

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
59th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON STATE ADMINISTRATION**

**Call to Order:** By **CHAIRMAN LARRY JENT**, on March 16, 2005 at 8:00 A.M., in Room 455 Capitol.

**ROLL CALL**

**Members Present:**

Rep. Larry Jent, Chairman (D)  
Rep. Dee L. Brown, Vice Chairman (R)  
Rep. Veronica Small-Eastman, Vice Chairman (D)  
Rep. Joan Andersen (R)  
Rep. Mary Caferro (D)  
Rep. Sue Dickenson (D)  
Rep. Emelie Eaton (D)  
Rep. Robin Hamilton (D)  
Rep. Gordon R. Hendrick (R)  
Rep. Teresa K. Henry (D)  
Rep. Hal Jacobson (D)  
Rep. William J. Jones (R)  
Rep. Gary MacLaren (R)  
Rep. Bruce Malcolm (R)  
Rep. Alan Olson (R)  
Rep. Bernie Olson (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Sheri Heffelfinger, Legislative Branch  
Marion Mood, Committee Secretary

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

**Committee Business Summary:**

Hearing & Date Posted: HB 780, 3/15/2005;  
HB 761, 3/8/2005; SB 206, 3/3/2005;  
HB 785, 3/15/2005;  
HB 786, 3/15/2005; SB 191, 3/3/2005  
Executive Action: SB 62; SB 206; HB 780; HB 632;  
SB 118; SB 182; HB 633

**HEARING ON HB 780****Opening Statement by Sponsor:**

**REP. JOHN SINRUD (R), HD 67**, opened the hearing on **HB 780**, Fund for meeting Legislative Branch unfunded termination payments.

**REP. SINRUD** advised the bill would appropriate \$145,261 from the general fund for a personal services reserve account to be used for unused annual and sick leave as well as compensatory time for employees terminating employment with the legislative branch. He advised this was a pilot program.

**Proponents' Testimony:** None

**Opponents' Testimony:** None

**Informational Testimony:**

**Lois Menzies, Executive Director, Legislative Services Division (LSD)**, was available for questions.

**Questions from Committee Members and Responses:**

**REP. BERNIE OLSON, HD 10, LAKESIDE**, asked the Sponsor whether this included involuntary termination. **REP. SINRUD** agreed it could be included; he explained that oftentimes, when employees terminate, they are still owed sick leave, vacation or compensatory time and will have to be compensated for it.

He explained that during years which include a Legislative Session, the accrued time for Legislative Services alone is estimated to be \$1.5 million; to put things in perspective, the estimated amount for the Department of Transportation is \$15 million and the university system has a combined \$28 million. He stated these debts were creating a huge unfunded mandate statewide, which is managed by leaving those positions open.

**REP. SUE DICKENSON, HD 25, GREAT FALLS**, asked Lois Menzies whether this was a problem and wondered if HB 780 would be helpful. **Ms. Menzies** advised that it was indeed a challenge, adding it was not exclusive to the Legislative Branch but concerned all of State government in view of the soon to retire baby boomer group. **Ms. Menzies** explained that smaller agencies have more difficulty in managing this liability as they are not able to keep multiple positions open. If a key employee retired and they had to cash him out at \$60,000, the amount represented an entire FTE (Full-time Equivalent) which they would have to keep open, thereby diminishing services to Legislative staff. **Ms. Menzies** stated HB 780 was an excellent idea as currently, 15

of their 120 employees were ready to retire; those 15 people represent a \$500,000 liability.

**REP. DICKENSON** surmised, if this bill did not pass, it would severely deplete the Legislative Services Division and decrease services to the Legislature. **Ms. Menzies** stated they would not reduce their FTEs but merely hold these positions open, and if anyone retired during the interim, the positions could be staffed again.

**Closing by Sponsor:**

**REP. SINRUD** closed, adding the reason for HB 780 was the recent reduction of funding for Legislative Services through the removal of an existing program.

*{Tape: 1; Side: A; Approx. Time Counter: 0 - 10.7}*

**HEARING ON HB 761**

**Opening Statement by Sponsor:**

**REP. ART NOONAN (D), HD 73**, opened the hearing on **HB 761**, Life insurance premium reimbursement for members of national guard/reserve. He advised that the people who serve know the implications of their service but serve nonetheless and contended this was the least we could do for them.

**Proponents' Testimony:**

**STEVE GALLUS, SD 37**, stated he was co-sponsor and reviewed the bill with the Committee, adding the Governor was in full support and President Bush had added a similar bill to his agenda. In closing, he advised if such legislation should pass on the Federal level, the State's responsibilities would cease.

**Major General Randy Mosley, Director, Department of Military Affairs, and Adjutant General, Montana National Guard**, stated he was proud to be testifying on this bill, and provided written testimony.

**EXHIBIT (sth58a01)**

(CHAIRMAN JENT left at 8:25 A.M.; VICE CHAIR BROWN chaired the hearing.)

**Colonel Jim Jacobson, U.S. Army Retired, Chairman, American Legion**, expressed appreciation to the Sponsors for bringing this legislation forward as it was taking care of Montana soldiers and their families.

**Roger Hagan, Officer and Enlisted Associations of the National Guard of Montana**, echoed previous testimony and appreciation.

**Opponents' Testimony:** None

**Informational Testimony:**

**Jim McKeon, Department of Revenue**, was available to answer questions.

**Questions from Committee Members and Responses:**

**REP. B. OLSON** asked Major General Mosley whether the \$16.25 were only reimbursed for actual months of active duty. **Maj. Gen. Mosley** replied the conditions for reimbursement were mobilization for contingency operation under Federal active duty and proof of time on active duty, such as Form DD214.

**{Tape: 1; Side: B}**

**REP. B. OLSON** was curious whether the amount might be increased due to inflation. **SEN. GALLUS** stated the \$16.25 was the current cost, which had been fairly stable through the last few years. He added, given the current tight budget, he and **REP. NOONAN** had tried to be as frugal as possible since they did want this legislation to pass.

**REP. B. OLSON** redirected his question to Mr. Hagan and asked whether he agreed that the amount would be stable. **Mr. Hagan** advised that the premium could fluctuate but had been steady at \$16.25. He suggested adding language into the bill which would specify premium reimbursement for a \$250,000 policy, leaving the actual monthly premium open.

**REP. B. OLSON** wondered if it was possible to leave Montana's statute in effect even if there was a Federal law as \$250,000 did not go very far these days. **Mr. Hagan** agreed \$250,000 was a small amount when it came to providing for a family and it was entirely possible to keep some sort of augmentation on the State level. He advised that currently, a \$12,000 Federal death gratuity was paid in addition to whatever insurance coverage a service member had, and Congress contemplated raising this amount to \$100,000. In addition, there were plans to raise the current life insurance coverage for service members from \$250,000 to \$400,000 on the Federal level which might influence this bill; he added this was the reason for the contingent termination clause.

**VICE CHAIR DEE BROWN, HD 3, HUNGRY HORSE**, asked Mr. Hagan to explain burial benefits for veterans to the Committee. When **Mr.**

**Hagan** stated he did not know, **VICE CHAIR BROWN** advised it was \$800, and oftentimes the veteran's county would add some money.

**REP. GORDON HENDRICK, HD 14, SUPERIOR**, commended him for carrying this bill and asked whether other states have similar policies.

**REP. NOONAN** stated the initial idea had come from New Mexico; he was not aware of other pending legislation.

**REP. JOAN ANDERSEN, HD 59, FROMBERG**, recalled Maj. Gen. Mosley's testimony stating that many of the younger servicemen chose not to elect this insurance and asked if they would be covered automatically under this bill. **Maj. Gen. Mosley** explained that service members were automatically covered by the Servicemen's Group Life Insurance (SGLI) for \$250,000 and the premium was deducted from their monthly paychecks unless they felt they did not need this kind of coverage and reduced it to a minimal amount. **REP. ANDERSEN** ascertained that they were automatically covered during deployment and were reimbursed for the premium payments upon their return from active duty. **Maj. Gen. Mosley** stated this partially correct; the coverage would be in place, but if this bill was not passed, they would not be reimbursed for the life insurance premium.

**REP. DICKENSON** wondered if a deployed service member had the option to change his mind about the insurance coverage. **Maj. Gen. Mosley** believed coverage could be changed at anytime.

**REP. DICKENSON** asked the Sponsor whether he had considered including members of services other than the National Guard.

**REP. NOONAN** advised he had considered other options but ruled them out considering budget restraints. **REP. DICKENSON** surmised it was a decision dictated by what was affordable. **SEN. GALLUS** advised he would like to have every military member in the State covered under this bill but it was not economically possible.

**Closing by Sponsor:**

**REP. NOONAN** closed.

**{Tape: 1; Side: B; Approx. Time Counter: 0 - 20.1}**

(REPS. ANDERSEN and CAFERRO left.)

**HEARING ON SB 206**

**Opening Statement by Sponsor:**

**SEN. DAVE LEWIS (R), SD 42**, opened the hearing on **SB 206**, Apply 1-1-05 pay increase to all state employees. He gave a brief

history of HB 13, 2003 Session. He recounted that 212 employees were above the maximum and did not qualify for the 25 cent raise, adding most of them worked in State institutions such as Warm Springs. SB 206 corrected this problem by raising the maximum by 25 cents in each grade retro-actively so that all employees could receive the increase. He explained that the raise for everyone had been included in the budget, therefore the fiscal note did not show any impact.

**Proponents' Testimony:**

**Tom Schneider, Montana Public Employees Association**, stated there was no negotiated pay plan in 2003; the 25 cent raise came on the last day of the Session and was never discussed with the people who would have seen this would happen.

**Eric Feaver, Montana Education Association/Montana Federation of Teachers (MEA/MFT)**, commended SEN. LEWIS for bringing this bill in order to correct an oversight. He added that his Association represented many of the people who did not get the pay increase and who worked in some of the most difficult conditions at Warm Springs and the State Penitentiary.

**Opponents' Testimony:** None

**Informational Testimony:**

**Randy Morris, Administrator, State Personnel Division, Department of Administration**, stated he was available for questions.

**Questions from Committee Members and Responses:**

There were no questions.

**Closing by Sponsor:**

SEN. LEWIS closed.

**EXECUTIVE ACTION ON SB 206**

**Motion/Vote:** REP. A. OLSON moved that SB 206 BE CONCURRED IN. Motion carried unanimously by voice vote; REPS. JENT, CAFERRO and ANDERSON voted aye by proxy.

**Motion/Vote:** REP. HENDRICK moved that SB 206 BE PLACED ON THE CONSENT CALENDAR. Motion failed 15-1 by voice vote with REP. MACLAREN voting no.

**{Tape: 1; Side: B; Approx. Time Counter: 20.1 - 29.2}**

REP. JOHN WARD agreed to carry the bill on the House floor.

**{Tape: 2; Side: A}**

**HEARING ON HB 785**

**Opening Statement by Sponsor:**

REP. JILL COHENOUR (D), HD 78, opened the hearing on HB 785, Ensure security of confidential information accessible via contracted services. REP. COHENOUR reviewed the bill with the Committee. In closing, she advised there was an appropriation which was added to ensure HB 785 survived the transmittal deadline; she asked that the Committee amend it out as it was not necessary.

**Proponents' Testimony:**

Jeff Brandt, Acting Chief Information Officer, Department of Administration, stated his agency provided the lion's share of statewide Information Technology (IT). He expressed his support for HB 785 as it increased the security of computer systems and the confidentiality of the data contained in them. He proposed an amendment to improve the bill, which would move his agency's responsibility for confidentiality as specified in Section 2 to Section 2 of the bill; this would put this responsibility on each agency. He stated the reason for this proposed change was the fact that there were more than 700 computer system in the State, and it was difficult for him as the central agency to ensure that all of the system were maintaining their systems in a confidential manner.

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:**

VICE CHAIR BROWN asked the Sponsor to explain why this was not already being done. REP. COHENOUR advised it was being done in an indirect way but it was not part of any contracts. She advised there was some oversight in the departments, but she wanted to tighten the requirements and make sure there were penalties for non-compliance. VICE CHAIR BROWN inquired whether she agreed with Mr. Brandt's proposed amendment that every agency would have this responsibility. REP. COHENOUR replied that she did but wanted to make sure the responsibility did not get removed totally from the Department of Administration, as she felt the IT Services Division (ITSD) had the ultimate

responsibility for the State's computer systems. **VICE CHAIR BROWN** wondered that there would be new rule-making in each agency to incorporate these requirements in to each agency's confidentiality rules. **REP. COHENOUR** stated her goal was to create policies and procedures which would specify the manner in which data would be protected.

**REP. B. OLSON** ascertained that the Sponsor wanted to eliminate New Section 6 which dealt with the appropriation, which **REP. COHENOUR** confirmed.

**REP. HAL JACOBSON, HD 82, HELENA,** asked whether she knew the type of penalties provided for in 2-2-136(2). **REP. COHENOUR** deferred to **Mr. Brandt** who advised it required all State employees to conduct themselves in an ethical manner and provided for sanctions in case of non-compliance; he added he did not know specific penalties.

**Closing by Sponsor:**

**REP. COHENOUR** closed, saying contractors and vendors working for State government should be held to the same standards as public employees.

**{Tape: 2; Side: A; Approx. Time Counter: 0 - 12.3}**

**HEARING ON HB 786**

**Opening Statement by Sponsor:**

**REP. JILL COHENOUR (D), HD 78,** opened the hearing on **HB 786,** Extend paid leave to certain state employees for disasters and emergencies within the state. She advised the reason for this bill was the concern about another fire season; she added this bill had been delayed as well and needed the same treatment as HB 785 in that the appropriation requirement should be removed. She proceeded to review the bill with the Committee and submitted Amendment HB078601.ash.

**EXHIBIT (sth58a02)**

(**REP. ANDERSEN** returned at 9:15 A.M.)

**Proponents' Testimony:**

**John Semple, Montana Fire Alliance,** stood in support of HB 786.

**Pat Clinch, self,** stated he had been a volunteer for many years and saw first-hand that many Search & Rescue volunteers were State employees who used their vacation to help others. He

lauded the provisions in HB 786 as it would allow them to receive paid leave for these instances.

**Opponents' Testimony:** None

**Informational Testimony:**

**Dan Lieberg, Deputy Administrator, Disaster and Emergency Services (DES),** offered to answer any questions.

**Randy Morris, State Personnel Division, Department of Administration,** was available for questions regarding the applicability and implementation of HB 786.

**Questions from Committee Members and Responses:**

**REP. HENDRICK** stated volunteer work runs our communities and emergency services. He was concerned that HB 786 would take "volunteer" out of the equation as people were getting paid to help. **REP. COHENOUR** replied this merely provided a support mechanism for volunteers as it opened up opportunities to step up and help.

**REP. ALAN OLSON, HD 45, ROUNDUP,** advised he took personal vacation when he fought fires while working at the DNRC; his firefighting time was paid at time and a half because it was overtime. He felt this issue should be looked at as well, asking the Sponsor whether this concerned her as well. **REP. COHENOUR** replied the bill did not give directions to employers, it merely opened up possibilities to serve.

**VICE CHAIR BROWN** opined a fiscal note was appropriate as the bill provided for paid leave. **Mr. Morris** agreed, adding the Department had requested a fiscal note. **VICE CHAIR BROWN** wondered about the cost to taxpayers during the 2000 and 2001 fire seasons had this bill been in effect then. **Mr. Morris** advised the cost was in productivity as no additional pay was being provided to employees who volunteered. He added the only potential cost might be overtime or compensatory time extended to the person filling in for the volunteer.

**VICE CHAIR BROWN** asked whether this would benefit the taxpayer or the employee doing volunteer work, as the State had to compensate them when they were not doing their regular job. **REP. COHENOUR** felt people would volunteer without this and be gone from their jobs; she felt the benefit to the State in having people willing to give their time far outweighed any provision in HB 786. She reminded the Committee that the law provided for this when the volunteer work was being done under the umbrella of the Red Cross

organization. **VICE CHAIR BROWN** asked whether she was amenable to amend the bill to read: "Any pay received for volunteer service would reimburse the State." **REP. COHENOUR** believed the bill provided for this.

**VICE CHAIR BROWN** asked the question of **Mr. Morris** who replied he was not familiar with how this was handled by the various volunteer organizations but believed it was possible that some would get paid by those as well as receiving compensation from their employer; he added he did not see where the bill would exclude this possibility. **VICE CHAIR** turned back to the Sponsor and asked about an amendment which would require reimbursement to the State if the volunteer received pay. **REP. COHENOUR** replied she would not oppose such an amendment as her main objective was that the volunteering employee would not be harmed by having to use his or her annual leave.

*{Tape: 2; Side: B}*

**REP. ANDERSEN** stated that the volunteer fire departments in her district were often called upon to provide assistance during wildfires, and she understood the departments were compensated but not the firefighters. She asked whether the Sponsor thought it fair to compensate State employees but not volunteer firefighters. **REP. COHENOUR** agreed that it might not be fair but felt supporting State employees was justified.

**Closing by Sponsor:**

**REP. COHENOUR** closed.

(**VICE CHAIR BROWN** announced a 10-minute recess; the Committee reconvened at 9:45 A.M.; **CHAIRMAN JENT** returned at 9:35 A.M.)

*{Tape: 2; Side: B; Approx. Time Counter: 0 - 4.9}*

**HEARING ON SB 191**

**Opening Statement by Sponsor:**

**SEN. DUANE GRIMES (R), SD 39**, opened the hearing on **SB 191**, Change name of state auditor to commissioner of financial industry. He requested the Committee amend the bill to read "Insurance Commissioner" as it was much closer to his actual duties, and it mirrored other states' practice. **SEN. GRIMES** advised Page 4 of the bill illustrated how the constitutional amendment would appear on the ballot next November.

**Proponents' Testimony:** None

**Opponents' Testimony:** None

**Informational Testimony:**

**Alicia Pichette, State Auditor's Office,** offered to answer any questions regarding this request.

**Questions from Committee Members and Responses:**

**VICE CHAIR BROWN** asked the Sponsor whether he was aware of the discussion during the last session about a possible name change.

**SEN. GRIMES** stated that he was not. **VICE CHAIR BROWN** advised there had been discussion about how the State Auditor's and Legislative Auditor's titles were misunderstood.

**REP. GARY MACLAREN, HD 89, VICTOR,** wondered whether Ms. Pichette would have a problem working for the Insurance Commissioner rather than the State Auditor. **Ms. Pichette** replied she would not; she added that the vast majority of officials performing this job in other states went by "Insurance Commissioner."

**REP. MARY CAFERRO, HD 80, HELENA,** asked whether "Commissioner of Insurance and Securities" was his amendment and if not, whether he agreed with it. **SEN. GRIMES** stated he was surprised to see that name as it had been his understanding that the State Auditor had asked for "Insurance Commissioner." **REP. CAFERRO** asked who added the term "Securities." **SEN. GRIMES** replied it was either **SEN. COONEY** or **SEN. COCCHIARELLA**.

**CHAIRMAN JENT** ascertained there was a consensus to change the name to "Insurance Commissioner," which **SEN. GRIMES** confirmed.

**CHAIRMAN JENT** asked Ms. Pichette to testify on behalf of the State Auditor, John Morrison. **Ms. Pichette** confirmed that he wanted his title to be changed to "Insurance Commissioner." In addressing **REP. CAFERRO's** question, she advised the current proper title was "State Auditor, ex officio Commissioner of Insurance and Securities."

**CHAIRMAN JENT** surmised Insurance Commissioners in other states were the Commissioners of Securities as well, it was just not in their title. **Ms. Pichette** clarified that in many states, the securities commissioners were separated and were closer with banking; a few states referred to them as "Commissioners of Banking and Insurance," and some states used "Commerce and Insurance." She added the common thread was "Insurance Commissioner".

**REP. CAFERRO** wondered if a title change would also change his function. **Ms. Pichette** replied that it would not as "Securities" was in the Constitution; she gathered it would say "Insurance Commissioner, ex officio Securities Commissioner."

**REP. ROBIN HAMILTON, HD 92, MISSOULA,** wondered how this applied to term limits, asking whether John Morrison could serve as Insurance Commissioner after having served two terms as State Auditor. **SEN. GRIMES** stated this would not change term limits or the duties of the Office.

**VICE CHAIR BROWN** wondered if the Office should just be named "Commissioner of Insurance and Securities," thus eliminating the need for the "ex officio" titles. **Ms. Pichette** advised John Morrison's preference was "Insurance Commissioner."

**Closing by Sponsor:**

**SEN. GRIMES** closed, adding that this was far more than a housekeeping bill as the title "State Auditor" was confusing to most and had nothing to do with the functions of the Office.

*{Tape: 2; Side: B; Approx. Time Counter: 4.9 - 25.4}*

**EXECUTIVE ACTION ON HB 780**

**Motion:** **REP. MACLAREN** moved that HB 780 DO PASS.

**Discussion:**

**REP. DICKENSON** was concerned that the \$145,000 cut which was made to balance the budget was now being used for another purpose.

*{Tape: 3; Side: A}*

**REP. A. OLSON** reiterated if a State employee retired and had vast amounts of sick leave and compensatory time accrued, his agency was forced to leave his position vacant until that money was recouped. HB 780 would allow them to pay off the liability and fill the position immediately. He stated the bill had merit and he would support it.

**REP. ANDERSEN** reminded the Committee that the Legislative Branch was a relatively small agency and would have a more difficult time absorbing the cost or not being able to fill vacant positions.

**REP. BRUCE MALCOLM, HD 61, EMIGRANT,** asked whether this was a pilot program which would continue to include all other agencies.

**CHAIRMEN JENT** advised it was a pilot program for the Legislative Branch. He added it was coincidence that the \$145,000 were available when it became known that several employees in that department were contemplating retirement.

**REP. MALCOLM** was concerned that this bill would lead to every agency requesting funds for this purpose; he was looking for assurance it would be limited to the Legislative Branch.

**REP. ANDERSEN** recalled testimony to the effect that there were more demands put on this particular department due to the Legislative Sessions, and their employees were working more hours than during any other time; if they had to absorb the cost by leaving positions open, it would create a hardship. Even though she could not speak for the Sponsor, she doubted he would want to expand this to other agencies.

**REP. MACLAREN** stated the reason for it being a pilot program was the special need in this department; the driving factor was that they could not afford to have an employee retire and not replace him during session.

**VICE CHAIR BROWN** agreed, saying this was the branch where this program should be implemented as they had not added FTEs during the last two sessions unlike other government agencies. She added this was a good start in addressing the ageing workforce.

**REP. EMELIE EATON, HD 58, LAUREL**, wondered how much of a nest egg this amount was and whether this would be taken out of the general fund every biennium thereafter.

**Sheri Heffelfinger, Legislative Services Division**, explained this was spelled out in the fiscal note which talked about the one-time transfer of \$145,261 from the general fund into this account; this money was invested, with an anticipated annual income of 2.5% to 3%. She advised it would continue to grow, depending on the number and amount of potential pay-outs.

**REP. MALCOLM** surmised that \$145,000 would not be sufficient as the anticipated growth would only amount to \$4,000 annually; he anticipated the agency coming back to have the Legislature continue to fund it.

**VICE CHAIR BROWN** contended, if the money was there, it should be used for this and stated it was good financial planning as the workforce was getting older. She believed these types of accounts should be built so that the taxpayers would not have to foot the bill all at once.

**CHAIRMAN JENT** concurred.

**REP. A. OLSON** agreed with **REP. MALCOLM** that \$145,000 was not enough, adding some of it could be absorbed through vacancy savings.

**REP. MALCOLM** anticipated the program being expanded statewide, which would bring the unfunded liability to about \$20 million.

**CHAIRMAN JENT** stated he hoped this would not set a precedent; he added that vacancy savings did not work well in all agencies, singling out the highway patrol.

**VICE CHAIR BROWN** asked **Ms. Heffelfinger** how many FTEs were in Legislative Services. **Ms. Heffelfinger** replied there were 130. **VICE CHAIR BROWN** wondered how many were in the Department of Health and Human Services, and **CHAIRMAN JENT** stated about 1,300.

**VICE CHAIR BROWN** repeated that this bill should be passed, especially in light of the size of the department.

**REP. CAFERRO** asked who set the policy which allowed people to carry over their sick leave. **Ms. Heffelfinger** advised each agency sets their own policies and explained there was no cap on the amount of sick leave that can accrue but when it is cashed out, it is only paid at 25% of its value; annual vacation time may be carried over for up to 90 days of the following year, but it had to be taken or it is lost; compensation time was not paid at retirement except when the employee was not allowed to take the compensatory time because of manpower issues.

**REP. EATON** surmised, if this account was not established and someone did retire, the funds would have to come out of vacancy savings which would result in employees exceeding the weekly cap of seventy hours per week or the work would not get done.

**Vote:** Motion carried 12-4 by roll call vote with **REP. CAFERRO**, **REP. DICKENSON**, **REP. MALCOLM**, and **REP. SMALL-EASTMAN** voting no. {Tape: 3; Side: A; Approx. Time Counter: 0 - 23.2}

#### EXECUTIVE ACTION ON HB 632

**Motion:** **REP. HENDRICK** moved that HB 632 DO PASS.

**Motion:** **REP. JENT** moved that AMENDMENT HB063201.aem BE ADOPTED. [EXHIBIT](#) (sth58a03)

**Discussion:**

**CHAIRMAN JENT** asked Ms. Heffelfinger to explain the amendment.

**REP. JACOBSON** wondered how these amendments would impact the fiscal note. **Ms. Heffelfinger** advised they would not have any impact as audits would have to be requested within the budget parameters.

**REP. JACOBSON** was concerned that this would put another layer of responsibility on the Legislative Audit Division.

**REP. A. OLSON** stated that performance audits were being done and were necessary, adding he was not sure yet which way he would vote.

*{Tape: 3; Side: B}*

**VICE CHAIR BROWN** echoed **REP. JACOBSON**'s concerns, adding the Legislature should not impose their will on an office already overburdened with audits. She contended local school districts should request efficiency audits through the Board of Education, not the Legislature and added she would not vote for the bill as it was not good policy.

**REP. MACLAREN** stated his support for the bill because the amendments made it discretionary; it would be done if the manpower was available.

(**REP. HENDRICK** left at 10:40 A.M.)

**Vote:** Motion carried 15-1 by voice vote with **REP. CAFERRO** voting no; **REP. HENDRICK** voted aye by proxy.

**Motion/Vote:** **REP. HAMILTON** moved that **HB 632 DO PASS AS AMENDED**. Motion failed 2-14 by roll call vote with **REP. JENT** and **REP. MACLAREN** voting aye; **REP. HENDRICK** voted no by proxy.

**Substitute Motion:** **REP. ANDERSEN** moved that **HB 632 BE TABLED AND THE VOTE REVERSED**. Motion carried.

**EXECUTIVE ACTION ON SB 62 - CONTINUED**

**CHAIRMAN JENT** announced that he would sign the Standing Committee Report on **SB 62** as per the Sponsor's request; it had cleared the Committee on March 8, 2005 at 16:0 but was held pending coordinating language with **SB 260** which was no longer necessary.

EXECUTIVE ACTION ON SB 118

Motion: REP. B. OLSON moved that SB 118 BE CONCURRED IN.

Motion: REP. B. OLSON moved that AMENDMENT SB011809.ash BE ADOPTED.

[EXHIBIT](#) (sth58a04)

Discussion:

REP. B. OLSON stated he had requested an immediate effective date out of concern for another fire season.

Vote: Motion carried unanimously by voice vote; REP. HENDRICK voted aye by proxy.

Motion/Vote: REP. OLSON moved that AMENDMENT SB011808.ash BE ADOPTED. Motion carried unanimously by voice vote. REP. HENDRICK voted aye by proxy.

[EXHIBIT](#) (sth58a05)

Motion: REP. JENT moved that AMENDMENT SB011807.ash BE ADOPTED.

[EXHIBIT](#) (sth58a06)

Discussion:

As per CHAIRMAN JENT's request, Ms. Heffelfinger explained this technical amendment clarified that the Department referenced in the bill was not the Department of Labor but the department of Military Affairs.

Vote: Motion carried unanimously by voice vote; REP. HENDRICK voted aye by proxy.

Motion/Vote: REP. OLSON moved that SB 118 BE CONCURRED IN AS AMENDED. Motion carried 13-3 by voice vote with REP. BROWN and REP. MACLAREN voting no; REP. HENDRICK voted no by proxy.

CHAIRMAN JENT agreed to carry the bill on the House floor.

{Tape: 3; Side: B; Approx. Time Counter: 0 - 19}

EXECUTIVE ACTION ON SB 182

Motion: REP. BROWN moved that SB 182 BE CONCURRED IN.

**Discussion:**

**REP. ANDERSEN** stated she opposed this bill as election day was not the day an absentee ballot was signed but the first Tuesday in November.

**REP. A. OLSON** contended this bill would allow cemeteries to vote.

**CHAIRMAN JENT** commented a voter's ballot would be counted if he had voted in the voting booth and died later that day.

**VICE CHAIR BROWN** agreed, adding uniformity was paramount as it should include people who were physically unable to go to the voting booth.

**REP. B. OLSON** echoed **VICE CHAIR BROWN**'s statement.

**Vote:** Motion carried 13-3 by roll call vote with **REP. ANDERSEN** and **REP. A. OLSON** voting no; **REP. HENDRICK** voted no by proxy.

**REP. JIM KEANE** agreed to carry the bill on the House floor.

**EXECUTIVE ACTION ON HB 633**

**Motion:** **REP. JENT** moved that HB 633 DO PASS.

**Discussion:**

**VICE CHAIR BROWN** advised, even though she would benefit, she was concerned because the Teachers' Retirement System was not actuarially sound and could not support this increase.

**REP. JONES** stated he would reverse his statement about not voting for any benefit increases for this bill because it was the right thing to do.

**REP. DICKENSON** remarked that many of the retired teachers who had contacted her did not know where the funding for this bill came from; they were neither happy about it being funded by lottery money nor by tax payers. She added she also had concerns with the funding source but agreed with **REP. JONES** that it was time teachers were rewarded.

**{Tape: 4; Side: A}**

**CHAIRMAN JENT** advised he had chosen the lottery money as a funding source because this usage had been promised to the people when the lottery was implemented.

Substitute Motion/Vote: REP. BROWN made a substitute motion that HB 633 BE TABLED. Substitute motion failed 6-10 by roll call vote with REP. ANDERSEN, REP. BROWN, REP. MACLAREN, REP. MALCOLM, and REP. A. OLSON voting aye; REP. HENDRICK voted aye by proxy.

Vote: Motion that HB 633 DO PASS carried 11-5 by roll call vote with REP. ANDERSEN, REP. BROWN, REP. MALCOLM, and REP. A. OLSON voting no; REP. HENDRICK voted no by proxy.

**ADJOURNMENT**

Adjournment: 11:10 A.M.

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REP. LARRY JENT, Chairman

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MARION MOOD, Secretary

LJ/mm

Additional Exhibits:

**EXHIBIT ([sth58aad0.PDF](#))**