



## State Administration and Veterans' Affairs Interim Committee

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### 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