



State Administration and Veterans' Affairs Interim Committee
63rd Montana Legislature

SENATE MEMBERS

DEE BROWN--Chair
LARRY JENT
DAVE LEWIS
SUE MALEK

HOUSE MEMBERS

BRYCE BENNETT--Vice Chair
JOANNE BLYTON
DOUG KARY
KATHY SWANSON

COMMITTEE STAFF

SHERI SCURR, Lead Staff
GINGER ALDRICH, Staff Attorney
KRISTINA LIMING, Secretary

MINUTES LOG

June 5, 2014
Rm 137, State Capitol
Helena, Montana

Please note: These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. To the left of each section in these minutes is a time designation indicating the approximate amount of time in hours, minutes, and seconds that has elapsed since the start of the meeting. This time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative Branch home page at <http://leg.mt.gov>. On the left-side menu of the home page, select *Committees*, then *Interim*. Once on the page for *Interim Committees*, scroll down to the appropriate committee. The written minutes summary, along with the audio and video recordings, are listed by meeting date on the interim committee's web page.

Hard copies of the exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document.

COMMITTEE MEMBERS PRESENT

SEN. DEE BROWN, Chair
REP. BRYCE BENNETT, Vice Chair

SEN. LARRY JENT
SEN. DAVE LEWIS
SEN. SUE MALEK

REP. JOANNE BLYTON
REP. DOUG KARY
REP. KATHY SWANSON

STAFF PRESENT

SHERI SCURR, Lead Staff
GINGER ALDRICH, Staff Attorney
KRISTINA LIMING, Secretary

AGENDA & VISITORS' LIST

Agenda, Attachment #1.
Visitors' list, Attachment #2.

COMMITTEE ACTION

- REP. BENNETT moved to draft a committee bill to clarify language presented in HB 129 from the 2013 Session concerning disclosure requirements for campaign materials. **Motion passed unanimously.**
- REP. BENNETT moved to approve the drafting of proposed bills from the Department of Military Affairs. **Motion passed unanimously.**
- REP. BENNETT moved to authorize the drafting of the 2 proposed bills from the Department of Administration. Senator Jent was not present for the vote. **7-0, motion passed.**
- REP. BENNETT moved to authorize the drafting of all bill proposals from the Secretary of State's office. **Motion passed unanimously.**
- REP. BENNETT moved to draft a committee bill to provide language to clarify authority to the Secretary of States office. **Motion passed unanimously.**
- REP. SWANSON moved to approve, for drafting, LCsa02, revising election laws as amended. **Motion passed unanimously.**

CALL TO ORDER AND ROLL CALL

00:00:00 **Sen. Dee Brown**, Presiding Officer
Roll Call (Attachment #3)

AGENCY LEGISLATIVE PROPOSALS

00:00:49 **Ms. Sheri Scurr, Legislative Research Analyst**, described the process for reviewing and authorizing agency legislation for drafting.

Commissioner of Political Practices

00:04:40 **Jonathan Motl, Commissioner of Political Practices (COPP)**, presented an overview of the proposals and other information included in a packet from COPP to the committee (**EXHIBIT 1**). He also provided an additional document for review (**EXHIBIT 2**) with further description of the proposed bills.

Committee Questions and Comments

00:21:09 SEN. LEWIS - Mr. Motl
00:23:53 SEN. BROWN - Mr. Motl
00:27:27 REP. KARY
00:28:15 Mr. Motl
00:28:41 SEN. BROWN referred to email correspondence from COPP (**EXHIBIT 3**)

00:28:59 Mr. Motl
00:29:26 REP. KARY - Mr. Motl
00:36:24 SEN. BROWN
00:36:29 REP. BENNETT
00:37:05 Mr. Motl
00:37:13 SEN. JENT - Mr. Motl
00:39:04 SEN. MALEK - Mr. Motl
00:41:00 SEN. BROWN
00:41:11 **Ginger Aldrich, Staff Attorney**
00:41:36 Mr. Motl
00:42:17 SEN. BROWN - Mr. Motl
00:48:02 REP. BENNETT - Mr. Motl
00:49:23 SEN. BROWN - Mr. Motl

00:53:49 **Mr. Mike Black, Bureau Chief, Civil Services Bureau**, reviewed the legislative history of HB 129, Section 1, 13-35-225 (**EXHIBIT 4**), a bill from the 2013 session concerning disclosure required to appear on campaign materials.

Committee Questions and Comments

00:57:17 Ms. Aldrich
00:58:07 Mr. Black
00:58:35 SEN. BROWN - Mr. Motl
01:05:14 SEN. LEWIS
01:05:22 Mr. Motl
01:06:08 SEN. MALEK
01:07:20 SEN. BROWN
01:07:28 Mr. Motl

Public Comment on the COPP

01:14:14 None.

POTENTIAL COMMITTEE BILL -- REVISING SECTION 13-35-225, MCA.

01:15:14 **Rep. Steve Gibson** presented legislative history on HB 129 to the committee and expressed his hope for the bill to go forward.

Committee Questions and Comments

01:17:15 SEN. BROWN
01:17:31 Mr. Gibson

Committee Discussion

01:18:22 SEN. BROWN
01:18:38 REP. BENNETT moved to draft a committee bill to fix issues presented in HB 129.
01:19:24 SEN. MALEK
01:19:58 SEN. BROWN
01:20:20 SEN. MALEK
01:20:45 REP. BENNETT
01:21:05 Ms. Scurr
01:21:36 SEN. BROWN

01:21:48 Ms. Scurr
01:22:07 SEN. BROWN
01:22:11 SEN. MALEK
01:22:57 SEN. BROWN called for a vote in favor of Rep. Bennett's motion for clarity in language to HB 129. Unanimously carried.
01:23:45 Ms. Scurr
01:23:54 SEN. JENT
01:24:13 SEN. BROWN

Public Comment on 13-35-225, MCA

01:25:08 **Chris Gallus, Attorney**
Commented on HB 129 and gave suggestions for how to move forward with changes in statute. He also commented about current litigations concerning the COPP that he is involved with.

Committee Questions and Comments

01:30:00 SEN. BROWN
01:30:32 Ms. Scurr
01:30:44 Mr. Gallus
01:32:33 SEN. BROWN

HJR 1 - STUDY OF COPP

01:34:27 Ms. Scurr gave an overview of LCsa01 (**EXHIBIT 5**), "An Act revising how the commissioner of political practices is selected; amending sections 13-37-102 and 13-37-104, MCA; and providing an immediate effective date".

Committee Questions and Comments

01:35:14 SEN. BROWN
01:35:51 Ms. Scurr
01:36:42 SEN. JENT
01:41:19 REP. KARY
01:42:00 SEN. JENT
01:42:47 REP. BENNETT
01:43:53 SEN. JENT
01:44:59 REP. BLYTON
01:45:48 Ms. Scurr
01:47:15 SEN. BROWN
01:47:30 Ms. Scurr
01:47:39 REP. BLYTON
01:48:18 Ms. Scurr
01:49:15 REP. BENNETT
01:50:58 SEN. BROWN
01:51:50 SEN. JENT
01:53:02 SEN. BROWN
01:53:29 REP. BENNETT
01:54:54 SEN. LEWIS
01:55:48 Ms. Scurr

Public Comment on HJR 1

01:56:53 **Chris Gallus, Attorney**

Commented about his opinions of how to confirm a bipartisan appointment of the COPP, and his agreement with the Governor being required to choose an individual provided on a list from committee suggestions.

Committee Questions and Comments

02:01:41 SEN. BROWN

02:02:14 REP. BLYTON

02:02:56 SEN. BROWN

AGENCY LEGISLATIVE PROPOSALS

Department of Military Affairs

02:04:31 **Major General Matthew T. Quinn**, Department of Military Affairs (DMA)

02:05:49 **Colonel James P. Moran, Staff Judge Advocate, Montana National Guard**, presented and provided a summarization (**EXHIBIT 6**) about the legislative proposals from the Department of Military Affairs

Committee Questions and Comments

02:10:30 SEN. BROWN

02:11:00 Col. Moran

02:11:40 SEN. MALEK - Gen. Quinn

02:14:31 SEN. BROWN

02:14:37 Gen. Quinn

02:15:09 SEN. JENT

02:15:51 Col. Moran

02:16:25 SEN. BROWN

02:16:34 REP. SWANSON

02:17:24 Gen. Quinn

Public Comment on the Department of Military Affairs

02:18:51 None.

02:18:54 REP. BENNETT moved to approve the drafting of proposed bills from the Department of Military Affairs. Motion passed unanimously.

02:20:00 COMMITTEE BREAK

Department of Administration

02:29:39 **Sheila Hogan, Director, Department of Administration (D of A)**, provided documentation of the proposed legislation (**EXHIBIT 7**) and gave a brief overview of each separate bill.

Committee Questions and Comments

02:32:20 SEN. BROWN

02:32:08 Ms. Hogan

02:33:20 REP. BENNETT moved to authorize the drafting of the 2 proposed bills. Senator Jent was not present for the vote. Motion passed, 7-0.

Public Comment on the Department of Administration

02:33:30 None.

Secretary of State

02:36:19 **Linda McCulloch, Secretary of State (SOS)**, provided documentation of proposed bills (**EXHIBIT 8**), and gave a brief description of each separate bill.

Committee Questions and Comments

02:41:13 SEN. BROWN
02:42:56 Ms. McCulloch
02:44:10 SEN. BROWN
02:44:46 REP. BENNETT
02:44:59 Ms. McCulloch
02:46:09 REP. BENNETT
02:46:41 REP. BLYTON
02:47:12 Ms. McCulloch

Public Comment on Secretary of State

02:48:03 **Carole Mackin, Helena resident**
Commented on her hopes to be involved in the drafting of ballot issues bills.

Committee Discussion

02:49:49 REP. BENNETT moved to authorize the drafting of all bill proposals from the Secretary of State's office.
02:50:08 SEN. MALEK
02:50:58 SEN. BROWN
02:51:02 Ms. Aldrich
02:51:40 SEN. MALEK
02:52:23 SEN. BROWN called for a vote on Rep. Bennett's motion. Motion passed unanimously.

RULE REVIEW ACTIVITY

02:53:28 Ms. Aldrich, staff attorney, provided the committee with a Legislative Administrative Rule Review Report (**EXHIBIT 9**) and gave further information regarding the SOS Rule - MAR Notice 44-2-196 -- Miscellaneous Fees Charged By the Business Services Division.
02:58:14 **Jorge Quintana, Chief Legal Counsel, Secretary of State**, commented about the proposed rule change and about various SOS functions and the expectancy to have certain fees in place. He asked for clarity regarding the SOS authority to set fees.

Committee Questions and Comments

03:02:35 SEN. BROWN
03:02:50 Mr. Quintana
03:03:30 SEN. BROWN

03:04:26 Mr. Quintana
03:04:59 SEN. MALEK
03:05:39 Mr. Quintana
03:06:33 SEN. LEWIS
03:08:12 SEN. MALEK
03:08:51 Ms. Aldrich

Public Comment on Rule Review activity

03:09:07 None.

Committee Questions and Comments cont.

03:09:25 SEN. BROWN
03:09:47 Mr. Quintana

03:09:59 REP. BENNETT moved to draft a committee bill to provide language to clarify the authority to the Secretary of State's office to charge certain fees. Motion passed unanimously.

SJR 14 - ELECTIONS STUDY

03:11:45 Ms. Scurr briefly explained the progress of the SJR 14 Subcommittee on Elections.

Simms High School - Levy election

03:12:21 REP. BENNETT provided a brief overview about the events and authority confusion from the Simms High School levy election.

03:14:51 Ms. Scurr reviewed a memorandum composed at the request of Rep. Bennett (**EXHIBIT 10**), further explaining and defining specific authorities relating to school elections.

03:23:38 Ms. Aldrich presented the findings from her research regarding confusion about the school election process and authority.

Committee Questions and Comments

03:26:10 SEN. BROWN
03:26:24 Ms. Aldrich
03:26:34 SEN. BROWN - REP. BENNETT
03:29:36 SEN. BROWN
03:30:16 SEN. MALEK
03:31:06 SEN. BROWN
03:31:17 Ms. Aldrich
03:32:02 SEN. BROWN

03:32:43 LUNCH

PUBLIC PENSION OVERSIGHT

Teachers' Retirement System (TRS)

04:38:43 Shawn Graham, Executive Director, TRS, reviewed a presentation on an

Experience Study done by TRS from July 1, 2008 -July 1, 2013 (**EXHIBIT 11**).

Committee Questions and Comments

04:52:29 SEN. MALEK - Mr. Graham

04:54:32 SEN. BROWN

Public Employee Retirement System (PERS)

04:54:48 **Dore Schwinden, Executive Director of the PERS Administration**, introduced himself to the committee and expressed his excitement about being the new Executive Director.

Capitol Meetings - PER Board, TRS Board, and Board of Investments

04:57:00 SEN. BROWN noted 2 letters that were sent to the SAVA committee previously, in response to the possibility of holding public meetings in the State Capitol Building: Dan Villa, Budget Director, Office of the Governor (**EXHIBIT 12**) David Ewer, Executive Director, Montana Board of Investments (**EXHIBIT 13**)

04:57:48 Mr. Schwinden addressed the committee regarding holding public meetings in the Capitol building and stated that they do not currently hold an opinion as to whether or not they would like to proceed forward with that option.

Committee Questions and Comments

04:58:46 SEN. LEWIS - Mr. Schwinden

05:01:02 SEN. BROWN

05:01:37 Mr. Graham spoke to the committee about how the TRS board plans to address the option of holding public meetings at the Capitol at the board's August 7th meeting.

Committee Questions and Comments

05:03:34 SEN. BROWN

05:03:44 Mr. Graham

05:04:00 SEN. BROWN

LCsa03 - Revising Contribution Triggers in PERS

05:05:40 Ms. Scurr provided a brief overview of LCsa03 (**EXHIBIT 14**) and referred to a summary document (**EXHIBIT 15**) for further clarification to the provisions.

Committee Questions and Comments

05:26:20 SEN. BROWN

05:26:41 Ms. Scurr

05:27:40 SEN. BROWN

05:28:27 SEN. LEWIS

05:29:02 Ms. Scurr

05:29:27 SEN. JENT

05:30:38 SEN. BROWN

05:30:45 Ms. Scurr

05:32:10 SEN. JENT

Public Comment on LCsa03

05:35:32 **Terrance Smith, PERS defined contribution plan member**

Mr. Smith distributed a document for committee review (**EXHIBIT 16**) and emphasized the importance of employer contributions made on behalf of any of the retirement plan systems being used for their respective retirement plans. He gave his opinions and suggestions on 2 separate sections of the proposed LCsa03 bill draft.

Committee Questions and Comments

05:41:40 Ms. Scurr
05:43:56 SEN. BROWN
05:44:29 Mr. Smith
05:44:47 SEN. JENT
05:45:43 SEN. LEWIS
05:46:08 SEN. BROWN
05:46:20 SEN. MALEK
05:46:50 SEN. BROWN
05:46:58 Ms. Scurr
05:48:04 Mr. Smith

05:48:25 **Sheryl Wood, Associate Director for the Montana Association of Counties**

Expressed her regret for not attending the previous committee meeting, her thanks to the committee and staff and her hope to be in attendance at future meetings.

05:48:51 **Melanie Symons, Chief Legal Counsel, MPERA**

Commented about the suggestions Mr. Smith made in making changes to the LCsa03 and the possibility of separate bills to ensure the right triggers are in place.

Committee Questions and Comments

05:50:21 SEN. MALEK - Ms. Scurr
05:58:39 SEN. BROWN
05:59:33 Ms. Scurr
05:59:58 SEN. BROWN

06:01:01 Ms. Aldrich provided the committee with an update on the lawsuit concerning the legislature's reduction in the Guaranteed Annual Benefit Adjustments in PERS and TRS.

06:03:43 Mr. Smith corrected the document that he submitted, stating that he was no longer a member of the PER board, and was speaking just as a member of the public.

06:05:05 SEN. BROWN

SJR 14 - ELECTIONS STUDY

06:06:14 **Rep. Bennett, SJR 14 Subcommittee Chairman**, gave a brief overview of the process the subcommittee has been through to develop LCsa02, revising election laws.

06:11:18 Ms. Scurr made reference to the summarizing the SJR 14 Subcommittee recommendations document presented at the previous meeting (**EXHIBIT 16**), and also gave a review of the section-by-section summary of LCsa02 (**EXHIBIT 17**) so that the committee could also work through some policy questions and make decisions as needed on material in the summary highlighted in blue text. The first decision point discussed related to an election not being held less than 85 days after the election is called.

Committee Questions and Comments

06:16:30 REP. BENNETT
06:17:25 Ms. Scurr
06:19:10 REP. BENNETT - Ms. Scurr
06:20:18 SEN. BROWN
06:20:38 Ms. Scurr
06:22:02 REP. BLYTON
06:22:23 Ms. Scurr
06:23:11 SEN. MALEK
06:23:37 REP. BENNETT
06:24:06 SEN. LEWIS
06:24:55 REP. BENNETT
06:25:12 SEN. BROWN
06:25:48 REP. BENNETT
06:26:25 Ms. Scurr
06:26:59 REP. BENNETT
06:27:23 REP. KARY
06:28:00 SEN. BROWN
06:28:39 REP. BENNETT

06:29:01 Ms. Scurr continued her review of LCsa02 and discussed the next decision point, concerning people in certain elections having to gather a certain number of signatures to be a candidate. The Committee agreed by consensus to return the 85 day deadline

Committee Questions and Comments

06:30:33 SEN. BROWN
06:31:30 REP. SWANSON
06:31:46 SEN. MALEK
06:32:59 Ms. Scurr
06:33:24 REP. BLYTON

Public Comment on LCsa02

06:34:04 **Nicole Thuotte, Office of Public Instruction**
Commented about the issues her office has faced regarding current law requirements that a person must gather a certain number of signatures before being able to file as a candidate.

Committee Questions and Comments

06:35:24 SEN. BROWN

- 06:35:35 Ms. Thuotte
- 06:36:44 **Linda Stoll, Montana Association of Clerks and Recorders**
Commented about the signature requirements and other situations regarding candidate filing.
- 06:39:24 **Shantil Siaperas, Montana Association of Counties (MACo)**
Stated MACo didn't mind either way whether the signature requirements for candidacy were removed from statute.
- 06:39:53 **Mary Beveridge, Public Member**
Stated her agreement with removing signature requirements.
- 06:40:20 REP. BENNETT stated there seemed to be consensus by the committee to remove signature gathering requirements for candidacy from the current law.
- 06:40:54 Ms. Scurr continued her review of the LCsa02, discussing school elections and the process for submitting a written mail ballot plan to the Secretary of State.

Committee Questions and Comments

- 06:44:53 SEN. BROWN
06:45:28 REP. BENNETT
06:46:24 Ms. Scurr

Public Comment on LCsa02

- 06:47:33 **Nicole Thuotte, Office of Public Instruction**
Asked for clarification as to what would be amended in Section 176, amending section 13-19-205, concerning written plans for mail ballot elections.
- 06:49:17 **Mary Beveridge, Public Member**
Commented about the need for a paper trail on communication between school officials and county election administrators when counties are asked to administer school elections.

Committee Questions and Comments

- 06:50:44 REP. BENNETT noted that the committee agreed by consensus to clarify statutes concerning school elections and written plans for mail ballot elections.
- 06:51:40 Ms. Scurr continued her review of the LCsa02, discussing community college elections.

Committee Questions and Comments

- 06:52:48 SEN. BROWN

Public Comment on LCsa02

- 06:54:43 **Linda Stoll, Montana Association of Clerks and Recorders**
Noted that clerks and recorders have not yet taken a formal position on this. She

stated her personal agreement with removing community colleges from having to run elections and having county election administrators all community college elections.

06:55:20 **Nicole Thuotte, Office of Public Instruction**

Ms. Thuotte also agreed with the removal of community college being removed from the responsibility to conduct elections.

Committee Questions and Comments

06:55:37 REP. BLYTON

06:56:45 REP. BENNETT noted that there was consensus by the committee that county election administrators would run community college district elections.

06:56:59 Ms. Scurr continued her review of the LCsa02, discussing ballot certification deadlines.

Committee Questions and Comments

06:58:49 SEN. BROWN - Ms. Scurr

07:00:41 REP. BENNETT noted the committee agreed to the ballot certification deadline changes in the bill as drafted.

07:00:59 Ms. Scurr continued her review of the LCsa02.

Committee Questions and Comments

07:02:17 SEN. BROWN

Public Comment on LCsa02

07:02:37 **Linda Stoll, Montana Association of Clerks and Recorders**

Provided clarification as to why Section 85-8-624 MCA is stated the way it is. She stated that property owners may not necessarily be Montana citizens, therefore are not eligible to be registered voters.

07:03:49 REP. BENNETT noted the committee agreed by consensus to leave the language as it is in current law.

07:03:56 Ms. Scurr continued her review of the LCsa02, discussing the bill's effective date.

07:04:00 REP. BENNETT

Public Comment on LCsa02

07:05:12 **Nicole Thuotte, Office of Public Instruction**

Provided the committee with further clarification for a workable effective date.

07:05:49 REP. BENNETT noted the committee agreed the effective date should be the day after the 2015 general election.

07:06:45 REP. SWANSON moved to approve LCsa02, as amended, for drafting as a

committee bill.

Public Comment on LCsa02

- 07:07:29 **Terry Minow, MEA-MFT**
Commented in opposition of LCsa02 because MEA-MFT opposes combining primary and school elections.
- 07:10:53 **Linda Stoll, Montana Association of Clerks and Recorders**
Commented about the clarity, consistency and conformity that had been lacking in the election laws and processes, and that those things are being addressed in this bill draft. She thanked the subcommittee for it's work to provide more clarity and consistency. She also commented about absentee ballots.
- 07:16:19 **Nicole Thuotte, Office of Public Instruction**
Stated that she cannot give endorsement for the bill draft in either direction, but thanked the committee for allowing OPI the opportunity to be involved in the drafting.
- 07:17:07 **Mary Beveridge, Public Member**
Commented about her concerns with the schools conducting their own elections.
- 07:17:59 **Shantil Siaperas, Montana Association of Counties (MACo)**
Commented that MACo cannot support or oppose the bill draft at this time but thanked the committee for including MACo in the drafting process.

Committee Questions and Comments

- 07:18:50 REP. BENNETT
- 07:19:16 SEN. BROWN
- 07:21:00 SEN. LEWIS
- 07:21:32 SEN. BROWN reminded the committee of the motion on the table from Rep. Swanson.
- 07:22:17 REP. BENNETT called for a voice vote on the motion. The motion passed unanimously.
- 07:22:35 SEN. BROWN
- 07:23:14 SEN. MALEK
- 07:23:53 Ms. Scurr told the committee that she had received an email from Joe Walsh, requesting a panel for veterans' affairs be rescheduled for the August meeting.
- 07:24:50 SEN. BROWN said the veterans panel would be held at the August meeting.

ADJOURNMENT

- 07:25:06 SEN BROWN adjourned the June 5, 2014 State Administration and Veterans' Affairs committee.