

RECESS

November 5, 1981

LR 7

PRESIDENT: The Legislature will come back into session and register your presence, please. Okay, record the presence, Mr. Clerk.

CLERK: There is a quorum present, Mr. President.

PRESIDENT: Do you have anything that needs to be read in?

CLERK: One item, Mr. President, if I may. A new resolution, LR 7, offered by Senators Wiitala, Labedz, Higgins, Landis, Kahle, Dworak, Wesely, Burrows, Rumery, Hoagland, Fowler, Sieck and Kilgarin. (Read LR 7 as found on page 103 of the Legislative Journal.) Mr. President, that will be laid over.

PRESIDENT: All right. The Chair will recognize Speaker Marvel for a report on what has occurred during our recess and what procedures will be followed. All right, Speaker Marvel, go ahead.

SPEAKER MARVEL: Mr. President, there has been a considerable amount of research done on the problem that we talked about this afternoon so to begin the discussion I suggest that you recognize Senator Beutler.

PRESIDENT: All right, Senator Beutler, for purpose of a report.

SENATOR BEUTLER: Mr. Speaker and members of the Legislature, let me try to review briefly so that you are clear in your own minds as we go along here, let me review that we have basically two problems that we are talking about. We have two different Attorney General opinions that we are going to try to deal with. The first opinion has to do with the benefits portion, the payment of benefits out of state funds, the switch in funding. We have got an opinion that says that that is beyond the call because we are doing something that is not required by state law and in the call it says that we have to deal with it, with the changes required by state law. That is the first problem, whether that Attorney General opinion is valid or not and whether we need to make any changes. Okay, over here on the other side we have Senator Schmit's problem, also an Attorney General's opinion issue. That has to do with the penalty payment required by the federal government and we have the Attorney General's opinion which says that that payment may well be in violation of our state Constitution. Okay? Set Senator Schmit's problem aside for a moment and let's go back to the first problem, the problem of whether switching over the benefits to payment by state out of state funds is, in fact, in violation of the call as being beyond the requirements of federal law. That is what the Attorney General's opinion has said. Now, what