



**State Administration and Veterans' Affairs Interim Committee**  
**60th Montana Legislature**

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**SENATE MEMBERS**  
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VERDELL JACKSON  
LARRY JENT  
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**COMMITTEE STAFF**  
DAVE BOHYER, Lead Staff  
DAVID NISS, Staff Attorney  
FONG HOM, Secretary

**AGENDA**  
**STATE ADMINISTRATION AND VETERANS' AFFAIRS INTERIM COMMITTEE**  
**June 30, 2008 Room 102, State Capitol**

**All times are tentative**

**Monday, June 30**

- 8:30 Call meeting to order; roll call: Rep. Franke Wilmer, Presiding Officer
- 8:31 Approve minutes of the February 22, 2008 meeting
- 8:32 HJR 46: Study of Election Laws: Sue O'Connell, Research Analyst
- LC 35: Generally revise and clarify Title 13 election laws. Committee action.
  - LC 59: Allow an absentee voter to cast a new ballot if a candidate dies, the ballot is changed, and the absentee voter has voted. Committee action.
  - LC 106: Accessible Voting Machines for Certain Elections; Public comment; Committee action
  - LC 60: Mail ballot pilot project (Review draft.) Public comment; Committee action.
- 9:30 Agency proposals for legislation: Representatives of the respective agencies within the Committee's purview and entities attached to the agencies will individually present their proposals to the Committee. After each presenter has presented his or her proposal(s), the Chairman will call for public comment on the proposal(s) presented, followed by questions from Committee members. NOTE: Chairwoman Wilmer will call for breaks and lunch at appropriate times.

***Office of the Secretary of State: Honorable Brad Johnson, Secretary of State, and staff***

- SOS #1:** Revise statutes to require post-election audits to serve counties and to protect and enhance the security and integrity of elections.
- SOS #2:** Revise statutes to better coordinate deadlines for candidate filings between the Commissioner of Political Practices and the Secretary of State.
- SOS #3:** Statutorily revise or implement a fee structure for and allow for the online delivery of services for the Administrative Rules of Montana to accommodate traffic on a new online system.
- SOS #4:** Statutorily enable enhanced public information and efficiency by directing individuals to SOS website information for the board and commission appointments instead of publishing printed notice through the Administrative Rules Unit of the Secretary of State's office.
- SOS #5:** Revise and update notary laws to: allow for electronic notarization, notary training, and notary journals; clarify the type of seal that can be used; clarify residency, bonding, and insurance document modification and training requirements.
- SOS #6:** The Secretary of State's office is implementing major electronic filing and retention procedures that will streamline electronic records retention, filing, accounting and retention processes in the Secretary of States office. This proposal is a place holder for any statutory modifications that may need to occur to implement that system.
- SOS #7:** Implement the standards and requirements essential for compliance and process improvements for e-records information management.

**Commissioner of Political Practices: Commissioner Dennis Unsworth and CoPP staff**

~~CoPP #1: Require mandatory e-filing of required political reporting with a simple, opt-out system; eliminate the requirement for concurrent filing of reports with county election administrators in order to ease this burden on local government. (Withdrawn.)~~

~~CoPP #2: Require disclosure of late campaign expenditures by independent committees in order to help voters discern the source of new information that comes late in campaigns.~~

~~CoPP #3: Add 24 hours between the candidate certification deadlines to allow CPP staff to check for errors and allow SOS time to review the certifications, prepare the necessary documents, and provide notice to county elections administrators. (Withdrawn.)~~

~~CoPP #4: Expand the definition of "lobbying" to include the act of lobbying the governor to sign or veto legislation because the act is so closely related to the legislative process that it is appropriate to extend lobbying reporting requirements and related regulatory authority to this type of lobbying activity.~~

~~CoPP #5: Clarify that ethics complaints and related documents submitted to the CPP are public records except in cases where the demand of individual privacy clearly exceeds the merits of public disclosure.~~

~~CoPP #6: Specifically state that in case of disobedience of a subpoena issued by the CPP, the Commissioner may apply to the district court for an order to compel compliance with the subpoena.~~

~~CoPP #7: Require itemization of sub-vendor details for campaign consultant expenditures to enhance consistency with other aspects of campaign reporting law.~~

~~CoPP #8: Clarify and authorize use of wire transfers for campaign finance while defining and requiring full disclosure consistent with other aspects of the campaign disclosure laws and rules.~~

**Department of Administration: Janet Kelly, Director, and D of A staff**

~~DOA #1: Establish a methodology to address the deferred maintenance backlog for state buildings. (SB 79 from 2007.)~~

~~DOA #2: Allow state-operated, 24 hour care and custody facilities to hire intermittent, on-call workers to mitigate chronic staff shortages. (Withdrawn)~~

~~DOA #3: Authorize the DOA to determine the workers' compensation policy structure for all state-agency policyholders to increase overall efficiency and help lower costs for all state-agency policyholders.~~

~~DOA #4: Amend statutory computer security breach notification requirements to include state government (30-14-1704, MCA). This breach requirement applies to any disclosure of names and social security numbers to an unauthorized person. State agencies would be required to notify all affected citizens of a breach. Local governments aren't included in the proposal. (SB 33 from 2007.)~~

~~DOA #5: Amend Workers' Compensation Act to require an injury claim to be filed only when the injury results in a medical assessment or treatment by a licensed provider. This proposal excludes occupational disease or death claims.~~

~~DOA #6: Revise the Mortgage Broker and Loan Originator Licensing Act, (32-9-101, MCA) in response to the national mortgage crisis to establish that material omissions or misstatements on applications are grounds for license denial or revocation; include a general fitness and character provision to qualify for licensure; amend fees for examination (currently set at \$300) to be "actual cost"; and clarify that only wholly-owned subsidiaries of financial institutions are exempt from licensure. The bill will also authorize the department to participate in the National Mortgage Licensing System, contingent on passage of federal legislation. (Withdrawn)~~

~~DOA #7: Revise the Residential Mortgage Lender Licensing Act (32-10-101, MCA) in response to the national mortgage crisis to require individual loan originator licensing, pre-licensing education and testing, criminal and civil background checks, and continuing education to conform to federal legislation. The bill will also provide authority to the department to participate in the National Mortgage Licensing System, contingent upon passage of federal legislation.~~

***Department of Administration (continued): Janet Kelly, Director, and D of A staff***

**DOA #8:** Amend 39-71-604, MCA, to authorize DOA access to State Fund injury and medical information related to injured state workers.

**DOA #9:** Amend 10-4-301, MCA, to eliminate deposit of stranded 9-1-1 program revenue in the state general fund and redirect 3.74 percent of the revenue proceeds from the general fund to the 9-1-1 state special revenue fund. This change would ensure that Montana jurisdictions are eligible for federal 9-1-1 grant programs.

~~**DOA #10:** Revise the Title Loan Act (31-1-810, MCA) and the Deferred Deposit Loan Act (31-1-711, MCA) to allow Banking and Financial Institutions Division (BFID) to charge actual cost for examinations of title and deferred deposit lenders. Current law sets the examination fee at \$300 per day per examiner. (Withdrawn)~~

**DOA #11:** Amend 39-71-403, MCA, to require the State Fund to actuarially determine and project premiums to allow state agencies to accurately budget and manage their workers' compensation costs.

**DOA #12:** Amend 9-1-1 statutes to revise the distribution of funds in the wireless 9-1-1 account (10-4-313, MCA) to ensure that no public safety answering point (PSAP) receives less than the 1% minimum distribution identified in other 9-1-1 statutes, and provide the Department of Administration authority to collect program information from PSAPs and expand management reporting.

**DOA #13:** Extend the Bond Validating Act (17-5-205, MCA,) to cover bonds issued since the last legislative session.

**DOA #14:** Revise the Montana Unified Volume Cap Bond Allocation Plan Act (17-5-1301, MCA, et. seq.) to change the set-aside allocation percentages and clarify the Governor's authority to approve or disapprove allocations after the set-aside date expires.

**DOA #15:** Provide to the Board of County Printing rulemaking authority and authorize the Board to "adopt and publish" the maximum rates and printing standards as an administrative rule(s).

**DOA #16:** Remove from state law the social security contribution account and related references because, under current federal guidelines, social security contributions are remitted directly to the US government instead of passing through the state contribution account.

**DOA #17:** This is a place holder request in case the Capitol Complex Advisory Council makes a recommendation to the Legislature regarding the addition, revision, or removal of various art or memorials on the Capitol Complex.

**DOA #18:** Repeal 2-15-1027, MCA, to eliminate the Montana Consensus Council.

***Montana Public Employees' Retirement Administration and Public Employees Retirement Board: Roxanne Minnehan, MPERA Ex. Dir., and MPERA staff***

**MPERA #1:** Update retirement statutes to reflect changes in applicable retirement and tax laws required to ensure a favorable determination letter and to ensure qualification of our plans as required by Montana statute.

**MPERA #2:** Require employer contributions on working retirees in the systems that currently allow working retirees – PERS, JRS, SRS, FURS.

**MPERA #3:** A general revisions bill to amend relevant statutes to reflect PERB and court decisions interpreting state and federal law and eliminate out-dated provisions, replace archaic terminology, and generally clarify statutes.

***Office of Budget and Program Planning, David Ewer, Director, and OBPP staff***

**OBPP #1:** Eliminate the automatic trigger that decreases the employer contribution for the Public Employees' Retirement System and the Sheriff's Retirement System.

**Teachers' Retirement System and Teachers Retirement Board: David Senn, TRS Ex. Dir., and TRS staff**

**TRS #1:** Revise Montana statutes to comply with federal regulation changes included in the Pension Protection Act of 2006 that are required to maintain a qualified plan, including the requirement to define normal retirement age, and to clarify statutes for administrative purposes related to membership for teachers and administrators of community colleges, family law orders, optional retirement allowances, and monthly benefit payments.

**TRS #2:** Revise Montana statutes to address the funding concerns surrounding certain "return to work" issues and address the issue of TRS members terminating just a few days prior to the end of their contract.

**Department of Military Affairs: Maj. Gen. Randy Mosley, Adjutant General, and DMA staff**

**DMA #1:** The proposal would protect military members by: (1) precluding a court, except under certain circumstances, from: (a) considering military service as a detriment when determining the best interest of the child; and (b) permanently modifying custody due to a parent's military service orders; and (2) allowing a court to: (a) expedite custody and visitation hearings; and (b) transfer a parent's visitation to a family member.

**DMA #2:** This proposal would change the statutory language limitation regarding pay for military from "... upon the general fund of the state" to "...on appropriated funds", which change would allow state active duty for firefighting to be paid from the state special revenue fund established last session or from federal grant funds, if available.

**DMA #3:** This proposal would ensure that Montana can adopt, as state law, those military-related federal laws and regulations that have changed in the past 2 year, including changes to the Uniform Code of Military Justice.

**DMA #4:** This proposal would require that proceeds from the sale of an armory be deposited into an account in the state special revenue fund to the credit of the Department of Military Affairs, with interest on the account being transferred to the state general fund. The funds in the account in the state special revenue fund would be statutorily appropriated to be used for the preparation to purchase or the purchase of land necessary to meet the Montana National Guard mission requirements.

- 3:00 Administrative Rule matters -- David Niss, LSD staff attorney  
Discussion of advisability of amending 2-4-305, MCA, to specify when a statement of reasonable necessity may be amended.
- 3:15 Public comment on any subject within the Committee's purview
- 3:45 Other Committee business
- September 15 meeting?
  - Member issues
    - Proposal for legislation: Rep. MacLaren: The proposal is to transition out of the PERS DB plan, i.e., freeze membership, and into the PERS DC plan only. All newly-hired, PERS-eligible employees would become members of the PERS DC plan after a certain date. Current PERS DB plan members and retirees would continue as PERS DB plan members and retirees, respectively.
  - Instructions to staff
  - Other
- 4:00 Adjourn