IN.

**Discussion:** There was some discussion of coordinating this bill  
with HB 142. But nothing definite came of the discussion. If HB  
142 passes, it has to be coordinated with HB 174.

**Vote:** THE MOTION CARRIED UNANIMOUSLY: 5-0 SEN. FRED THOMAS WAS  
NOT AVAILABLE FOR THE VOTING. SEN. TOM BECK WILL CARRY.

EXECUTIVE ACTION ON HB 569

Motion/Vote: SEN. KEN MESAROS MOVED HB 569 BE CONCURRED IN. THE MOTION CARRIED UNANIMOUSLY: 5-0 SEN. THOMAS WAS NOT AVAILABLE FOR THE VOTING. SEN. MIKE HALLIGAN WILL CARRY.

EXECUTIVE ACTION ON SR 10

Motion/Vote: SEN. DEL GAGE MOVED SR 10 DO PASS. THE MOTION CARRIED UNANIMOUSLY: 5-0 SEN. THOMAS WAS NOT AVAILABLE FOR THE VOTING.

{Tape: 1; Side: A; Approx. Time Count: 9:33 AM; Comments: N/A.}

{Tape: 1; Side: A; Approx. Time Count: 9:58 AM; Comments: A 25 MINUTE BREAK WAS TAKEN.}

HEARING ON HJR 7

Sponsor: REP. RAY PECK, HD 91, HAVRE

Proponents: REP. LARRY GRINDE, HD 94, LEWISTOWN  
Bob Brown, Former Montana State Senator, Whitefish  
REP. DEL GAGE, SD 43, CUT BANK

Opponents: None

Opening Statement by Sponsor:

REP. RAY PECK, HD 91, HAVRE. I am bringing before you HJR 7. It is a simple resolution in concept. It endorses the idea that the Nationalist Chinese should have a seat in the United Nations. I would like the proponents to give their testimonies. Thank you.

Proponents' Testimony:

REP. LARRY GRINDE, HD 94, LEWISTOWN. I was one of the fortunate people who was able to travel to Taiwan. We knew that they wanted us to come and endorse a piece of legislation like this. As I saw those people and the things that they have accomplished, I realized that all they want is to be a part of the democracy that they see here and be able to have a seat and participate in the United Nations. Hopefully, through this resolution, we can help them down that path. I feel they deserve it. I hope this committee can support this resolution.

Bob Brown, Former Montana State Senator, Whitefish. It is an interesting story about what has happened between mainland China and Taiwan. REPS. GRINDE AND PECK and I visited Taiwan about 1 year ago. Our delegation was entirely from Montana. Originally we were to go with a delegation from Oregon. But those plans

fell through. We were not the first Montana delegation to go. **SENATORS GAGE AND HARP** have both been there. The Taiwanese are trying to cultivate the goodwill of the people of our country. In 1971 when we broke off our diplomatic ties officially, they had to make as many non-official ties with the different states in the U.S. as they possible could. We had recognized Nationalist China as the one true China until 1971. Then President Nixon made the decision that we couldn't ignore one-fifth of humanity. We had to have diplomatic relations with mainland China. So at that time, we recognized mainland China to be the one true China. Therefore, he felt we had to break our diplomatic ties with Taiwan. The reason we could not recognize both was both insisted that they were the only legitimate Chinese government. And neither would accept a two China policy of the U.S. Taiwan continues to follow this fiction because if they don't, mainland China has threatened to attack and make them a part of China.

The resolution before you declares our support for Taiwan to have a seat in the United Nations. This doesn't say they are an independent country, but it goes in that direction. They have 21 million people. They have one of the most vibrant economies in the world. By any definition they are an independent country. Even though they may continue to claim they are the one legitimate government of China, they ought to at least have a seat in the United Nations. They are a modern country and very civilized. They do not have any human rights violations which is very unlike mainland China. We came away unanimously impressed with Taiwan.

**SEN. DEL GAGE, SD 43, CUT BANK.** We had the opportunity in 1989 to travel to Taiwan as a Montana delegation. We had ten people in our group. We went on our own. Subsequently, we went on a mainland China trip with a group called People To People. This group is mainly elected officials who go to talk with people of local government and other elected officials. There is a staggering difference between the two countries. Taiwan is a democracy in work compared to the mainland China government. At that time, Taiwan had about a \$7,800 per year per capita income. Mainland China was about \$345 per year per capita income. The human rights' issue is like night and day between the two countries. Their savings trade is close to 40% in Taiwan. They are very proud to say that their country is the Republic of China on Taiwan. I heartily endorse this resolution.

**Opponents' Testimony:** None

**Questions From Committee Members and Responses:**

**CHAIRMAN DON HARGROVE** asked if there is an embassy in Taiwan? **Mr. Brown** replied that it was a rather fictional embassy. We do have very strong unofficial ties with them. They have people who take early retirement from the foreign service and then they go to work for this quasi outfit in Taiwan. They function just like

diplomats from the U.S. would function in Taiwan. They may lapse out of retirement and go back to work for their state department when they leave to go to some other country. It is an unusual deal. **CHAIRMAN HARGROVE** felt that it's a recognition of a non-recognized country. He then asked if there is any concern about upsetting the applecart. **Mr. Brown** stated that if the resolution advocated some kind of a two China policy, that wouldn't be a good idea. This stops short of that. Both North and South Korea have seats in the United Nations. So there is a precedent for this.

**SEN. GAGE** asked if there is a trade-off in Taiwan? **Mr. Brown** said yes, there is a lady that is employed by the State of Montana. Her name is Melei Wang. She is the state's full time employee in Taiwan. There are a lot of products produced in Montana that are purchased in Taiwan. She has been useful in facilitating some business transactions.

Closing by Sponsor:

**REP. PECK** closed. When we were over there, their elections were in progress. It was democracy in action. They recently elected their president. He had been previously chosen by their parliament. They are proud of their government. English is a predominant second language. I have thought how we are connected with these people. They do pattern themselves after us in several ways. Their air force is basically F-15's. They recently purchased 80 F-16's. They feel their purpose over there is to become one China again. They love democracy, they love the capitalistic system and they want to get involved with Red China because they will put the capitalistic system into Red China and take them over and then they will be one China again. They want to be one China.

I felt we were fairly well removed from these people. I was reluctant about going over there. Like Mrs. Wells was telling me about when they went to Malaysia, they weren't so sure they would enjoy the country or the people. In the House, when the resolution was brought up, people started saying sure I was over there. **REP. AUBYN CURTISS** from Eureka said that she had the honor of meeting Madame Chang when Richard Nixon was President. Madame Chang is still alive and lives in New York City. She is well into her 90's. **REP. BOB REAM** said he had spent some time over there. His dad had worked over there as an engineer for some years. **Attorney General Mazurek**, when he was in private practice, got citizenship for a man named Nelson Chang who had been a Taiwan businessman who had taken us out to dinner one night. He now has a big ranch down here by Clancy, between here and Boulder.

These people are firm allies of ours. They would like our support. And this is a good step in that direction of being recognized and accepted. They are the 14th largest trading nation in the world. National product is 20th in the world.

They have a per capita income now that exceeds \$16,000 per person. They have foreign exchange reserves in excess of \$100 billion and they are the 7th largest outbound investors in the world's economy. They are amazing people. I didn't think I would appreciate these people very much, but I find that these people are so industrious and so democratic and such a firm ally that they should get a seat in the U.N. There are about 40 states now who have passed resolutions for them to gain this seat and there are pending resolutions in all the other states. Hopefully this will make the difference. Thank you.

{Tape: 1; Side: A; Approx. Time Count: 10:15 AM; Comments: N/A.}

#### HEARING ON HJR 12

Sponsor: REP. BOB PAVLOVICH, HD 37, BUTTE

Proponents: Jim Jacobson, MT Veterans Affairs Div.  
Hal Manson, American Legion of Montana  
Roger Hagan, Officer & Enlisted Associations of  
the National Guard of Montana

Opponents: None

#### Opening Statement by Sponsor:

REP. BOB PAVLOVICH, HD 37, BUTTE. HJR 12 is a joint resolution to encourage Congress to enact legislation to allow disabled military retirees concurrent reciepience of longevity retirement benefits from service connected disability compensation. There is a discrepancy between a military retiree and a federal retiree if they both get service connected disability payments. When they both retire after serving their 20 or 30 years, a federal employee continues to receive their service disability retirement. But a military employee, when retired, does not receive this service disability payment. It is taken away. We are urging Congress to make it equal for both of them.

#### Proponents' Testimony:

Jim Jacobson, Administrator, MT Veterans Affairs Div. This is a federal issue and has been subject to some past and some current legislation at the Congressional level to attempt to resolve this equity issue. An example would be: two young men go into the military and they both experience an explosion which affects their hearing. This is noted in their medical records. Two years later, one is discharged and comes back to Montana, gets a federal job and pursues his career. The other man remains in the military. Twenty years later they both retire--one from his federal service position and one from the military. At this time they start to experience some hearing problems. They make a claim through one of the service officers. It is substantiated and it is entered into their military medical records. They are

both awarded some disability pay. The civil service retiree gets his full civil service retirement plus he receives a tax-free check from the VA for the disability compensation. The military retiree gets his military retirement check minus the amount that he receives from the VA for his disability. The attempt of this resolution is to cause the Congress to pass legislation to allow both retirees to receive their retiree allocation as well as their disability compensation. There are about 300,000 veterans across the U.S. that are affected by this inequity issue. Here in Montana we have about 6,000 military retirees. I do not have a definitive number of that 6,000 who are in fact subjected to this inequity. I am a 20% disabled veteran and served 28 years active duty in the military. I receive my military retirement reduced by my 20% disability check that comes from the VA. Thank you.

**Hal Manson, American Legion of Montana.** I have served for several years on the National Legislative Commission of the American Legion and also serve on a military affairs commission. This is one issue that we consider to be a very inequitable situation. When a person devotes their life to a military career and is treated differently than the civil service worker, this is not right. The American Legion has been pushing for this legislation for several years at the national level and we will continue to do so. We would gratefully appreciation the passage of this resolution and let them know the people in the State of Montana are also concerned. Thank you.

**Roger Hagan, Officer & Enlisted Associations of the National Guard of Montana.** On behalf of the veterans of the National Guard, we stand in support of this resolution and encourage your strong support. Thank you.

Opponents' Testimony: None

Questions From Committee Members and Responses: None

Closing by Sponsor:

REP. PAVLOVICH closed. There are fifteen other states that are doing this and we all want to see this equally balanced for both retirees. Thank you.

{Tape: 1; Side: A; Approx. Time Count: 10:22 AM; Comments: N/A.}

HEARING ON HJR 16, HJR 17, HJR 22

Sponsor: REP. BOB PAVLOVICH, HD 37, BUTTE

Proponents: Raymond K. Read, Dept. of Military Affairs  
Jim Jacobson, MT Veterans Affairs Div.  
Joe Upshaw, 163 Infantry Regiment  
Hal Manson, American Legion of Montana

**Roger Hagan, Officer & Enlisted Associations of  
the National Guard of Montana**

**Opponents:**           None

**Opening Statement by Sponsor:**

REP. BOB PAVLOVICH, HD 37, BUTTE. I would like to present all three joint resolutions together. They are similar and I will explain who each one honors.

House Joint Resolution 12 deals with commemorating the honor and the valor of the 163rd Infantry Regiment of the Montana Army National Guard. This is long overdue. By the resolution you can see where they fought in the different campaigns and the medals and ribbons that they have won.

House Joint Resolution 17 commemorates the honor and valor of the 120th Fighter Wing of the Montana Air National Guard which is stationed in Great Falls. The resolution describes all that they did during World War II.

House Joint Resolution 22 commemorates all the people, past and present and who are currently serving the nation and the state through all the wars that the United States has been involved in.

*{Tape: 1; Side: B; Approx. Time Count: 10:24 am; Comments: AT THE TURN OF THE TAPE, THE RECORDING MACHINE WAS NOT PROPERLY SET AND THERE WERE TWO MINUTES OF TESTIMONY THAT WERE NOT RECORDED OF MR. RAYMOND K. READ, A PROPONENT.}*

**Proponents' Testimony:**

Raymond K. Read, Dept. of Military Affairs. Mr. Read handed in his written testimony (EXHIBIT 1). He handed in a record of a short history of the 163rd Infantry Regiment (EXHIBIT 2). He then handed in a short history of the Montana Air National Guard (EXHIBIT 3). The HJR 22 commemorates the 130 years of Montana's military service starting July 14, 1867 when the Montana Territorial Militia was called up and officially recognized by the Territorial Governor Smith. Till today we have had a militia and a national guard. In 1887, of course, the Montana Legislature recognized the territorial militia as the Montana National Guard--some twenty years before the federal law required that action. I would like to recommend these three resolutions be passed recognizing all persons who have been in the past or are currently in service to the nation and state.

Jim Jacobson, MT Veterans Affairs Div. On behalf of the 100,000 veterans we are in support of these resolutions honoring the 163rd Infantry Regiment, the Air National Guard as well as the final resolution that honors all the fine men and women who have

served and are serving our country from the State of Montana.  
Thank you.

**Joe Upshaw, Helena.** I am speaking for the 163 Infantry Association. I speak for Resolution 16. I joined the Montana Army Guard one month before my 16th birthday in January 1936. I retired 41 years later. We were called to active duty on September 16, 1940. There were some 1650 Montanans called for a period of one year. This was some 15 months before Pearl Harbor. However, we returned home with an average of five years of active duty service, three years in the southwest Pacific. We won the first land battle against the Japanese. We moved on through the islands and were in the occupation of Japan after many battles and many beach landings and our regiment was poised in the northern Philippines to make the landing in Japan had not the deployment of the atom bomb not occurred.

This September 16th is a very important day to us because 57 years after having been called up to active duty, our colors will be retired. The proud, battle streamers showing the colors of the regiment will be no more. We of the 163rd Infantry who will all be at least 75 years old will march for the last time behind this particular flag.

We have had quite a history. Tokyo Rose had a nice name for us, they called us the bloody butchers of San Hernanda. We didn't like that too well. We preferred to be called the Jungliers. This information is contained in the handout from **Mr. Read**. However, in 1943, this same Legislature passed a resolution honoring the 163 Infantry. We are asking for another resolution after all these years to commemorate the retiring of our colors and flag. I will read and pass out the resolution (**EXHIBIT 4**) that went to everyone of us in the Regiment in 1943 after our first victory:

"WITH VIBRANT ADMIRATION FOR YOUR MAGNIFICENT VICTORY  
OVER THE JAPANESE ON THE PAPUAN PENINSULA OF NEW GUINEA  
AND ELSEWHERE, WITH PRAYERS FOR THE WOUNDED AND WITH  
UNDYING RESOLVE TO CARRY ON THE HIGH PURPOSE OF OUR  
NOBLE DEAD, THE HEARTS OF THE PEOPLE OF MONTANA ARE  
WITH YOU, BEATING AS ONE EVERY HOUR OF THE DAY.

THE TWENTY-EIGHT LEGISLATIVE ASSEMBLY OF  
MONTANA IN SESSION AT HELENA."

With this, I will close and urge passage of Resolution 16.

**Hal Manson, American Legion of Montana.** Many of the National Guard members that have done so honorably on active duty, are now members of the American Legion. I speak well for them. I am a native Montanan and although I have never been in the Montana National Guard, or the Montana Air Guard, I am proud of what they have accomplished. I am a veteran of two wars: World War II and Korea and I was one of those fellows in the Army-Air Corp that became Air Force in 1947. I believe commemoration of these



groups who have done a wonderful job for the United States in battle and in peace time is well worthwhile. I urge your passage of these resolutions.

**Roger Hagan, Officer & Enlisted Associations of the Montana National Guard.** I will give my testimony and hand in written testimony in support of HJR 16 (EXHIBIT 5), HJR 17 (EXHIBIT 6) and HJR 22 (EXHIBIT 7).

Opponents' Testimony: None

{Tape: 1; Side: B; Approx. Time Count: 10:34 AM; Comments: N/A.}

Questions From Committee Members and Responses:

SEN. DEL GAGE asked how many people are still alive from the original 163 Infantry. **Mr. Upshaw** said it is hard to tell. They lost over 100 of their people. They had 1600 and some people and they should have had more than twice that many to fill a regiment to battle strength. They picked up people from all over the U.S. as they went along. When they were ready to jump off for the invasion of Japan, there were not many of them left for various reasons. When they came home many Montanans left the state. Each year they have a reunion in the State of Montana. This year will be in Helena around September 16. They will have around 100-125 people who will come as veterans and survivors. Of course, each year they lose a few more. There may be as many as 400 or 500 of these people left around the U.S.

CHAIRMAN DON HARGROVE asked how big was a regiment back then? **Mr. Upshaw** said it was 3,500 at full strength. In their small community of Chinook and Harlem and the reservation, they were proud that they had 158 people from that area. They had a lot of Indian boys. He thought people came from 16 communities. Interestingly enough, the only unit West of the Divide was one rifle company from Kalispell and a medical unit from Whitefish. All the rest of them were from the East. So they were farm boys. They felt they were the militia, the minutemen--no one else is entitled to that. They earned it the hard way.

CHAIRMAN HARGROVE asked that on HJR 22, was everyone included and no one left out? **Mr. Jacobson** replied that yes, all are included.

Closing by Sponsor:

REP. PAVLOVICH closed. Thank you for allowing me to have all four of the resolutions at one time. I would like to thank the gentlemen who have testified on behalf of these resolutions. As you know, for the size of the State of Montana, we have done more than our duty. We have sent more per population wise and we lose more per population wise. You all should go out to Fort Harrison and see the museum and the cemetery out there. They have done a good job for our people.

{Tape: 1; Side: B; Approx. Time Count: 10:41 AM; Comments: N/A.}

EXECUTIVE ACTION ON HJR 7

Motion/Vote: SEN. KEN MESAROS MOVED HJR 7 BE CONCURRED IN. THE MOTION CARRIED UNANIMOUSLY: 6-0 SEN. THOMAS BECK WILL CARRY.


EXECUTIVE ACTION ON HJR 12; HJR 16; HJR 17; HJR 22

Motion/Vote: SEN. DEL GAGE MOVED HJR 12; HJR 16; HJR 17; HJR 22 BE CONCURRED IN. THE MOTION CARRIED UNANIMOUSLY: 6-0 SEN. J.D. LYNCH WILL CARRY.

ADJOURNMENT

Adjournment: 10:42 A.M.

  
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SEN. DON HARGROVE, Chairman

  
\_\_\_\_\_  
MARY GAY WELLS, Secretary

DH/MGW