

MINUTES OF THE MEETING
APPROPRIATIONS COMMITTEE
50TH LEGISLATIVE SESSION

The meeting of the Appropriations Committee was called to order by Chairman Rep. Gene Donaldson on March 3, 1987, at 1:00 p.m. in Room 104 of the State Capitol.

ROLL CALL: All members were present at the meeting with Reps. Winslow, Menahan, Menke, Miller, Nathe and Spaeth arriving late. Also in attendance were Judy Rippingale, LFA and Denise Thompson, Secretary.

HB 578:

Rep. Swift moved to TABLE HB 578 as requested by the sponsor in subcommittee. Rep. Quilici called the question. The motion CARRIED unanimously.

SB 253: (36:A:2.02) Sen. Himsl, district 3 presented his bill which was introduced at the request of the Legislative Finance Committee. There has been a growing concern over the increasing number of earmarked revenues, and last year senior analyst, Jim Haubein, made a comprehensive study of the problem and discovered that over 50 percent of Montana's tax and license revenues are earmarked. This bill will not demark any funds, but would keep the issue in focus with a period review and in due time, may bring corrective action.

The bill would have the Department of Administration examine all state and other special revenue accounts and proprietary accounts to determine if unobligated balances could be transferred to the general fund, whether the accountings should be continued or modified and to report the findings and recommendations to the Legislative Finance Committee not later than June first of the year preceding a regular session of the legislature.

There were no other proponents or opponents.

QUESTIONS: (36:A:5:03)

Chairman Donaldson asked if this would be a continual program. Sen. Himsl stated that there would be biennial reports by the Department of Administration to the Legislative Finance Committee every other year. This would be an ongoing program.

Sen. Hims1 closed on the bill by pointing out the figure that is significant. In 1985, the special revenue, state and federal amounts that they had to work the budget was \$762,752,000; the general fund was \$319,734,000. In 1986 the special revenue, federal and state amounted to \$748,582,000; the general fund was \$274,378,000.

EXECUTIVE ACTION:

(36:A:9.25) Rep. Bardanouve moved to concur in SB 253. Rep. Thoft asked if included accounts in the university system. Sen. Hims1 said no. Rep. Quilici called the question. The motion CARRIED unanimously. Rep. Peck offered to carry the bill in the House.

HB 460:

Rep. Keenan presented her bill on raising the fees on divorces to \$100.

1. \$25 goes to the district court
2. \$35 goes to Big Brothers and Sisters
3. \$25 of the remaining \$40 is the base.
4. \$15 is new dollars for displaced homemakers

She stated there was some discussion in the subcommittee of deleting the \$25 to the district for the judge's retirement.

PROPONENTS:

Ms. Judy Carlson representing the Big Brothers and Sisters Program stated she has been tracking this bill and was here to support Rep. Keenan and supports the bill.

Rep. Kelly Addy also spoke in support of the bill.

(36:A:17.01) Rep. Bardanouve objected to putting the \$25 into the county general fund stating he felt it would not be spent for the purpose intended. Rep. Addy pointed out that the \$25 has always gone to the judges retirement program and that the bill has not changed that.

Rep. Nathe asked if there was anywhere in the statute where it identifies displaced homemakers. Rep. Winslow said there is a definition somewhere in statute.

Rep. Spaeth asked why we are increasing the funding for the existing programs. Rep. Keenan stated that not all of the programs for displaced homemakers programs have means of state money. Eight of the 12 receive state monies and the other don't. The \$15 may help the other three programs.

Rep. Quilici stated this could help the public assistance enrollees by training these people and placing them out in the working world.

Rep. Peck was concerned regarding page 3 line 20, how would they know the \$25 goes to the judges retirement. Ms. Rippingale was asked to check out this language and the possibility of making some change in regard to that and report back to the committee tomorrow.

There was no action on the bill.

HB 523:

Rep. Rehberg reported the subcommittee recommended a do pass on the HB 523. This bill is a one time check off for the year 1987 in the veterans field groups to help maintain the veteran's cemetery.

EXECUTIVE ACTION:

Rep. Rehberg moved to DO PASS HB 523. Rep. Quilici called the question. The motion CARRIED unanimously.

HB 217: (36:B:001)

Rep. Kelly Addy, HD #94 in Billings stated that this bill would provide in-home services.

PROPONENTS:

Judy Carlson representing the Montana Senior Citizens Association spoke in favor of the bill.

Mr. Joe Upshaw representing the American Association of Retired Persons stated this was their number one priority and has been for some time. They are behind this and the good things it can accomplish.

Elmer Hausken, American Association of Retired Persons also stated that they were in favor of the bill.

Wayne Vulkason representing the Low Income Senior Citizen Advocates stated that from their organization's standpoint this is of highest priority.

Bob Bartholomew of the Department of Social and Rehabilitation Services was present for questions. He provided the committee with information previously handed out to the subcommittee (Exhibits 1 & 2).

Rep. Quilici asked if there were any federal funds in SRS that could help pay these fees. Mr. Bartholomew replied yes, Title III B service funds.

Mr. Bartholomew also remarked there are more people using this now. Rep. Quilici asked, if this were not approved, what is the alternative to that. Mr. Bartholomew stated lone term nursing care, nursing homes etc.

Rep. Menahan stated it would save money.

In closing Rep. Addy referred to a statement from Agnes Crow who runs a senior helping hands program in Billings (Exhibit 3) which urges the committee's support of the bill. This program allows the elderly to remain in their homes longer and also allows them to retain their dignity.

No action will be taken until after the 16th.

HB 787:

Rep. Addy described the bill saying this was for the MBA program at Eastern. Rep. Nathe stated the bill passed the subcommittee unanimously. Rep. Addy stated that the bill would help to install an uplink or transmitter to a satellite at the University of Montana and put the faculty on TV and with a dish at Eastern, they would take the program off of the satellite and have audio and visual for the class on the issue at the Montana College Campus. They would communicate back to the classroom either with the telephone or with the state microwave system. It is a very exciting program and the potential for this program is not simply limited to the MBA program at Eastern but it is one of the most practical and immediate applications that they can make of it. Hopefully the program would be on line and the classes would be offered at the Eastern Montana College Campus in the winter of 1988, a year from now.

PROPOSERS:

Mr. Carroll Krause, Commissioner of Higher Education, remarked last biennium this was funded at approximately \$250,000 in a different way. They feel it has a lot of potential. If they are successful they will be able to beam the signal other sites as well. This would be an excellent opportunity to use telecommunications for instructional delivery in the state; they support the bill.

Kelly Holmes, Montana College Coalition also supported the bill. The extension of this MBA to Eastern is a positive Step. It will allow more students and businessmen the opportunity to further their education. An MBA Program at Eastern would serve the College in establishing their

reputation as the excellent business school. Ms. Holmes provided written testimony to the committee (Exhibit 5).

Mr. Matthew Thiel representing the associated students at the University of Montana also stated support for the bill.

(36:B:18.50) Larry Gianchetta, Dean of the School of Business at the University of Montana remarked that they are the only university in the state to give graduate education in business and one of those is the MBA. They share the support of the program. He had concern regarding this being a new program which should not begin and then end in two years but if started it would have to be an ongoing thing. He also stated that this is in the very formative stages and the \$163,000 a year is a lot of money. There is no doubt that they can get a program in place and get it going by next winter quarter. There does need to be some kind of commitment beyond just the start up costs.

Ken Heikes, Administrative Vice President of Eastern Montana College said Eastern is excited about this program and there was a documented study that the need for this program is there. They support the bill.

QUESTIONS:

Chairman Donaldson questioned how tuition is handled and is the possibility of a super-tuition such as there is in the School of Architecture being considered. Mr. Krause replied it has not been discussed but they would charge the regular graduate tuition that the MBA has. He went on to say they may have to increase tuition to continue the program, but he felt once the program is established, they would be able to keep it running.

Rep. Peck asked what the \$163,000 would be used for. Mr. Krause replied that some would be used for equipment, but primarily for operation for the first year of the program and the faculty that would be needed. Mr. Krause stated it is a one-time appropriation.

Mr. Gianchetta said the library would have to be updated at Eastern for a cost of \$60-70,000, or at any other place in the state this may be set up.

Rep. Miller questioned as to the cost per credit hour for Malmstrom. Mr. Krause answered \$78 per credit hour, because of the government contract. Rep. Miller asked what it would be at the program at Eastern and Mr. Krause replied \$35 on campus.

Rep. Addy closed by saying this is a public, private partnership effort. Montana Power Company is very interested in providing a telecommunications network for the state of Montana. Mountain Bell is helping with purchase of dishes at locations that might want to pick up this signal. Eagle Communications is helping out by getting the whole system set up. Wardock Trust out of Portland has shown interest in providing another substantial grant to the University of Montana to train their business professors to be TV stars so they understand the medium they are using. It is focused on evening students, place bound students, and is a real way to make programs available to everybody in the state.

The hearing was closed and no action was taken.

ADJOURNMENT:

Chairman Donaldson reviewed the tentative schedule for next week when the budget bill would be heard stating the subcommittee will be reporting to the full appropriations committee at 8:00 a.m. and then executive action would be taken in the evening after session.

There being no further business before the committee, the meeting was adjourned at 2:14 p.m.



Rep. Gene Donaldson, Chairman

DAILY ROLL CALL

APPROPRIATIONS

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 3-3-87

NAME	PRESENT	ABSENT	EXCUSED
DONALDSON, GENE Chairman	✓		
THOFT, REP. BOB Vice Chair	✓		
WINSLOW, REP. CAL	✓	late	
BARDANOUE, FRANCIS	✓		
BRADLEY, DOROTHY	✓		
CONNELLY, MARY ELLEN	✓		
DEVLIN, GERRY	✓		
IVERSON, DENNIS	✓		
MANUEL, REX	✓		
MENAHAN, RED	✓	late	
MENKE, LARRY	✓	late	
MILLER, RON	✓	late	
NATHE, DENNIS	✓	late	
PECK, RAY	✓		
POULSEN, HAROLD	✓		
QUILICI, JOE	✓		
REHBERG, DENNIS	✓		
SPAETH, GARY	✓	late	
SWIFT, BERNIE	✓		
SWITZER, DEAN	✓		

Senate Bill # 253

Senator Hmsl

Review of Special Revenue Funds

Senate bill # 253 comes before you at the request of the Legislative Finance Committee. There has been a growing concern over the increasing number of earmarked revenues and last year Senior Analyst Jim Haubein made an impressive comprehensive study of the problem and discovered that over 50% of Montana's tax and license revenues are earmarked.

A 1984 study reported Montana at 61%, was the third highest in the nation, only Alabama and Wyoming were higher; the NATIONAL average was 24 %.

As of June 30, 1986, there were 212 state special revenue accounts with a fund balance of \$154.1 million and total receipts of \$449. million.

The state constitution earmarks revenues for highway programs, public schools and universities, livestock inspection and animal control, animal health programs, and operation of the Consumer Counsel. All other earmarked revenues are made by statute!

Despite the discovery and identification of these earmarked funds and their recognized position in the appropriation process, efforts to de-earmark have met with understandably strong special interest objection. This bill will not de-earmark any funds but would keep the issue in focus with a periodic review and in due time may bring corrective action.

One of these days the budget crunch will be so severe it will force a re-examination of the dedication of these accounts.

(more)

Senate Bill #253 would have the Department of Administration examine all state and other special revenue accounts and proprietary accounts to determine if the unobligated balances could be transferred to the general fund, whether such accounts should continue or be modified to provide better program operation whether the fund is self-sufficient and to report findings and recommendations to the Legislative Finance Committee not later than June 1st of the year preceding a regular session of the legislature.

I don't know how meaningful this report will be but I understand it won't be costly and it will keep the issue in focus. We may wish we had all that information next June and July.

I ask for your support for Senate Bill #253.

1985 - Sp. Rev. Fed & State \$ 762,752,000
General Fund 319,734,000

1986 - Sp. Rev. Fed & State - \$ 748,582,000
General Fund 374,378,000

DEPARTMENT OF
SOCIAL AND REHABILITATION SERVICES

DATE 1/27/87

HB



TED SCHWINDEN, GOVERNOR

P.O. BOX 4210

STATE OF MONTANA

HELENA, MONTANA 59604

January 27, 1987

TO: Interested Persons

FROM: Robert Bartholomew, Supervisor *Bob*
State Unit on Aging

RE: In-Home Services SFY86

The following is a summary of services provided to Montana's elderly in State Fiscal Year 1986, from In-Home Services funding:

POPULATION SERVED - The "at risk" elderly population.

Those elderly that met some or all of the following characteristics:

- (a) Advanced Age (75 and older)
- (b) Living Alone
- (c) Lacking Transportation
- (d) Moderate to Low-Income
- (e) One or more chronic diseases that cause some limitation in the performance of daily living activities

DESCRIPTION OF PROBLEM

Why there is a need for services in Montana:

- (a) An ever increasing aging population
- (b) The elderly have a moderate to low fixed income
- (c) Dramatic increases and need for health care
- (d) Increased need for home care due to early hospital discharges (DGR's)
- (e) Decrease in the availability of informal support groups for care (children, friends, or family members living farther away)
- (f) Reduction in home attendant staff at the County level
- (g) Rapid increases in basic living expenses such as property taxes, utilities, and telephone service
- (h) Availability of services in rural communities

SERVICES PROVIDED

The In-Home Services funding for SFY'86 (\$282,000) provided the following services to 8,037 older persons: Homemaker, home-chore, personal care, medical alert, environmental modification of homes, (ramps, grab-bars, etc.) home-health services (when not a duplication of existing services), and transportation services (medically related).

There were 53,697 units of in-home services provided in 1986, with the average recipient receiving 6.7 units of service at an average cost of \$5.25 or a total of \$35.25 per recipient. Homemaker, home-health and nursing services comprised the majority of the units provided.

SURVEY OF SERVICES

During the summary of FY1986, the State Unit on Aging surveyed their contractors to estimate the number of clients whom are at risk of institutionalization without access to these in-home services. Six (6) of the eleven (11) Area Agencies on Aging estimated that twenty-five (25) percent of their in-home service clients were at risk of institutionalization without access to these in-home services. This estimation compares favorably with a study done by Mr. Robert Harootyan in 1985 for the U.S. Congress. His study mandates nationally that twenty (20) percent of persons over the age of 65 are at risk. There are approximately 120,000 older Montanans. If twenty (20) percent of these persons were, therefore, considered at risk, nearly 24,000 older Montanans could potentially need in-home services to reduce the risk of institutionalization. Given the cost of institutionalization, the provision of in-home services makes good economic sense.

RB:dh

DEPARTMENT OF SOCIAL & REHABILITATION SERVICES
STATE UNIT ON AGING
IN-HOME SERVICES

	<u>Funding Level</u>	<u>Total Units of Service</u>	<u># Elderly Served</u>	<u>Unduplicated Elderly</u> ⁽¹⁾
SFY86	\$282,000	53,697	8,037	4,018
SFY87	\$286,000	57,200 ⁽²⁾	8,171 ⁽²⁾	4,085 ⁽²⁾
SFY88	\$316,000	63,200 ⁽²⁾	9,000 ⁽²⁾	4,500 ⁽²⁾
SFY89	\$316,000	63,200 ⁽²⁾	9,000 ⁽²⁾	4,500 ⁽²⁾
<u>HB217 (Additional Funding/Services)</u>				
SFY88	\$250,000	47,000 ⁽²⁾	7,000 ⁽²⁾	3,500 ⁽²⁾
SFY89	\$250,000	47,000 ⁽²⁾	7,000 ⁽²⁾	3,500 ⁽²⁾

(1) Some elderly served may receive various services, for example, both transportation and home chore. A conservative estimate based upon SYF86 clients, two services for each elder to determine the unduplicated count.

(2) Conservative estimate based upon units of service, # elderly served (duplicated & unduplicated count) in SFY86. Could vary depending upon specific services provided at the local level.



Senior Helping Hands Program

1931 Catman Lane
Billings, Montana 59101
Phone 259-5111

11/5/81

My name is Agnes Crow from Billings, I am the Director of the Senior Helping Hands Program that is currently providing services to the frail elderly with State In Home Funding in , Carbon, Stillwater Golden Valley and Yellowstone Counties. I am here to urge you to pass H. B. 217 a very cost effective use of our Tax Dollars. This fund helps the fastest growing segment of our population the elderly over 75.

I would like to tell you of a client Mrs. Smith a client that does receive the services Mrs Smith is 85 she is nearly blind ,has severe crippling arthritis, has a heart problem, is a widow, and has no children or other family in the State . Because of her vision she no longer can drive. We help this lady with her Light house cleaning , her laundry, change her bed linens, aide her with her correspondence and take her for groceries and medications. this averages Two(2) hours a week. We also make sure she gets help with her small yard and with the snow when needed.

Mrs Smith is only one of the 306 different elderly we have served since the 1st of July , 1980 . these clients are in Bridger, Joliet, Red Lodge, Custer, Columbus, Absaroka Laurel and Billings. In this 7 month period this service has cost the tax payers \$21,348 or \$5.68 an hour . If only 25% of these elderly ^{who are nursing homes} (71) it would cost the tax payers average \$51.00 a day per person or for the 7 months for the 71 clients the cost would be \$827,670 .00 of tax payers dollars. These are the reasons I am urging you to pass H. B. 217 .

The last thought I would like to leave you with is remember that these elderly built our state and the aide to help them stay independent in their own homes is a small thing to do for them.

This In Home service also provides employment in the State.

Baltimore, Md.
Nov 7-86

Dear Mrs Brown

I thought your religious study program I have had. I enjoyed it. I like it and I like to see it flourish.

I told my two girls, Rebecca and Theresa, that I had seen a very helpful, additional and positive people. I would not have felt along some with out them. Thank you very much.

Sincerely,
Laurie F. Brown

Nov 14 - '37

I have had the program for some time now. I have had it for some time now. I have had it for some time now.

I have had the program for some time now. I have had it for some time now. I have had it for some time now.

I have had the program for some time now. I have had it for some time now. I have had it for some time now.

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I have had the program for some time now. I have had it for some time now. I have had it for some time now.

I have had the program for some time now. I have had it for some time now. I have had it for some time now.

Feb. 10, 1980

Senior Helping Hand Program

To whom it may concern
I am writing to comment on

Senior Helping Hand Program
the service we have been receiving
on our home.

My husband, who is a paraplegic
and a stroke patient, requires special
care. The help is well trained.

It is a comfort to know that I can depend
on these people from the program
whenever I have to leave the house for
medical appointments.

It is great to have this
kind of help available to transport me to
do the necessary shopping, such as grocery
shopping.

This Program certainly has
made our lives more at ease.

Very grateful

Mrs. M. L. [unclear]

842 Central

Bridgeport 59102

Mrs. Agnes Brown -
1131 Calhoun
Billings, MT.

Dear Mrs. Crow:

I've seen an F.H. that you
are having trouble with. The
organization going that has helped
me so much these last few years.

It would be such a great loss
to me to lose the help I get from
your organization & Jim. I hope
there are many more like me.

With the help you send me
I can stay in my apartment at
833 Ave D but without that help
I don't know what I'll do.

I hope things improve & I can
continue to get this help & stay here.

Sincerely,

Margaret Scott

833 Ave D - #113

To whom it may concern:

I have worked for Senior Helping Hands for five years. I help the elderly with their personal care, in and out of bath tub, bed bath, shampoo - set, shave and many other seemingly small tasks that are impossible for them to do. This service is very important to these people. It enables them to remain in their home, and very importantly remain clean. Many of these elderly cannot get in or out of the bath tub alone. With me there to assist them, they have no fear of falling and breaking a bone or other serious injuries. Without this type of service many of my elderly people would be forced into a nursing home. They would lose their independence and whatever savings they have managed to save. (Independence) is very important as I'm sure you can agree. I hope as you and I become aged the government will have the good insight to understand this and see these types of programs are kept going.

Sincerely, Sheila Seery
Home Health Aide
Billings Mont.

To whom it may concern:

I am an employee of the Senior Helping Hand Program. I see first hand the need for this service. Most of the people I help are in their 70's + 80's. I clean their kitchens because I can't clean their stoves, I do their dishes if needed, I clean their stoves and refrigerators. Some I do their laundry. Two of my ladies cannot see the dishes in the dishes or dryer, they also haven't the strength to turn the dial even if they could see. One lady is nearly blind and gets terrible headaches if she reads even very much. I can't say how blind she is but she cannot see the programs on it. I just listen to her for me. I know most of them are very independent and with our help can stay in their own homes in apartment. I can't say when they want to go out they want to and we will provide a car if they want

to go to a nursing home at Easter
home where independence is best
The program also gave me
a chance for employment. I
looked for work for two years
after the place I worked for
15 years closed because ~~the~~
Government funding was cut
I'm 60 yrs old and do my own.
It has given me the opportunity
to work and keep my own home
and I hope I have helped
the people I work with to do
in their home a little longer

Barbara J. Cook

Montana College Coalition

Date 3/3/87
HB 787

Kelly D. Holmes

**Northern
Montana
College**

**Eastern
Montana
College**

**Montana
Tech**

**Western
Montana
College**

March 3, 1987

Re: House Bill 787

Mr. Chairman, Members of the Committee:

I rise in support of House Bill 787.

The Business School at Eastern Montana College serves the community in a variety of ways. Management assistance to business and government is provided through courses, management development seminars, applied research projects, and consulting activities. Practical hands-on training for students in the program is provided by assignments to small business cases referred through the Small Business Administration. Results of faculty research on topics of regional interest are published as occasional papers.

Each program is designed to provide the student with the background to effectively participate in business, industry, government, education, and other organizations and institutions which require a high degree of management and administrative competence. The development of personnel for management and administrative positions is one of the major challenges facing our economy today.

The extension of this MBA to Eastern is a positive step. It will allow more students and businessmen the opportunity to further their education. An MBA Program at Eastern would serve the College in establishing their reputation as the excellent business school that it is already.

Eastern is greatly affected by the surrounding community of Billings. There is a large concentration of businessmen in the area, who work very closely with the school. It would only make sense that Montana's largest city would offer its community the chance to graduate with an MBA and lead the State towards more prosperity. Thank you.

