



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

December 10, 2013 Meeting
Room 152, State Capitol
Helena, MT

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

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

COMMITTEE MEMBERS EXCUSED

REP. BRYCE BENNETT, Vice Chair

STAFF PRESENT

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

AGENDA & VISITORS' LIST

Agenda ([Attachment #1](#))

Visitors' list ([Attachment #2](#))

AGENDA ITEM #1: CALL TO ORDER, ROLL CALL, AND REVIEW OF MEETING MATERIALS.

- 00:00:06 SEN BROWN called the meeting to order at 9:01 a.m. The secretary called the roll ([Attachment #3](#)). REP. BRYCE BENNET was excused.
- 00:01:35 **Ms. Sheri Scurr**, Research Analyst, reviewed the meeting schedule and agenda (see Attachment 1).

AGENDA ITEM # 2: HJR 1 - STUDY OF OFFICE OF COMMISSIONER OF POLITICAL PRACTICES

- 00:03:29 a. Ms. Scurr gave an overview of how ethics and lobbying complaints are handled in Montana. ([EXHIBIT 1](#))
- 00:13:55 SEN. BROWN
- 00:15:30 Ms. Scurr presented the 50-state survey results ([EXHIBIT 2](#))
- 00:28:03 SEN. LEWIS
- 00:26:19 Optional Work Session Tool, Ms. Scurr ([EXHIBIT 3](#))
Round Table Panel Members ([EXHIBIT 4](#))
Memo from Mr. Steve Brown to Commissioner Gallik - July 28, 2011 ([EXHIBIT 5](#))
- 00:29:03 b. Round table discussion, **Sen. Dee Brown**, Chairwoman, moderated
Steve Brown, former Democratic State Senator from Helena, 1979-1983
Jonathan Motl, current Commissioner of Political Practices
Linda Vaughey, former Commissioner of Political Practices, 1999-2004
Chris Gallus, attorney, campaign consultant
Chuck Denowh, Montana Group, former Exec. Dir. of Republican Party
Lorna Kuney, campaign manager/communications consultant
Tim Warner, campaign manager/communications consultant
- 00:30:39 Panel members delivered a brief personal background for reference.
- 00:34:39 *Discussion Question 1:*
Does the commissioner have too much power or not enough?
- 00:34:44 Ms. Kuney
- 00:34:57 Mr. Warner
- 00:35:06 Mr. Denowh
- 00:35:57 Mr. Brown
- 00:38:58 Mr. Motl

00:41:51 Mr. Gallus
00:45:58 Ms. Vaughey

Committee Questions and Discussion

00:48:26 SEN. KARY asked Mr. Brown about last Commissioner of Political Practices (Unsworth) and questions about Commissioner Gallik's actions as commissioner.
00:52:42 SEN. MALEK asked Mr. Brown about interim appointments.
00:55:36 SEN. MALEK asked Mr. Motl about legislative partisanship concerning appointments.
01:01:16 SEN. LEWIS asked Mr. Brown about how the confirmation process would work during an interim.

01:04:10 *Discussion Question 2:*
Are there enough checks and balances to ensure those who are subject to allegations are given a fair chance to respond?
01:04:20 Ms. Vaughey
01:06:21 Mr. Gallus
01:07:50 Mr. Motl
01:10:54 Mr. Brown
01:14:13 Mr. Denowh
01:16:28 Mr. Warner
01:17:26 Ms. Kuney

Committee Questions and Discussion

01:20:43 SEN. MALEK asked Mr. Motl about simplifying the reporting process and disclosure.
01:23:46 SEN. BROWN asked Mr. Motl to address Ms. Kuney's concern regarding a prior mailing list issue.
01:25:50 Mr. Brown commented about disclosing employer's ID on campaign reporting forms.
01:27:48 Mr. Denowh discussed his suggestion about focusing on bigger campaign violations.
01:30:16 SEN BROWN requested a report from the Commissioner's Office detailing how much time is spent in each area of office work.
01:31:24 REP. KARY asked about the statute of limitations regarding complaints, how long candidates are required to keep records, and terms of office.
01:34:49 SEN. BROWN asked about what county a complaint is handled in.
01:35:27 REP. MALEK asked the Commissioner's Office to further explain previous statements about more power being given to their office.
01:39:02 Mr. Brown discussed the importance of the ethics and lobbying laws, aside from campaign finance reporting.

BREAK

01:52:36 SEN. BROWN called the meeting back to order.

Ms. Scurr handed out a letter from Commissioner Motl about the next steps for HJR 1 (**EXHIBIT 6**)

01:53:31 *Discussion Questions 3 and 4:
How can the office be made more efficient and ensure that complaints are handled in a timely manner?
Is there anything more we can do to take away any potential for a perception of partisanship by the CPP?*

01:54:21 Mr. Warner
01:55:18 Mr. Denowh
01:58:56 Mr. Brown
02:03:23 Mr. Motl
02:07:54 Mr. Gallus
02:13:00 Ms. Vaughey
02:20:44 Ms. Kuney

Committee Questions and Discussion

02:22:20 REP. BLYTON asked Mr. Motl about who is allowed to file a complaint and also about time constrictions for filing.

02:28:20 SEN. JENT and Mr. Denowh discussed the use of the words "corruption", "bribery" and "corrupt influence" in Title 13.

02:35:10 SEN. JENT asked all panel members about opinions regarding making a change to the appointing authority.

02:49:52 SEN. MALEK - Commented about campaigning and her witnessing a lack of reporting and disclaimers, therefore affecting elections at the last minute.

02:53:00 c. Public comment on HJR 1 Study
No public comment was offered.

LUNCH

04:01:31 SEN. BROWN called the meeting back to order.

AGENDA ITEM # 3: PENSION OVERSIGHT

04:01:43 a. Ms. Scurr gave an update on TRS, MPERA, and Board of Investments meetings and presented a summary of FY 2013 Actuarial Valuations (**EXHIBIT 7**).

04:08:57 SEN. BROWN

04:09:38 Ms. Scurr gave an overview of research on the return on investments(ROI) assumption, requested by Sen. Lewis (**EXHIBIT 8**).

04:30:37 SEN. LEWIS

04:36:03 Ms. Scurr reviewed the Actuarial Standard No. 27 on determining the ROI (**EXHIBIT 9**).

04:43:09 b. **Ms. Ginger Aldrich**, staff attorney presented an update on lawsuits concerning reductions in the GABA, a snapshot of TRS and PERS lawsuits (**EXHIBIT 10**), the status of retirement system lawsuits (**EXHIBIT 11**) and a briefing on the Detroit bankruptcy and pension plan implications.

05:01:40 SEN. BROWN
05:03:09 SEN. LEWIS
05:03:38 SEN. MALEK

05:04:44 c. Public comment on Pension Oversight
No public comment was offered.

AGENDA ITEM #4: INFORMATIONAL BRIEFING ON VETERAN COURTS

05:08:19 **Jeff Kushner**, Drug Court Coordinator, Office of Supreme Court Administrator
Montana Drug Courts: An updated snapshot of Success and Hope (**EXHIBIT 12**)

Public Comment and Committee Questions

05:28:34 **Gary White, American Legion of Montana**
Mr. White asked Mr. Kushner about the unique qualities and services associated with the courts that are not available in the regular court process.

05:30:35 SEN. BROWN
05:35:27 SEN. MALEK

05:36:44 **Murphy Gunderson, Concerned Veteran**
Mr. Gunderson commented about the different issues that veterans face.

05:39:30 **Gary White, American Legion of Montana**
Mr. White asked Mr. Kushner if the VA provides additional funding for the veteran courts.

AGENDA ITEM #5: RULE REVIEW ACTIVITY, MS. ALDRICH

05:42:11 No rules proposed during this specific period.

AGENDA ITEM #6: GENERAL PUBLIC COMMENT

05:42:43 No public comment was offered.

AGENDA ITEM #7: WORK SESSION - Sen. Dee Brown

05:41:57 Next steps for the HJR 1 study - problem identification, options, and requests for more research

05:42:04 SEN. BROWN requested Ms. Aldrich provide a legal analysis about Mr. Brown's suggestion that there be a poll of the legislature about interim appointments of the Commissioner.

05:44:35 SEN. BROWN requested that staff bullet point the ideas given by panelists about the Office of Commissioner of Political Practices. She suggested that at the committee's next meeting the committee could discuss the bullet points and develop recommendations.

05:45:50 SEN. JENT discussed the PERS and university systems, defined contribution retirement plans and the Plan Choice rate. He requested a briefing on the concept of the Plan Choice rate.

05:49:00 SEN. LEWIS asked staff to include research on what amount is required to pay off the Plan Choice rate.

05:50:00 SEN BROWN asked Ms. Scurr to comment on the status of the SJR14 Subcommittee to combine primary and school elections. Ms. Scurr responded that the subcommittee would likely meet in mid-January.

05:50:58 SEN. MALEK requested research and briefing on veteran services in Montana. SEN. BROWN requested that someone from Veteran's Affairs provide a briefing on this.
SEN. JENT suggested Joe Foster provide the briefing because he is the administrator of the Montana Veteran's Affairs Division (MVAD).
SEN. BROWN requested staff to provide a written briefing to respond to Senator Malek's questions and also that staff contact Joe Foster for an oral briefing to the committee.
SEN. JENT commented about the brochure available from MVAD
SEN BROWN noted that the next committee meeting will be February 6, 2014.

05:55:24 Adjournment

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