

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON INSTITUTIONS

Call to Order: By Rep. William Menahan, on February 8, 1989, at 9:30 a.m.

ROLL CALL

Members Present: Rep. William Menahan, Sen. Gary Aklestad, Sen. Ethel Harding, Sen. Esther Bengtson

Members Excused: Rep. Ed Grady and Rep. Mary Lou Peterson

Members Absent: None

Staff Present: Sandy Whitney, Associate Fiscal Analyst

Announcements/Discussion: HEARING - ARTS COUNCIL

Dave Nelson, Executive Director, Montana Arts Council, introduced Sue Talbot, Chair, Montana Arts Council, who gave a short presentation. The State of Montana, which has always been celebrated for its natural resources, recognized its precious human resources when it created the Arts Council, January 19, 1967, and charged the Agency with promoting and supporting the State's diverse arts, artists, and cultural organizations. Within the state the council programs such as Arts in the Communities and Schools, Governor's Arts Awards, First Book Awards, Montana Folklife Project have exposed Montanans to their artistic and cultural heritage. Their organizational grants and fellowships and technical assistance in networking have nourished both individual artists and artists in cultural organizations.

Outside the state the Council played key roles in establishing the Western States Arts Federation, in attracting out of state artists to Montana, and introducing Montana's world class artists to the nation and beyond.

Based on population, Montanans consistently win a disproportionately high percentage of NEA fellowships and grants. The Montana artists surpass those from other states in per capita representation in regional and national exhibitions. Montana's reputation on the national arts' scene far exceeds our size. The council serves as a model for other state arts agencies.

The Council's earliest commitment was to serve the people of Montana with programs and assistance that distribute arts and culture broadly. Every Montana community has received one or more council grant. It is as important to the council to serve small communities as it is to serve large. The unprecedented growth in Montana Arts activities over the past twenty-two years

testifies to the Council's impact on Montana's Cultural life.

TAPE 1A 52

Mr. Nelson gave his report stating they are not a facility and not an institution as such, but basically exist to serve the public and arts community. They handle approximately 550 applications in a year. They also do a lot of work assisting groups in being successful, such as technical assistance, how to do the business of art, and how to run an organization. Service is their key.

Mr. Nelson stated that they predicted some time ago that the money in Montana that is available for people to give charitably in large amounts has been going out of the state. The old family money was going to support things in the East because that was where the family originated. That has turned around now and there is considerable amount of private charitable money coming back into the state and doing things that are much needed.

The majority of the money came from the National Endowment of the Arts when they first started. Now the money appropriated by the states far surpasses what is appropriated at the Federal level. The original program was poetry in the schools. As the years went by they added visual arts, film and video, theatre and now they are getting into programs that impact some very strong aspects of Montana culture, such as the first Book Award. There is great respect for the writing talents in the state and this award was given to a writer who had talent and needed help in publishing his first book.

He mentioned the partnership concept - the partnership between government and the private sector. The National Endowment for the Arts is a funding source and so is the Western States Arts Federation, a cooperative grouping of fourteen western states. The Montana Institute of the Arts consists of 15 people appointed by the Governor. They send out bulletins to artists as soon as they have enough information about shows, competition, jobs, or anything else to their advantage.

TAPE 1A192

The Governor Arts Awards - most of these awards were given to patrons of the arts and this council started giving them to the artists. They feel very strongly the artist is core of all creativity. The role of the arts is a bipartisan acknowledgement and very important to them.

The Folklife Project is a key program for them and another one that is very difficult to get funding for. These programs are in every state in the west and those folklores identify the fact that cowboy poetry was almost a lost form. It is a very legitimate and important form of expression.

Individual Artist Fellowships program recognizes, rewards, and encourages professional artists in Montana who demonstrate excellence, creativity and artistic skills. The program accepts applications in all artistic disciplines and announces awards each July.

They have entered into an arrangement with the Yellowstone Art Center to store books. They will buy a large amount of copies of a publication to assure them that in five or six years from now, if somebody is looking for a Montana writer's book, they can direct them to that center and it will be available to them.

TAPE 1A 336

The Cultural Trust Administration was basically appointed in the Agency's development, and if there was any money from the Legislature, rather impressive things would happen. This is a legislative program they administer. A Trust is set up with coal tax money interest. That is the key to success going on in the state in cultural development.

There is a very strong Arts in Schools program doing much more in cooperation with the Office of Public Instruction. The education curriculum should be advanced due to the quality and availability of arts education.

Mr. Nelson stated they were asked by the Dept. of Commerce and offered some incredible space in downtown Tokyo for cultural interaction with the Japanese. What they accomplished was to interact with culture first and then talk business. They sent them world class artists and they were shown in very impressive galleries.

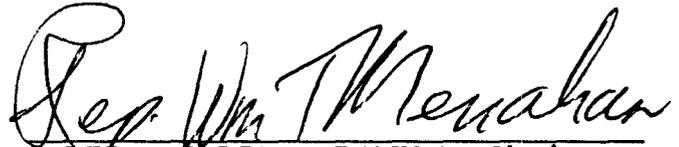
Mr. Nelson mentioned cultural tourism. It is an important concept in that, as communities wish to invite and host people in their community, they need to address the essence of what that community is about. The tourist is a very sophisticated individual now and wants to see the real thing. This means bringing together people like historical preservation, the arts community, and the folklife project.

TAPE 1A 369

He passed out a 1987-88 biennial report, an overview of the agency and student writings from the Artists in schools program.

ADJOURNMENT

Adjournment At: 10:00 a.m.


REP. WILLIAM MENAHAN, Chairman

WM/ms

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Call for Entries Local and Regional

Montana Arts Council Applications Available: Applications for the Artist in Schools Program, Individual Artist Fellowships and "An Artistic Discovery Program" for high school students will be available in January from the Montana Arts Council, New York Block, 48 North Last Chance Gulch, Helena, MT 59620, (406) 444-6430. Please see block announcements on this and following pages.

Juried Show: Montana Interpretations X, June 2-June 30 in Butte, Montana, commemorates the Montana Centennial. Open to all artists, all media. Jurists: Jessica Zemsky and Jack Hines. Entry fee \$15, 1-3 slides. 35% commission. Slide deadline is April 22. Up to \$2,000 in cash awards. For prospectus, send SASE to Kathy Jean Daniel, 1207 Platinum, Butte, MT 59701.

The Great Western Bowl Extravaganza — Nora Eccles Harrison Museum of Art: Open to artists working in Arizona, California, Colorado, Montana, New Mexico, Nevada, Oregon, Washington, Wyoming, or Utah. The Harrison Museum of Art is creating a collection of ceramic bowls for its permanent collection to show the breadth of expression possible within functional and material limits. Bowls must have a diameter of 8-inches or less. Selection from slides/photos. Details from the Harrison Museum of Art, Utah State University, Logan, UT 84322-4020, (801) 750-1412.

Call for Entries National

Photography Exhibition: Submit slides and photographs for one person exhibitions in 1989. Include 15-20 slides, return postage. Send to Exhibition Committee, Camera Club of New York, 853 Broadway, 2nd floor, New York, NY 10003.

AIDS Photography Exhibit: Submit slides for possible group exhibit in NYC. Topic is artist's response to AIDS crisis. Send slides, statement, resume, SASE to Tom McGovern, 58 Butler Street, Brooklyn NY 11231.

Artists in Schools/Communities Applications Available:

Application forms are available for the 1989-90 Montana Arts Council Artists in Schools/Communities Program. The program integrates working artists into the daily activities of schools and communities. Artists receive an honorarium which includes travel (at cost), per diem (average \$200 per week) and a stipend (\$350 per week for individual artists; \$500 per week for duos; negotiated for larger companies). In addition, visual artists receive \$50 per week and media artists receive \$150 for personal supplies. Long-term residencies carry yearly (10-month) honoraria of \$10,000 plus \$3,000 for personal supplies and are paid monthly. Artists working in all disciplines, who are at least 18 years of age, not a degree-seeking student at the time of application and who consider the pursuit of his/her art form a life direction are eligible to apply. **Deadline: March 1, 1989.** For more information contact: Julia Cook, Montana Arts Council, New York Block, 48 N. Last Chance Gulch, Helena, MT 59620, (406) 444-6430.

Photography Exhibits: Submit Slides for one person and group photography exhibits. Transportation and insurance provided. Work published in Contact Sheet. Send SASE to Jeffrey Hoone, Director Light Work, 316 Waverly Avenue, Syracuse, NY 13210 (315) 423-2450.

National Endowment for the Arts Fellowship Information for 1989/90: Design Arts, contact Wayne Linder (202) 682-5437, deadline March 9, 1990;

Expansion Arts, contact Lizzie Green (202) 682-5443, deadline February 15, 1989;

Folk Arts, contact Pat Sanders (202) 682-5443; deadline March 1, 1989;

Literature, contact Mary Lewis Bowen (202) 682-5451, deadline March 3, 1989;

Opera and Musical Theatre, contact Gertrude Saleh (202) 682-5447, deadline September 8, 1989;

Theater, contact Maureen Alston (202) 682-5425, deadline March 31, 1989;

Visual Arts, contact Silvio Lim (202) 682-5448: Crafts deadline March 15, 1990; Sculpture deadline February 15, 1990; Works on Paper deadline March 15, 1989; Photography deadline January 25, 1990.

To apply contact the appropriate discipline program to obtain an application and appropriate discipline guidelines.

Fiber Celebrated '89: U.S. artists; original works of fiber: wearables, fiber art, functional, wall hangings completed in past two years. Fee: \$20/up to three slides, non-refundable. Awards total \$1,700. For entry forms, contact Allison South, Intermountain Weavers Conference, Salt Lake Art Center, 20 S. West Temple, Salt Lake City, UT 84101.

International Competition: Pindar Gallery, June 20-July 8, 1989. Juror: Lisa Phillips, Assoc. Curator, Whitney Museum of Art. Slides due March 1, 1989. Send SASE for prospectus to Pindar Gallery, 127 Greene St., NY, NY 10012.

Call for Crafts Criticism: Surface Design Assn. offers a \$500 award for an appropriate essay which deals with the development of critical vocabulary in the field. Deadline is December 31, 1989. For more information, contact: Surface Design Journal, Box 20799, Oakland, CA 94620, (415) 652-0701.

Percent for Art in Public Places: Phase II/Moveable Collection. A new residence hall at Western Oregon State College, Monmouth, OR. A collection purchased from available two-dimensional works (all media) will be chosen for the first-floor lobby, the larger lounges and recreation areas on the 2nd, 3rd, and 4th floors, and the meeting room on the 1st floor. The

Exhibit 1

MONTANA STATE LIBRARY FACT SHEET

The Montana State Library, under the governance of the State Library Commission, has the overall responsibility for the development and improvement of library and information services statewide. The State Library carries out this charge through five major divisions.

LIBRARY DEVELOPMENT encompasses:

- consultation with libraries and citizens to initiate and improve library services
- administration of federal and state grants
- coordination and distribution of funding for six public library federations
- continuing education in librarianship
- meetings with library committees, groups and organizations
- long-range planning, goal setting and development of standards for public libraries
- a statewide library newsletter and other publications
- public library building projects

In 1988 Library Development conducted 164 consulting sessions and 27 continuing education workshops. Since 1983-84 LSCA Title II funds for public library construction, remodeling, improved handicapped access, or energy efficiency have been available. Funds have been distributed to twenty building projects in Montana.

LSCA IN MONTANA

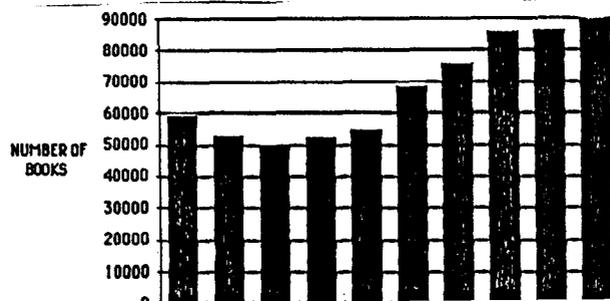
Year	Total Grant Award	State Library Services	Grants to Libraries	Public Library Construction
1983	\$440,909	\$376,445	\$ 64,464	0
1984	\$690,079	\$364,560	\$104,996	\$220,523
1985	\$673,787	\$359,560	\$148,571	\$165,656
1986	\$647,339	\$366,340	\$126,812	\$154,187
1987	\$680,372	\$419,148	\$106,334	\$154,890
1988	\$682,216	\$371,584	\$150,800	\$159,832

LIBRARY FOR THE BLIND AND PHYSICALLY HANDICAPPED includes:

- library service to 2,500+ eligible Montanans who cannot read standard print, providing tape or record players, braille and other special equipment and materials
- service to nursing homes, extended care centers, hospitals and other facilities
- audio recording of books and magazines about Montana or by Montana authors
- referral service for related information on technology, other services and equipment for blind and handicapped users
- personalized telephone and walk-in service to individual users state-run institutions

The Library for the Blind maintains a collection of approximately 147,300 Talking Books and 4,611 machines. In 1988, 59 volunteers, including 12 Montana State Prison inmates, contributed 8,359 hours, which is equivalent to \$73,011 of labor.

MSLBPH CIRCULATION



SERVICE TO STATE INSTITUTIONS includes:

- direct service to residents of mental health, correctional and other types of state-run institutions
- indirect service to residents in institutions via library outreach programs from public libraries
- in-service training for institutional librarians

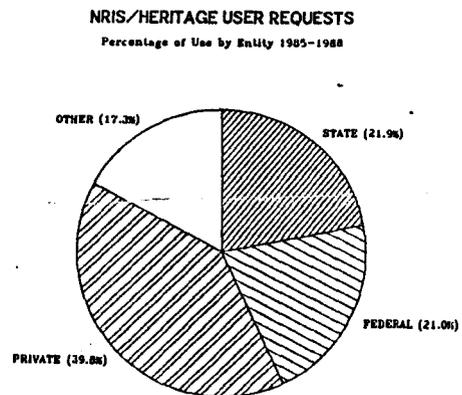
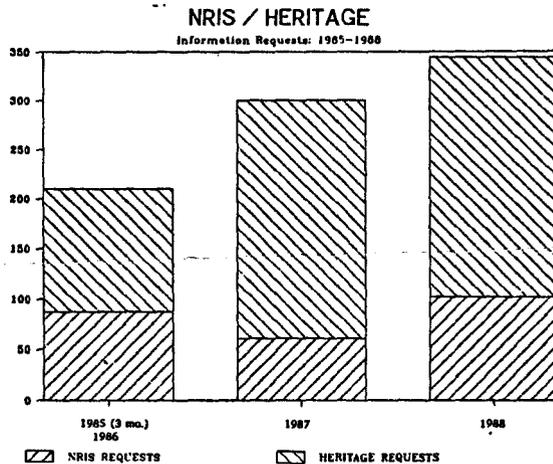
INFORMATION RESOURCES provides:

- back-up reference service for Montana's libraries
- telefacsimile and in-WATS networking with other libraries
- resources for the information needs of various state government agencies and officials
- state and federal documents depository systems whereby these documents are retained and distributed to sites around Montana
- the functioning library within the State Library building
- consultation on library technical matters with other state agency libraries, and with public libraries

The materials collection of the State Library includes 70,991 volumes in the general collection, 16,220 state publications, 188,846 federal publications, and 471 periodical titles. In 1988, Information Resources answered 14,330 requests for information, which resulted in total circulation of 12,246 volumes. The staff performed an average of 106 online database searches per month. The State Documents Depository Program distributed 11,282 volumes to eighteen depository libraries across the state.

NATURAL RESOURCE INFORMATION SYSTEM includes:

- provision of natural resource information to state and federal agencies, organizations, consultants and companies
- development of centralized information access to decentralized natural resource databases through indexes such as the Montana Water Information System and the Montana Natural Resources Index
- development of a statewide Geographic Information System (GIS) and coordination of data for GIS applications
- a computer-assisted inventory of rare or exemplary animals and plants in the state through the Montana Natural Heritage Program



AGENCY: MONTANA ARTS COUNCIL

LEGISLATIVE ACTION

PROGRAM: PROMOTION OF THE ARTS

BUDGET ITEM	FY 1988 Actual	FTE	Executive	Fiscal 1990 LFA Curr Lvl	Subcommittee	Executive	Fiscal 1991 LFA Curr Lvl	Subcommittee	FY 88-90 % Change
Personal Services	\$224,957	6.84	\$200,613	\$170,149	\$204,373	\$200,884	\$170,408	\$204,650	16.52%
Operating Expenses	212,372		191,093	173,043	205,122	177,606	159,843	192,319	-9.15%
Equipment	306		2,400	3,005	3,405	0	0	0	-3.41%
Non-Operating	565,754		155,582	155,581	168,041	155,582	155,581	166,709	1012.75%
TOTAL EXPENSES	\$1,003,389		\$549,688	\$501,778	\$580,941	\$534,072	\$485,832	\$563,678	-42.10%

FUNDING

General Fund	\$124,904		\$126,526	\$109,496	\$127,569	\$119,071	\$101,724	\$120,134	2.13%
State Special Rev	461,238		31,507	0	61,717	31,521	0	60,064	-86.62%
Federal Revenue	417,247		391,655	392,282	391,655	383,480	384,108	383,480	-6.13%
TOTAL FUNDING	\$1,003,389		\$549,688	\$501,778	\$580,941	\$534,072	\$485,832	\$563,678	-42.10%

Subcommittee action included vacancy savings added back to the executive personal services, and appropriation of the coal tax grants as recommended by the Long Range Building committee. The subcommittee approved the agency request for continuing authority for expending federal funds.

-- -- Modified Budget Request Approved -- --

	FY 1990	FY 1991
Legal Fees	\$1,200	\$1,200
General Fund	\$1,200	\$1,200

AGENCY: LIBRARY COMMISSION

LEGISLATIVE ACTION

PROGRAM: REFERENCE & INFORMATION SERV

BUDGET ITEM	FY 1988 Actual	Executive	Fiscal 1990 LFA Curr Lvl	Subcommittee	Executive	Fiscal 1991 LFA Curr Lvl	Subcommittee	FY 88-90 % Change
FTE	25.50	24.71	24.71	24.71	24.50	24.50	24.50	-3.10%
Personal Services	\$595,163	\$572,585	\$570,730	\$584,232	\$568,547	\$566,704	\$580,111	-1.84%
Operating Expenses	317,454	345,501	326,946	345,501	334,444	307,243	334,444	8.83%
Equipment	108,501	98,889	109,188	109,188	92,176	100,290	100,290	0.63%
Non-Operating	442,580	755,158	762,308	762,308	734,289	742,154	742,154	72.24%
TOTAL EXPENSES	\$1,463,698	\$1,772,133	\$1,769,172	\$1,801,229	\$1,729,456	\$1,716,391	\$1,756,999	23.06%
FUNDING								
General Fund	\$541,213	\$560,019	\$552,338	\$589,115	\$544,634	\$516,401	\$572,177	8.85%
State Special Rev	298,986	199,000	203,720	199,000	168,000	183,168	168,000	-33.44%
Federal Revenue	623,499	1,013,114	1,013,114	1,013,114	1,016,822	1,016,822	1,016,822	62.49%
TOTAL FUNDING	\$1,463,698	\$1,772,133	\$1,769,172	\$1,801,229	\$1,729,456	\$1,716,391	\$1,756,999	23.06%

Subcommittee action includes vacancy savings added back to the executive budget for personal services. The subcommittee approved the executive operating expenses, current level equipment, and executive coal tax estimates.

Exhibit 2

MONTANA STATE LIBRARY



TED SCHWINDEN, GOVERNOR

1515 E. 6TH AVENUE

STATE OF MONTANA

(406) 444-3115

HELENA, MONTANA 59620

MODIFIED REQUEST

SUBMITTED BY MONTANA STATE LIBRARY

NEW EQUIPMENT

Library Development
FY 90 - \$2,500

Printer that will enable the program to do more in-house preparation of newsletters and other publications.

Blind and Physically
Handicapped
FY 90 - \$3,400

Two p.c. workstations. The original automated plan was based on six workstations. These p.c.'s will bring the total to six.

FY 90 - \$1,400

OCR wand reader. Necessary to allow the workstation to read OCR labels.

Administration
FY 90 - \$3,500

One p.c. and printer for State Librarian.

Exhibit 3

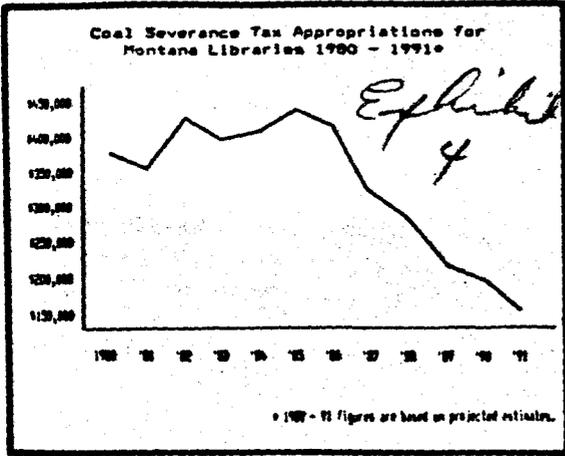
MONTANA STATE LIBRARY REQUEST
Funds Needed over LFA Current Level

<u>Personal Services</u>	<u>FY 90</u>	<u>FY 91</u>
(Changes occurred after budget submission)		
Position #28 was upgraded two grades - salary and benefits	\$2,155	\$2,155
Position #1 was filled at a Grade 20, Step 9 - budgeted at Grade 20, Step 2 - salary and benefits	6,379	6,379
Position #15 was filled at a Grade 14, Step 12 - budgeted at Grade 14, Step 6 - salary and benefits	<u>3,563</u>	<u>3,563</u>
TOTAL PERSONAL SERVICES	\$12,097	\$12,097
<u>Contracted Services</u>		
Networking (WLN/OCLC)	8,152	9,122
Braille contract	1,576	1,576
Legal fees to meet audit requirement	742	742
Architect to review LSCA blueprints	619	619
Additional printing - Trustee manual and more public information publications	<u>2,681</u>	<u>2,449</u>
TOTAL CONTRACTED SERVICES	\$13,770	\$14,508
<u>Supplies and Materials</u>		
READS - Data processing supplies	\$3,500	\$3,500
<u>Communications</u>		
Postage - Due to mailing for BPH we handle our own mail and have to absorb the full impact of the postage increase	\$1,500	\$1,000
<u>Education and Training</u>		
Training for institution librarians	<u>\$2,800</u>	<u>\$2,800</u>
TOTAL REQUEST	\$33,667	\$33,905

These increases will require funding from the General Fund.

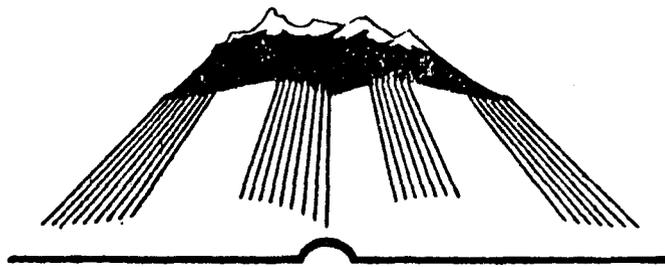
REVENUE: Montana State Library requests that the committee accept the CST estimate as submitted in the executive budget.

MSL/JW - 02/89



Coal Severance Taxes have provided books and vital information services to over 100 Montana communities.

Montana needs good libraries.



MONTANA
LIBRARY ASSOCIATION

Exhibit 5

TESTIMONY IN SUPPORT OF THE BUDGET OF THE MONTANA STATE LIBRARY

DEBORAH SCHLESINGER
LEGISLATIVE CHAIR
MONTANA LIBRARY ASSOCIATION

February 9, 1989

Mr. Chairman and Members of the Committees:

A long standing, non-refundable, prior commitment has kept me from testifying in person. Please accept this written testimony as evidence of the great interest and concern the Montana Library Association has in the Montana State Library budget.

The Montana State Library serves in a variety of functions and touches each library in the State. Two issues in the 90-91 budget will have great impact on local libraries and library federations.

The first is the amount of Coal Severance Tax monies available for Federations. This is a time when Federation Coal Severance Tax revenues are in serious decline, in part because of the rate reductions and in part because of the Highway allocation of 12%. Federations depend on Coal Severance Tax monies to operate. The monies, the only source of funds available to the six Federations, are used to buy books, provide interlibrary loan service and support staff. Each dollar taken from Federations results in a direct service cut to local library patrons across the state. We urge you to keep Coal Severance Tax monies flowing to the over 100 Montana communities it has helped in the past.

The second issue is the State Library's materials budget. Equipment at the State Library means books. Libraries have

TESTIMONY IN SUPPORT OF THE BUDGET OF THE MONTANA STATE LIBRARY

DEBORAH SCHLESINGER

February 9, 1989

Page Two

become very sophisticated in Montana about avoiding costly duplication of materials. We need the State Library to be able to collect, in depth, materials in the areas it has taken responsibility for in the past. The State Library collection is a valuable resource for all libraries in the state. Materials not available because of budget cuts will force patrons to do without. We know that the educational needs and the economic development needs of the state must be met by providing our patrons with the information they need, quickly and accurately. The State Library must have monies to buy books and magazines. We all depend on this resource. The members of the Montana Library Association strongly urge you to support funding the Montana State Library at the highest level possible.

MONTANA STATE LIBRARY

FUNDING

	----- 1990 -----		----- 1991 -----	
	<u>Exec.</u>	<u>LFA</u>	<u>Exec.</u>	<u>LFA</u>
General Fund	\$ 579,375	\$ 552,338	\$ 560,251	\$ 516,401
State Special	199,000	203,270	168,000	183,168
Federal	1,013,114	1,013,114	1,016,822	1,016,822

----- Funding Issues -----

The funding issue is being considered first because the decision made on the State Special revenue estimate has an impact on operations, grants, or both, depending upon whether the executive budget or current level is being considered. State Special revenue is coal severance tax allocated to the support of statewide library federations and networking. The funds are expended in operations for networking and for grants. The current level estimate is \$204,270 in fiscal 1990 and \$183,168 in fiscal 1991. These estimates are \$4,720 higher than the executive in fiscal 1990 and \$15,168 higher in fiscal 1991.

The options are as follows:

- Option A: Utilize executive budget estimates
- Option B: Utilize current level estimates

If option A is chosen, no adjustments will be required in the executive budget revenue. However, current level coal tax revenues must be decreased by \$4,720 in fiscal 1990 and \$15,168 in fiscal 1991. The current level general fund would then have to be increased by like amounts.

	<u>FY 1990</u>	<u>FY 1991</u>
Changes in Executive Coal Tax Estimate	\$ -0-	\$ -0-
Changes in Current Level Coal Tax Est.	(4,720)	(15,168)
Changes in Current Level General Fund	4,720	15,168

If Option B, the higher estimate, is chosen, revenues and expenditures in both the executive budget and current level must be adjusted.

The executive budget will require increases in coal tax revenues and either increases in grants or decreases in general fund. Option C would

allow those additional revenues to be used to offset general fund because the executive budget contains a higher amount of coal tax eligible expenditures than current level. This option would increase the coal tax support of administration beyond the \$69,084 expended in fiscal 1988. Option D would allow those increased revenues to be used to increase grants.

Executive Budget	<u>FY 1990</u>	<u>FY 1991</u>
Option C: Utilize additional revenue as an offset to general fund		
General Fund	\$(4,720)	\$(15,168)
State Special Revenue	4,270	15,168
Option D: Utilize additional revenue to increase grants		
Grants	4,270	15,168
State Special Revenue	4,720	15,168

Current level must also be adjusted if the higher revenue estimates are used so that general fund and grants increase like amounts. The reason for this is that current level utilizes the increased revenue estimate as an offset for general fund. In fact, there are not enough coal tax eligible expenditures to do that. The increased coal tax funds should have been applied to grants rather than reducing general fund. The necessary changes to current level are as follows:

	<u>FY 1990</u>	<u>FY 1991</u>
Increase Grants	\$4,720	\$15,168
Increase General Fund	4,720	15,168

2. Committee Issues

Committee Action

PERSONAL SERVICES

	<u>1990</u>	<u>1991</u>
Executive FTE	24.71	24.50
LFA Current Level FTE	<u>24.71</u>	<u>24.50</u>
Difference	-0-	-0-
Executive	\$584,232	\$580,111
LFA Current Level	<u>584,182</u>	<u>580,060</u>
Difference	\$ 50	\$ 50

----- Personal Services Issues -----

1. Appropriations Committee Policy

Positions Deleted: None

Vacancy Savings Added:	<u>1990</u>	<u>1991</u>
Executive	\$11,647	\$11,564
LFA Current Level	13,452	13,357

2. Committee Issues

Committee Action

(Handwritten signature)

OPERATING EXPENSES

	<u>1990</u>	<u>1991</u>
Executive	\$354,501	\$334,444
LFA Current Level	<u>326,946</u>	<u>307,243</u>
Difference	\$ 18,555	\$ 27,201

- - - - - Operating Expenses Issues - - - - -

Issues	<u>1990</u>	<u>1991</u>
1. <u>Contracts with Non-Profit Organizations Supported by Coal Tax</u>	\$ 9,117	\$ 10,697

Current level used actual fiscal 1988 expenditures as a base, while the executive budget used the agency request for contracts which are supported by coal tax. Funding of these coal tax supported expenditures was discussed with the funding issues.

2. Other Contracted Services

	<u>1990</u>	<u>1991</u>
Net Diff. Contracted Services	\$ 4,310	\$ 4,763

These differences in contracted services are net differences in computer processing, networking, publications and graphics, and photocopy pool services. In all cases, current level utilized fiscal 1988 expenditures as the base. These contracts would be funded with general fund.

3. Reductions Due to Loss of Kellogg Funds

	<u>1990</u>	<u>1991</u>
Expenses taken out of the current level base but retained by executive	\$ 1,000	\$ 6,240

Current level removed more Kellogg expenditures from the base than did the executive budget.

4. Net Differences in Other Operating Expenses

	<u>1990</u>	<u>1990</u>
	\$ 4,128	\$ 5,501

These differences are primarily in data processing supplies, postage, messenger services, and travel. In these line items current level used actual fiscal 1988 expenditures as a base.

5. Committee Issues

Committee Action

<u>EQUIPMENT</u>	<u>1990</u>	<u>1991</u>
Executive	\$854,047	\$826,445
LFA Current Level <i>387</i>	<i>119,500</i> 871,496	<i>106,000</i> 842,444
Difference	\$(17,449)	\$(15,979)

----- Equipment Issues -----

1. Current level equipment was based on the agency request and was within the three-year average for equipment expenditures for fiscal 1986 through 1988.

2. Committee Issues

Committee Action

GRANTS

	<u>1990</u>	<u>1991</u>
Executive	\$755,158	\$734,289
LFA Current Level	<u>762,308</u>	<u>742,154</u>
Difference	\$(7,150)	\$(7,865)

----- Grants Issues -----

1. Current level grants were agency request for the next biennium. However, as noted earlier, if the LFA coal tax estimate is used, current level grants would increase \$4,720 in fiscal 1990 and \$15,168 in fiscal 1991. Executive grants could increase by those same amounts, depending upon whether the committee voted to use the additional estimated revenue for grants or as an offset to general fund.

2. Committee Issues

Committee Action

MODIFIED BUDGET

MONTANA STATE LIBRARY

This modified budget would add 1.00 FTE for the biennium at a general fund cost of \$15,602 in fiscal 1990 and \$15,617 in fiscal 1991 to meet an increased workload in the blind and physically handicapped program.

The modified equipment request is a separate request for general fund to purchase map cases for documents which are received through the federal documents depository program.

	<u>1990</u>	<u>1991</u>
FTE	1.00	1.00
Personal Services	\$15,602	\$15,617
Equipment - Map Cases	<u>3,750</u>	<u>-0-</u>
Total Expenses	\$19,352	\$15,617
<u>Funding</u>		
General Fund	\$19,352	\$15,617

Committee Issues

Committee Action

Exhibit 6

MONTANA STATE LIBRARY

TED SCHWINDEN, GOVERNOR

1515 E. 6TH AVENUE



STATE OF MONTANA

(406) 444-3115

HELENA, MONTANA 59620

WORDING NEEDED IN APPROPRIATIONS BILL

1. The amounts included under Montana State Library Operations under Federal Special Revenue represent Library Services and Construction Act funds that may be transferred between fiscal 1990 and 1991.

Reason:

LSCA funds are distributed when construction projects reach a certain level of completion. It is not possible to know in which fiscal year this may occur. Therefore, it is necessary to have flexibility between the two fiscal years. This same wording was included in HB No. 2 last biennium.

2. In the event more funding from the coal severance tax becomes available than is appropriated for FY 90 and FY 91, the appropriation for the Montana State Library shall be increased to allow use of the funds during the fiscal year in which they become available.

Reason:

Appropriation for CST funds is requested based on estimates received from OBPP. It is imperative that we have the authority to distribute all available funds should they come in at a higher level than original estimates.

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MONTANA ARTS COUNCIL
PROMOTION OF THE ARTS

<u>PERSONAL SERVICES</u>	<u>1990</u>	<u>1991</u>
Executive FTE	6.84	6.84
LFA Current Level FTE	<u>6.84</u>	<u>6.84</u>
Difference	-0-	-0-
Executive	\$170,149	\$170, ⁴⁰⁹ 149
LFA Current Level	<u>170,149</u>	<u>170,408</u>
Difference	\$ -0-	\$ -0-

----- Personal Services Issue -----

1. Appropriations Committee Policy

Positions Deleted: None

Vacancy Savings Added:	<u>1990</u>	<u>1991</u>
Executive	\$3,730	\$3,766
LFA Current Level	-0-	-0-

2. Committee Issues

Committee Action

OPERATING EXPENSES

	<u>1990</u>	<u>1991</u>
Executive	\$191,093	\$177,606
LFA Current Level	<u>173,043</u>	<u>159,843</u>
Difference	\$ 18,050	\$ 17,763

----- Operating Expenses Issues -----

1. Operating Expenses

The executive budget is approximately \$18,000 higher than current level for each year of the biennium. This is primarily because the executive includes the agency request of \$95,886 for honorariums in fiscal 1990 and \$95,342 in fiscal 1991, while current level includes \$75,972 for each year. Current level was based on actual fiscal 1988 expenditures, less those expenditures which were based on budget amendments.

2. Committee Issues

Committee Action

EQUIPMENT

	<u>1990</u>	<u>1991</u>
Executive	\$2,400	\$ -0-
LFA Current Level	<u>3,500</u>	<u>-0-</u>
Difference	\$ (605)	\$ -0-

----- Equipment Issues -----

1. The executive budget includes \$2,400 for equipment, while current level includes the agency request of \$3,500 in fiscal 1990.

2. Committee Issues

Committee Action

<u>GRANTS</u>	<u>1990</u>	<u>1991</u>
Executive	\$155,582	\$155,582
LFA Current Level	<u>155,581</u>	<u>155,581</u>
Difference	\$ 1	\$ 1

----- Grants Issues -----

1. There is no difference between the executive budget and current level in the grants.

2. Committee Issues

Committee Action

FUNDING

	----- 1990 -----		----- 1991 -----	
	<u>Exec</u>	<u>LFA</u>	<u>Exec</u>	<u>LFA</u>
General Fund	\$126,526	\$109,496	\$119,071	\$101,724
Fed. & Other Funds				
MAC Com. Match	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
MAC Admin.	206,073	206,701	197,898	198,527
MAC Grants	135,582	135,581	135,582	135,581

1. Committee Issues

Committee Action

COAL TAX ISSUE

1. Coal Tax Grant - Personal Services

The executive budget is higher than current level because 1.13 FTE and over \$34,200 in personal services funded by a coal tax grant through the Long Range Building Committee have been included in the executive budget. These funds were appropriated through the Long Range Building Committee in 1987 and are shown in current level as they were appropriated then. However, the Long Range Building Committee has recommended that these funds be reviewed by the Institutions and Cultural Education Subcommittees and be included in House Bill 100 for the Arts Council for the next biennium.

2. Coal Tax Grant - Operations

Neither the executive budget nor current level includes expenditures from the coal tax grant for operating expenses. If the committee wishes to implement the Long Range Building Committee recommendation, the following operating expenses requested by the agency for this grant should be considered:

<u>Category</u>	<u>FY 1990</u>	<u>FY 1991</u>
1. Contract Services	\$ 2,343	\$ 2,928
2. Supplies and Materials	2,184	2,199
3. Communications	2,410	2,365
4. Travel	3,588	3,641
5. Rent	2,446	2,522
6. Repair & Maintenance	168	168
7. Other	890	890
Total Coal Tax Grant Operating	\$14,029	\$14,713

3. Coal Tax Grant - Equipment

Neither the executive budget nor current level includes an equipment budget for the Coal Tax Grant from the Long Range Building Committee. The agency requests authority to spend \$1,005 for equipment for fiscal 1990, only. If this committee wishes to implement the Long-Range Building Committee recommendation, the equipment budget for fiscal 1990 should be considered.

4. Coal Tax Grants - Federal Funds Replacement

The Long Range Building Committee has assumed in its grant awards that this committee will replace federal funds of \$23,586 in the biennium with coal tax cultural funds. That replacement would mean that coal tax

funds would be used for operations and that the federal funds would then be utilized for grants. Approval of the Long Range Building Committee action will require the addition of \$12,459 in fiscal 1990 grants and \$11,127 in fiscal 1991. If the Long Range Building Committee action is not approved, \$23,586 will be added to the balance available for granting by the Long Range Building Committee.

The expenditures for personal services, operating expenses, equipment, and grants are summarized in Table 1.

Table 1
Coal Tax Expenditures

<u>Category</u>	<u>Fiscal 1990</u>	<u>Fiscal 1991</u>
FTE	1.13	1.13
Personal Services	\$34,224	\$34,224
Operating Expense	14,029	14,713
Equipment	1,005	-0-
Grants - Replacement Funds	<u>12,459</u>	<u>11,127</u>
Total Coal Tax Expenditures	<u>\$61,717</u>	<u>\$60,064</u>

FUNDING

	<u>1990</u>	<u>1991</u>
Coal Tax in Executive	\$34,224	\$34,224
Coal Tax Not in Either Exec. or LFA	<u>27,493</u>	<u>25,840</u>
Total Coal Tax	\$61,717	\$60,064

1. Committee Issues

Committee Action

MODIFIED BUDGET

MONTANA ARTS COUNCIL

The executive budget includes a modified request for \$2,400 each year of the biennium for legal services. These services are to be funded with 50 percent general fund and 50 percent federal funds.

The executive budget includes a modified request for \$33,017 in fiscal 1990 and \$41,191 in fiscal 1991 for federally funded grants for the promotion of the arts in Montana.

	<u>1990</u>	<u>1991</u>
Contracted Services	\$ 2,400	\$ 2,400
Grants	<u>33,011</u>	<u>41,191</u>
Total Expenses	\$35,411	\$43,591
<u>Funding</u>		
General Fund	\$ 1,200	\$ 1,200
Federal-MAC Admin.	1,200	1,200
Federal-MAC Grants	<u>33,017</u>	<u>41,191</u>
Total Funding	\$35,411	\$42,591

Committee Issues

1200 6 2
~~1200~~

Committee Action
