

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
52nd LEGISLATURE - 2nd SPECIAL SESSION**

SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION

Call to Order: By Chairman Wm. "Red" Menahan, on July 7, 1992,
at 10 a.m.

ROLL CALL

Members Present:

Rep. Wm. "Red" Menahan, Chairman (D)
Sen. Gary Aklestad (R)
Sen. Tom Beck (R)
Rep. Dorothy Cody (D)
Sen. Eve Franklin (D)
Rep. Chuck Swysgood (R)

Members Excused: Sen. Eleanor Vaughn, Vice Chairman (D)

Members Absent: None

Staff Present: Jim Haubein, Principal Fiscal Analyst (LFA)
Lisa Smith, Associate Fiscal Analyst (LFA)
Mary LaFond, Budget Analyst (OBPP)
Pat Bennett, Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Announcements/Discussion: Chairman Menahan informed Committee
members that the order would be (1) Arts Council (2) Library
(3) Historical Society and (4) Corrections and Human
Services. **Mary LaFond** informed the committee that the
agencies were prepared to go through their operating cuts.
The committee members were given projection reports and
proposed reductions. (See Exhibit 1, 7-7-92)

HEARING - ARTS COUNCIL

Tape No. 1, 7-7-92

Presentation: **David Nelson**, Director of the Montana Arts
Council, addressed the unfunded liability issue stating that they
are confronted with two individuals who have been with the agency
for a combined total of approximately 50 years who are leaving
which will leave the agency with an unfunded liability that
exceeds \$25,000. The agency has already taken steps to "eat
that" and have already taken the measures proposed including
cutting out all out-of-state travel as well as maintaining their
own janitorial work.

HEARING - LIBRARY

Tape No. 1, 7-7-92

Presentation: **Richard Miller, Jr.**, Montana State Librarian, Montana State Library, gave his testimony. (See Exhibit 2, 7-7-92)

Darlene Staffeldt, Coordinator of Information Resources, Montana State Library, gave testimony. (See Exhibit 3, 7-7-92)

Sen. Beck asked what general fund the library receives on a biennium basis.

Richard Miller said that of the money they get \$25,000 per biennium goes to administrative costs for administering the funds to various libraries.

HEARING ON MONTANA HISTORICAL SOCIETY

Tape No.1, 7-7-92

Presentation: **Larry Sommer**, Director of the Montana Historical Society introduced **Brian Cockhill** and **Stu Conner**, Chairman of the Board of Trustees for the Montana Historical Society.

Brian Cockhill, Deputy Director of the Montana Historical Society gave an overview of the agency's past budget and explained that they have only received basic increases since 1985. The agency has continued to sustain pressures from the touring and educational public. The services have been deteriorating due to cuts made since 1985. The cuts the agency is offering are all they can do without cutting out one of the mandatory statutory programs such as the magazine, the library and the museum. He stated that if the general fund subsidy that was approved since 1979 was to be removed from the magazine, the magazine would cease publication July of 1993. He stated that they have an unfunded liability for the magazine presently of \$169,000 with an ending account balance of \$220,000.

Brian Cockhill outlined the cuts proposed by the agency: a \$17,000 cut which eliminates the capitol tours program; a \$10,000 cut in art conservation; and \$7,500 cut in general fund for travel with the exception of \$1,000 retained to do what the agency can within the state; a \$3,000 cut out of the \$8,000 book budget; and \$29,085 cut from the historic preservation program. The \$29,085 cut will put an end to the rehabilitation grants throughout the state and will have a serious impact on tourism. He requested **Jim Haubein** to note as a commensurate amount of federal authority to extend in the area of operations.

He asked that if cuts must be made, that some flexibility be given to the agency to allow them to manage their finances.

Stu Conner expressed support of Brian Cockhill's presentation and stated they are the oldest institution in Montana.

Questions From Subcommittee Members: **Senator Beck** asked how much general fund money was going into the magazine.

Brian Cockhill said about \$49,900 per year.

Senator Beck asked if it could be offset by increasing the subscription rate.

Brian Cockhill said they would have to increase the rate by \$8 per subscription. The current rate is \$20 for 4 issues and the normal renewal loss is 30%. Every year there is a 70% renewal and if the subscription rate were to be raised by \$8 to make up the total deficit, along with the 30% renewal loss would wipe out any gain.

Jim Haubein gave the committee excerpts from the Governor's Proposed Budget. (See Exhibit 4, 7-7-92)

EXECUTIVE ACTION ON ARTS COUNCIL

Tape No. 1, 7-7-92

Motion/Vote: **Rep. Swysgood** moved to take out the \$1,349 from the Arts Council's general fund. **Motion passed unanimously.**

EXECUTIVE ACTION ON MONTANA STATE LIBRARY

Tape No.1, 7-7-92

Motion/Vote: **Rep. Swysgood** moved to take \$13,870 from the Montana State Library's general fund. **Motion passed 4-2** with Senator Franklin and Chairman Menahan opposing.

Discussion: **Sen. Aklestad** asked if the library would address the \$200,000 inter library loan.

Richard Miller stated that in the past biennium the library distributed \$591,000 and in the current biennium if the cuts are sustained it will be 760,000 of which \$200,000 is for inter library reimbursement; 83,000 is for base grants made to public library federations; \$25,000 goes to administration at the state library (per capita per square mile averages out to \$84,750).

Sen. Aklestad asked what the remainder is left to be distributed.

Richard Miller stated it would be the \$200,000 inter library reimbursement because it is distributed on a quarterly basis and \$25,000 for administration. Addressing the elimination of the \$200,000, Mr. Miller stated he had contacted the major lenders of materials throughout the state and their feeling is that if you eliminate the inter library loan the major lenders will then have to start charging for inter library loans. This means we will be back to where we were before the state began supporting inter library access to resources. The \$25,000 for administration is for state aid distribution of funds to state libraries.

Chairman Menahan asked if the \$25,000 for administration is for an FTE.

Richard Miller stated that due to vacancy savings it has only been used for half an FTE.

EXECUTIVE ACTION ON INTER LIBRARY LOAN

Tape No. 1, 7-7-92

Motion/Vote: **Sen. Aklestad** moved to take out the \$200,000 from inter library loan. **Motion passed** 5-1 with Senator Franklin opposing.

EXECUTIVE ACTION ON LIBRARY ADMINISTRATION

Tape No. 1, 7-7-92

Motion: **Sen. Aklestad** moved to remove the \$25,000 for administrative costs used for distributing funds from the state library. **Motion failed** on a tie vote with Senators Cody, Franklin and Menahan opposing.

Discussion: **Sen. Aklestad** stated that since the funds distributed are no longer available there is no need for the \$25,000 for the administrative costs to do so.

Sen. Cody asked if there is flexibility for the library to use it for other purposes.

Richard Miller stated that it could be used for the unfunded liability.

Sen. Aklestad asked if the budget office would address the \$2,407 that is in addition to the \$25,000.

Mary Lafond, OBPP, informed the committee that the \$2,407 was the remaining amount after the distribution to the federations.

EXECUTIVE ACTION ON BASE GRANTS

Tape No. 1, 7-7-92

Motion: Sen. Aklestad moved to eliminate the \$2,407 remaining in the base grant account. **Motion passed** 5-1 with Senator Franklin opposing.

EXECUTIVE ACTION ON HISTORICAL SOCIETY

Tape No. 1, 7-7-92

Motion/Vote: Rep. Swysgood moved that \$66,585 be reduced from the Historical Society budget. **Motion failed** on a 3-3 tie vote with Rep. Cody and Senator Franklin and Chairman Menahan opposing.

Motion/Vote: Rep. Cody moved to remove \$49,585 leaving in the \$17,000 for capitol tours.

SubMotion/Vote: Rep. Cody made a substitute motion to remove \$61,585 from the Historical Society, leaving \$5,000 for the capitol tours. **Motion passed** 5-1 with Senator Franklin opposing.

Discussion: Rep. Cody asked if \$17,000 would be enough to continue with the capitol tours through the end of the tourist season.

Sen. Aklestad asked Rep. Cody if she would support the idea of funding the tours what would be needed until the end of summer.

Brian Cockhill explained that during the off season tours are conducted on demand and in the summer and during legislative session tour guides are put on staff and have tours on a regular basis. He stated that there would be no demand for the tour guides after about the 15th of September and it costs approximately \$1,000 per month presently to have tours.

Chairman Menahan asked if the committee funded the tours for \$5,000 if it would be enough.

Brian Cockhill said it would.

Motion/Vote: Rep. Cody moved to give the Historical Society authority under state special revenue for \$3,000 and for federal funds of \$29,085 to replace part of the general fund. **Motion passed** 5-1 with Rep. Swysgood opposing.

Discussion: Jim Haubein clarified to the committee that during Mr. Cockhill's presentation he had asked for federal offsetting appropriation authority for \$29,085 and state special revenue authority for \$3,000.

HEARING ON CORRECTIONS AND HUMAN SERVICES

Tape No. 1, 7-7-92

Presentation: Curt Chisholm, Director, of Department of Corrections and Human Services stated that the proposal recommends closing the nursing home program and the two hospital programs effective November 30, 1992. An infirmary would have to be established at Warm Springs which also means that 14.8 additional staff would have to be transferred. This proposal would save approximately \$1.1 million.

Opponents: Senator J.D. Lynch, District 34, Chairman of the Interim Study Committee, stated that there is some obsession by those who have been after Galen. The Legislature charged the Interim Study Committee to study options for the Galen campus. Senator Franklin and Representative Swysgood also serve on that committee. The only recommendation by the Interim Study Committee was to keep Chemical Dependency and a 9-6 decision to close the nursing home at Galen. The acute care hospital, in addition to the rest home, are having a peer review done on them at a big expense. He stated that they not ought to act in haste and this proposal is acting in haste. The children's unit at Warm Springs was moved to Billings, Senator Lynch explained that was when it fell apart. At the present there is \$5 million sent out of state for the care of children with 85% being employee's salaries that should be kept in Montana.

Kathy Standard, Meriwether Lewis Institute testified expressed opposition to the Department's proposal. (See Exhibit 5, 7-7-92)

Keith Colbo, representing the Warm Springs/Galen Task Force, testified in opposition to the Department's proposal. (See Exhibit 6, 7-7-92)

Jack Haffey, Galen Task Force Committee Member, opposed the Administration's proposal urged the committee not to consider this kind of piecemeal change. He stated that the task force committee is not at a place where they are ready with a report or a comprehensive set of blue prints yet to be submitted and the proposal is premature.

John Shontz, representing Mental Health Association of Montana testified in opposition of the proposal. The proposal is premature and the study committee should be allowed to continue and do its work.

Kathy McGowan, representing the Chemical Dependency Program of Montana, stated they would request a continuance of the study committee's work.

Audrey Aspholm, Chairman of the Commission at Deer Lodge County, stated the committee needs the opportunity to come up with a system that will be better for the people, employees and residents of those facilities.

Wilber Rehmann, Communications Director for the Montana Federation of State Employees, informed the committee that they have been active participants with the Galen Task Force and have followed the work closely and oppose the Department's proposal.

George Hagerman, representing the American Federation of State, County and Municipal Employees, Montana Council Number 9, testified in opposition. (See Exhibit 7, 7-7-92)

EXECUTIVE ACTION ON DEPARTMENT OF CORRECTIONS AND HUMAN SERVICES

Tape No. 1, Side 2, 7-7-92

Motion/Vote: **Sen. Beck** moved to restore the Department's proposal back into the budget. **Motion passed** 5-1 with Sen. Aklestad opposing.

Discussion: **Sen. Aklestad** asked about the \$38,000 from last session for the interim study committee.

Keith Colbo stated that the appropriations for the interim study committee was \$37,000 and Anaconda/Deer Lodge submitted a grant application to the EDA to support their own work.

Committee recessed until 1:30 p.m. Lisa Smith, LFA replaced Jim Haubein.

EXECUTIVE ACTION ON BOARD OF PARDONS

Tape No. 1, Side 2, 7-7-92

Motion/Vote: **Rep. Swysgood** moved to eliminate \$26,910 from the Board of Pardons for pre parole coordinator position. **Motion passed** 5-1 with Rep. Cody opposing.

Discussion: Rep. Swysgood asked if the Department wished to comment on the 1 FTE at \$26,910 as he planned to make a motion to eliminate that position.

Curt Chisholm stated the position was an additional position funded by the last legislature to give the Board of Pardons an additional staff person to work with the candidates eligible for parole in pre-release as a pre parole coordinator. He stated that if they bottle neck the parole process more people will be kept at the prison raising that population. The prison is at 1,248 range in population with a capacity of 1,153 and the Department is concerned about the critical nature of that population.

Rep. Cody asked how long this position has been in place.

Curt Chisholm stated that it was authorized as a permanent position by the 1991 session, however the Department had loaned it an FTE prior to that time that the Department paid for.

EXECUTIVE ACTION ON INFORMATION ENHANCEMENT PROGRAM

Tape No.1, Side 2, 7-7-92

Motion/Vote: Rep. Swysgood moved to remove \$15,559 from the \$278,000 funded last session for the agency operation of the information enhancement system. Rep. Swysgood withdrew his motion.

Discussion: Pam Joehler explained that removing the \$15,559 would remove the upcoming maintenance contract. There was a 1 year contract on the computer for 1992 which ends soon and in 1993 a maintenance contract requirement begins.

EXECUTIVE ACTION ON PRE-RELEASE EXPANSION

Tape No.1, side 2, 7-7-92

Discussion: Rep. Swysgood stated that there was \$72,240 and \$358,145 for pre release suspensions and asked Curt Chisholm to comment.

Curt Chisholm stated that the \$72,240 in FY92 was what was left after the legislature removed most of the appropriation in the 1991 special session. He stated that they are in the process of signing agreements with private pre release centers as a way of trying to balance out the prison population. Curt requested that if the Committee needs to make cut he would suggest to take a dollar amount and give the flexibility for him to move funds around. He stated that besides the cuts he is also facing a \$2.5 million work comp premium increase and \$1.5 million of back pay

to about 273 employees that were covered under the fair labor standards act compliance.

Rep. Swysgood asked Curt how many beds are in the pre-release centers.

Curt Chisholm answered that there were 120 beds.

Rep. Swysgood asked Curt Chisholm to report back to the committee where the cuts can be made.

Rep. Cody asked how much had been spent on attorneys fees for the defense for prisoners.

Curt Chisholm referred the question to Pam Joehler but did say that the Department does pay for the defense of an inmate for crimes committed in the Montana State Prison which is clearly defined in statute.

Pam Joehler stated that in January the Legislature approved a \$25,000 supplemental to go toward those legal costs. Two weeks ago the finance committee reviewed the request for an additional \$17,000 to go for the continued costs. To date those costs as reported by the prison are at \$1,800 per inmate, per month with 15 who have been charged.

Rep. Swysgood listed the cuts he planned to address: informations systems, Board of Pardons, pre-release expansion for \$358,145, house arrest for \$45,000, graduated sanctions for \$66,120, local jurisdiction for \$17,000, and community corrections rate increase for \$54,807.

Rep. Aklestad stated he was concerned about the intensive supervision program and the pre-release parole enhancement program.

EXECUTIVE ACTION ON VACANCY SAVINGS

Tape No. 1, side 2, 7-7-92

Motion/Vote: **Rep. Swysgood** moved to eliminate any positions within the Department of Corrections and Human Services that have been vacant for the past 6 months and any that have been reauthorized to keep vacant. **Motion passed** 5-1 with Senator Franklin opposing.

Discussion: **Rep. Cody** asked if the Department would be in for a supplemental even if these vacancy saving cuts were not made.

Curt Chisholm stated the Department is already on record for having requested a supplemental in the Corrections Division to cover the medical costs and the additional costs the Division will be incurring that can not be recovered. Costs such as trial

costs of the inmates for murder, rape and riot. A lot of which is relative to the variable costs of the increased population well above what is budgeted for the Montana State Prison.

EXECUTIVE ACTION ON MENTAL HEALTH

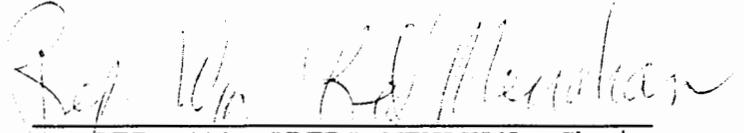
Tape No. 1, Side 2, 7-7-92

Motion/Vote: Rep. Swysgood moved to reduce from Mental Health \$90,423 for provider rate increases. Motion passed 5-1 with Sen. Eve opposing.

Discussion: Rep. Swysgood said the \$90,423 is from a total appropriation of \$214,889 for provider rate increases for FY93.

ADJOURNMENT

Adjournment: 3:15 p.m.



REP. WM. "RED" MENAHAN, Chair



PAT BENNETT, Secretary

RM/pb

HOUSE OF REPRESENTATIVES
INSTITUTIONS AND CULTURAL EDUCATION SUBCOMMITTEE

ROLL CALL

DATE

7-7-92

NAME	PRESENT	ABSENT	EXCUSED
REP. WM. "RED" MENAHAN, CHAIRMAN	✓		
SEN. ELEANOR VAUGHN, VICE-CHAIR			✓
REP. DOROTHY CODY	✓		
REP. CHUCK SWYSGOOD	✓		
SEN. EVE FRANKLIN	✓		
SEN. GARY AKLESTAD	✓		
SEN. TOM BECK	✓		

07/05/92

PROPOSED SPECIAL SESSION ACTIONS
Change in Balances in Millions

	<u>Amount</u>
Expenditure Reductions:	
Increase GF Reductions to 8% of "Fully Funded" Operating Budgets	8.9
Agency Liquor Stores	2.0
Eliminate State Retiree Supplements (SB226)	3.7
4% Reduction in Foundation Program Payments	14.1
Tuition Approved by BOR in Excess of Legislative Intent Replaces GF	1.6
Reduce GF for University Tuition Not Approved By LFC	2.0
Special Education Transportation	0.7
Postpone Planning for U-System Bldgs.	1.5
Welfare Reform	1.6
Galen Service Improvements	1.1
<u>Total</u>	<u>37.2</u>
Funding Switches:	
Switch Funding for Personal Property Tax Reimbursement	19.1
Revenue Enhancements:	
Health Care Cost Control, Access and Planning	5.7
Video Gaming Tax Increased to SD Level (35% Monthly Remit)	16.6
<u>Total</u>	<u>22.3</u>
General Fund Stabilization Account:	
Parks/Arts Trust Balances Used to Create GF Stabilization Account	-2.0
Revenue Accruals Net of Stabilization Account Appropriation	18.9
<u>Total</u>	<u>16.9</u>
<<<<< Total Fund Balance >>>>>	95.5
Cash Management:	
Move Property Tax Payments 5 Days to 25th of Month	10.0
Change Foundation Program Payment Schedules	0.5
<u>Total</u>	<u>10.5</u>
<<<<< Total Fund & Cash Balance >>>>>	106
State and Agency Management:	
Restore Governor's Authority	
Change Boilerplate in HB 2	
Forest Suppression Costs	

**OFFICE OF BUDGET AND PROGRAM PLANNING
PROJECTED GENERAL FUND BALANCE**

	ACTUAL FY 91	ESTIMATED FY 92	ESTIMATED FY 93
BEGINNING FUND BALANCE	\$89.038	\$58.700	(\$14.290)
RECEIPTS:			
ESTIMATED REVENUE	\$420.257	\$458.929	\$500.484
TOTAL AVAILABLE	\$509.295	\$517.629	\$486.194
DISBURSEMENTS:			
BUDGETED DISBURSEMENTS	457.574	478.495	441.775
LEGISLATIVE FEED BILL		0.536	5.036
MISCELLANEOUS APPROPRIATIONS		5.771	7.821
EMPLOYEE PAY PLAN		12.962	20.914
SUPPLEMENTAL REQUESTS:			
SCHOOL FOUNDATION PROGRAM			23.179
ALL OTHER		2.646	17.659
TRANS INTEREST		2.548	7.975
DEBT SERVICE		10.817	11.754
PROPERTY TAX REIMBURSEMENT		19.101	19.101
RETIREE SUPPLEMENT PAYMENTS		3.194	3.730
LANGUAGE APPROPRIATIONS		0.071	
REVERSIONS		-2.500	-2.500
TOTAL DISBURSEMENTS	\$457.574	\$533.641	\$556.444
FUND BALANCE ADJUSTMENTS	6.979	1.722	2.991
ENDING FUND BALANCE	\$58.700	(\$14.290)	(\$67.259)
PROJECTED CASH BALANCE	16.400	(41.450)	(89.559)

GOVERNOR'S SPECIAL SESSION RECOMMENDATIONS:

PROPOSED ACTION:		
EXPENDITURE REDUCTIONS		37.200
FUNDING SWITCHES		19.100
REVENUE ENHANCEMENTS		22.300
GENERAL FUND STABILIZATION ACCOUNT	42.500	(25.600)
PROPERTY TAX CASH MANAGEMENT (\$10M CASH)		10.500
PROPOSED FUND BALANCE	28.210	28.741
PROPOSED CASH BALANCE	(41.450)	(26.059)
<u>BORROWABLE GF STABILIZATION FUNDS</u>		<u>42.500</u>
COMBINED CASH BALANCE		16.441

DATE 7-7-92

HB _____

FOUNDATION PROGRAM AND GTB FUND SUMMARY

	<u>ACTUAL FY 91</u>	<u>ESTIMATED FY 92</u>	<u>ESTIMATED FY 93</u>
BEGINNING BALANCE	20.592	9.481	(0.000)
RECEIPTS			
ESTIMATED REVENUES	376.149	369.422	377.623
GENERAL FUND SUPPLEMENT		20.286	3.844
TOTAL AVAILABLE	396.741	399.189	381.467
DISBURSEMENTS			
FOUNDATION	347.047	347.732	352.658
GUARANTEED TAX BASE	44.382	46.119	47.924
TRANSPORTATION	0.000	3.908	3.914
TELECOMMUNICATIONS	0.000	0.148	0.150
<u>TOTAL DISBURSEMENTS</u>	<u>391.429</u>	<u>397.907</u>	<u>404.646</u>
ADJUSTMENTS	4.169	(1.283)	0.000
ENDING FUND BALANCE	9.481	(0.000)	(23.179)

Proposed Reductions for FY93 General Fund Operating Budgets

Cumulative Reductions: Regular and Special Legislative Sessions Plus Executive Budget Proposals

AGENCY	FY93						EXECUTIVE BUDGET PROPOSAL	
	"FULLY FUNDED" GEN FUND OP BUDGET	HB2 VACANCY SAVINGS	UNDER FUNDING PAYPLAN	JAN 1992 SPEC SESS ACTIONS	MISC. FUND SHIFT	CUMULATIVE % REDUCTNS TO-DATE	REDUCTIONS	CUMULATIVE % REDUCTNS
COMM OF POL PRACTICE	123,884	(591)	(1,212)	0	0	-1.46%	0	-1.46%
CORRECTIONS	71,612,622	(1,007,386)	(787,327)	228,991	0	-2.19%	0	-2.19%
BRD OF PUB EDUCATION	120,030	0	(748)	(3,034)	0	-3.15%	0	-3.15%
PSC	2,151,696	(51,209)	(18,776)	0	0	-3.25%	0	-3.25%
FAMILY SERVICES	16,260,439	(165,402)	(200,679)	(253,388)	0	-3.81%	0	-3.81%
LIVESTOCK	885,315	(24,632)	(8,411)	0	0	-3.82%	0	-3.82%
SCHOOL OF DEAF & BLIND	2,873,536	(36,874)	(31,632)	(46,553)	0	-4.00%	(57,353)	-8.00%
LEGISLATIVE AUDITOR	1,306,897	(5,637)	0	(3,211)	0	-0.68%	(95,704)	-8.00%
JUDICIARY	5,766,497	(25,781)	0	(112,462)	0	-2.40%	(323,077)	-8.00%
HIGHER EDUCATION (5)	127,318,129	(1,194,697)	0	(3,545,191)	1,321,114	-2.69%	(6,766,516)	-8.00%
E.Q.C.	303,283	(1,390)	0	(7,400)	0	-2.90%	(15,473)	-8.00%
HISTORICAL SOCIETY	1,353,599	(16,181)	(13,617)	(11,905)	0	-3.08%	(66,585)	-8.00%
CRIME CONTROL	544,653	(2,522)	(4,974)	(13,400)	0	-3.84%	(22,676)	-8.00%
SECRETARY OF STATE	1,037,610	(15,394)	(8,214)	(25,000)	0	-4.68%	(34,401)	-8.00%
REVENUE	21,378,234	(631,475)	(237,226)	(134,611)	0	-4.69%	(706,947)	-8.00%
LEGISLATIVE COUNCIL	2,182,005	(9,852)	0	(108,608)	0	-5.43%	(56,100)	-8.00%
LEGISL FISCAL ANALYST	926,863	(4,260)	0	(48,156)	0	-5.44%	(23,733)	-8.00%
SRS	11,577,866	(211,779)	(101,135)	(317,387)	0	-5.44%	(295,929)	-8.00%
HEALTH & ENV SCIENCES	3,719,010	(78,216)	(26,848)	(99,105)	0	-5.49%	(93,352)	-8.00%
LIBRARY COMMISSION	800,953	(8,730)	(10,195)	(31,281)	0	-6.27%	(13,870)	-8.00%
MILITARY AFFAIRS	2,173,984	(51,789)	(15,922)	(75,313)	0	-6.58%	(30,893)	-8.00%
DNRC	5,120,293	(142,693)	(51,903)	(142,816)	0	-6.59%	(72,212)	-8.00%
O.P.I.	3,788,597	(41,119)	(27,671)	(185,990)	0	-8.72%	(48,308)	-8.00%
ARTS COUNCIL	108,884	0	(864)	(6,498)	0	-8.76%	(1,349)	-8.00%
JUSTICE	12,843,921	(371,405)	(105,045)	(414,110)	0	-6.93%	(136,954)	-8.00%
STATE LANDS	9,243,339	(241,047)	(66,452)	(456,363)	0	-8.26%	0	-8.26%
ADMINISTRATION	3,764,488	(115,157)	(33,798)	(180,777)	0	-8.76%	0	-8.76%
STATE AUDITOR	2,399,905	(73,457)	(22,994)	(115,173)	0	-8.82%	0	-8.82%
COMMERCE	2,920,341	(49,671)	(22,505)	(189,933)	0	-8.98%	0	-8.98%
FISH, WILDLIFE & PARKS	444,151	(6,936)	(1,755)	(34,837)	0	-9.80%	0	-9.80%
TRANSPORTATION	400,873	(6,203)	(2,759)	(31,353)	0	-10.06%	0	-10.06%
GOVERNOR'S OFFICE	2,681,857	(84,216)	(20,442)	(165,933)	0	-10.09%	0	-10.09%
AGRICULTURE	1,170,113	(37,350)	(12,344)	(89,634)	0	-11.91%	0	-11.91%
LABOR & INDUSTRY	378,307	(4,662)	(4,605)	(39,771)	0	-12.96%	0	-12.96%
TOTAL	319,660,155	(4,717,713)	(1,840,054)	(6,658,202)	1,321,114	-3.72%	(8,861,431)	-6.49%

Governmental Function

GENERAL GOVERNMENT	57,834,935	(1,399,129)	(452,587)	(1,433,507)	0	-5.68%	(1,445,957)	-8.18%
HUMAN SERVICES	31,935,621	(460,059)	(333,266)	(709,651)	0	-4.71%	(389,281)	-5.93%
NAT RES & COMMERCE	21,915,249	(553,538)	(182,147)	(913,583)	0	-7.53%	(72,212)	-7.86%
INSTITUTIONS & CULT AFF	73,876,058	(1,032,297)	(812,003)	179,307	0	-2.25%	(81,804)	-2.36%
EDUCATION	134,098,292	(1,272,690)	(60,051)	(3,780,768)	1,321,114	-2.83%	(6,872,178)	-7.95%

NOTES:

- "Fully Funded GP Op Budget" means HB2/509 less non-operating budget categories with restoration of vacancy savings, 0.5% GP reduction, payplan underfunding, and January 1992 special legislative session actions.
- "HB2 Vacancy Savings" includes across-the-board 0.5% general fund reduction.
- "Under Funding Payplan" reflects difference between HB509 appropriation for executive branch agencies and full funding based on "snapshot" FTE attributes.
- "January 1992 Special Session Actions" means net reductions (ie. excluding fund shifts) applicable to operating budget categories.
- EB recommendation #5E for Higher Education has been amended to exclude consideration of tuition and fee increases (\$1.3 million) and to consider \$500,000 in underfunding for the pay plan.

MONTANA STATE LIBRARY



STAN STEPHENS, GOVERNOR

1515 E. 6TH AVENUE

STATE OF MONTANA

(406) 444-3115

HELENA, MONTANA 59620

MEMORANDUM

TO: Representative William "Red" Menahan

FROM: Richard T. Miller, Jr. *RTM*
State Librarian

RE: Attached Testimony Before Subcommittee

DATE: July 7, 1992

Please find attached my testimony and that of Darlene Staffeldt of the State Library staff before the Institutions and Cultural Education Subcommittee. Thank you for the opportunity to present this testimony. I look forward to appearing before your committee and to answering any questions you or committee members may have.

All the best to you and to your fellow legislators as you begin this special session.

STATE LIBRARY COMMISSION -- PROPOSED
BUDGET REDUCTIONS (FY 1993)

TESTIMONY BEFORE THE INSTITUTIONS AND CULTURAL EDUCATION
SUBCOMMITTEE -- JULY 7, 1992

Mr. Chairman, members of the Committee, for the record my name is Richard Miller; I am the Montana State Librarian.

I am here this morning to testify about the budget reductions proposed in the Executive Budget for the FY 1993 budget of the State Library. Much of what I say you already heard during the last special session, and so I will not take much of your time today. Following my testimony you will hear briefly from Darlene Staffeldt, Coordinator of Information Resources at the State Library who will give you some indication of the impact of the proposed additional cut on the services of the agency.

OBPP Proposal

OBPP is proposing an additional reduction of \$13,870 over and above the \$31,281 reduction already required by action during the last special session. We realize in the scheme of things these numbers may seem insignificant. But in relation to the size of the agency and how these cuts impact our services, they are dramatic. The same arguments I presented to you last time still hold -- in essence this is chapter II of the same book:

- The budgetary flexibility is significantly reduced by the large amount we must set aside for vacancy savings and the underfunding of the pay plan. (Turnover in our agency is minimal. Even when it does occur, payouts to those leaving can more than offset any vacancy savings anticipated. For example, one recent retirement of a staff member with 15+ years service required a payout of \$5,800.)
- "Fixed costs" in the budget, that is, those which cannot be reduced (e.g., rent, building maintenance, and maintenance on computer terminals) drive a significant portion of our budget, leaving no flexibility for making reductions. We have figured that over half of the operating budget is made up of these "fixed costs."

State Library Response

So what are we proposing in response to this call for additional reductions? Given the lack of flexibility noted earlier, we have few options. The only item we can propose is the following:

- To reduce the State Library materials budget by the additional \$13,870

MONTANA STATE LIBRARY

STAN STEPHENS, GOVERNOR

1515 E. 6TH AVENUE



STATE OF MONTANA

(406) 444-3115

HELENA, MONTANA 59620

Mr. Chairman, Members of the Committee, for the record, my name is Darlene Staffeldt and I'm the Coordinator of Information Resources, Montana State Library.

Significant reduction of book monies puts us right back in the situation we were in before the Legislature agreed not to make cuts as deep as those proposed during the last special session. We will be unable to buy new materials or titles. The Montana State Library's collection supports libraries throughout Montana by purchasing more scholarly and sophisticated materials which local libraries can not afford, but for which the state, as a whole, has considerable demand. As local funding sources are being reduced or eliminated, the State Library is called upon more and more to have the collection of new and updated information that library patrons all over Montana need. Important standing orders, magazines or periodical titles have had to be dropped in order to have any money for newly published materials. The collection is rapidly falling behind the needs of all Montanans.

I am here to tell you about the reaction of State Library users as we continue to cut our information collection because of funding problems.

In the past four years as we have had to cut titles or information resources from our collection, we have received everything from letters and angry phone calls, to written petitions.

Since 1990 we have cut over 22 titles from our standing order reference collections. Titles such as Datapro reports were not available in any other library in Montana. We have cut 21 titles from our periodicals subscriptions. We have cut titles such as Congressional Quarterly, American Economic Review, Pediatrics. In the case of at least one of the titles we were unable to continue, another State agency picked up the subscription - so the expenditure for the state remains the same, yet the centralized, statewide access is not as readily available.

From the Bitterroot Public Library comes the reaction: "as a public reference librarian I strongly feel any cutting or reducing of services in reference to public libraries around the state would be cutting off our local library's ability to keep the patron 'information current'. It is difficult enough for small or medium size libraries to provide professional reference service within their own modest collection. We rely on our state library network

to fill major gaps in this area."

The Librarian from the Department of Veterans Affairs in Miles City writes: "At a time when other libraries are cutting back on some of the more specialized reference materials, the State Library should be maintaining its collection. Having a strong, centralized collection makes good economic sense."

As of July 1, 1992, five of the six public library federations in Montana will be using the Montana State Library as their primary backup for all information resources. The State library has always been the library of last resort for all Montana libraries, but due to recent local budget reductions the libraries primary backup locations are no longer available. The Montana State Library must maintain a current, up-to-date collection to be able to serve Montanans all over the State. Access to information is important to all of us - teachers, farmers, children, parents, everyone.

From the Flathead County Library, came the comment: "With all libraries experiencing cutbacks in staff and materials, there is a great need to have some backup at the State Library in professional reference services and materials, especially for libraries with no trained staff."

From Chinook High School library, "Without the State Library services and collection I would not be able to fulfill the needs of my students. Like all small libraries my budget does not cover all our reference needs."

State agencies as well as libraries throughout the State of Montana have come to depend on the Montana State Library collections.

At least one agency in the past has totally closed its agency library and now depends on the State Library to provide its information.

With the additional cuts required this coming year we will be dropping approximately 200 book and periodical titles. If even a few of these titles are critical to more than one agency, the costs will increase for Montana. For example, eight state agencies on a regular basis use one of our titles called State Policy Reports. The subscription cost for that title is \$360.00 per year. If we drop that title, and only four of the eight agencies feel it is critical and pick up a subscription, the cost to Montana State Government will be \$1,440.00.

From the Department of Health and Environmental Sciences, environmental specialists report that they use the library extensively in their work and feel that their ability to perform as environmental specialists would be adversely affected by reductions in information services. The information specialists at the Water Quality Bureau rely on easy access to books, journals, and symposia proceedings obtained by State Library staff from current library holdings as well as through interlibrary loan.

From the staff at Shodair Hospital Library "the absolutely most

EXHIBIT 3
DATE 7-7-92
HB _____

basic library service of all is the acquisition of a collection and access to that collection. That is the bare bones role of libraries. Maintaining the relevance of the collection to the needs of the state...must be your priority."

From the Department of Natural Resources and Conservation : "The State Library provides a vital service to state agencies in carrying out their obligations to the public. ... A strong State Library reference collection saves state agencies from having redundant libraries. The Energy Division draws on the state reference collection heavily for statistical publications, association directories, and other energy-related reference materials. We believe that reducing the book budget would be wrong and our technical work could be seriously impacted."

From the Office of Public Instruction, one person writes "The book budget has already dropped too many titles, any more and you will soon have an ineffective facility."

Mr. Chairman, Members of the Committee I thank you for your time and I urge you to try to find a way to solve our State's current budget problems without further affecting our State Library, as Montana's primary information resource. Thank you.

Fiscal 1992

Fiscal 1993

	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
1												
2	MONTANA ARTS COUNCIL (5114)											
3	1. Promotion of the Arts (01)											
4	115,869	116,778	198,277			430,924	11,558	220,636	198,253			430,447
5	a. Audit (Line Item)											
6	15,784					15,784						
7	b. Federal Grants -- Biennial (Line Item)											
8			307,470			307,470						
9	c. Federal Grants -- Biennial (Line Item)											
10			35,000			35,000						
11	d. Federal Grants (Line Item)											
12			11,535			11,535			11,535			
13	e. Federal Grants -- Biennial (Line Item)											
14			231,130			231,130						
15	2. Budget Reduction -- Special Session II											
16												
17												
18	Total											
19	131,653	116,778	783,412			1,031,843	44,558	220,636	209,788			444,982
20							8,609					439
21	Items 1b, 1c, and 1e (federal grants awarded to local communities and schools) are biennial appropriations.											
22	LIBRARY COMMISSION (5115)											
23	1. State Library Operations (01)											
24	895,977	157,431	363,927			1,417,335	939,658	153,905	368,406			1,461,969
25	a. Audit (Line Item)											

1,349 passed
~~2,049~~

-200,000 passed

- D-1 - passed

Fiscal 1993

Fiscal 1992

	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
1	15,784					15,784						
2	b.	Federal Grants -- Biennial (Line Item)										
3			1,286,476			1,286,476						
4	c.	Blind and Physically Handicapped -- FTE and Associated Equipment (Line Item)										
5	22,319					22,319	19,097					19,097
6	d.	Library of Congress Dues (Line Item)										
7	1,500					1,500	3,000					3,000
8	e.	Local Library Assistance -- Biennial (Line Item)										
9	194,664					194,664						
10	f.	Western Library Network Equipment (Line Item)										
11		10,000				10,000						
12	2.	Natural Resource Information Services (07)										
13		236,442	14,871			251,313		236,440	14,871			251,313
14	a.	Contract Authority -- Biennial (Line Item)										
15			650,000			650,000						
16	3.	Budget Reduction -- Special Session II										
17						13,870						13,870
18		<i>passed</i>										
19	Total											
20		1,130,244	403,873	2,315,274		3,849,391	964,755	390,345	383,277			4,735,112
21							947,885					1,721,111
22		Item 1b (federal grants for local libraries) is a biennial appropriation.										
23		Item 1d (appropriation for library of congress dues) may not be included in the current level base in the agency budget request for the 1995 biennial										
24		Item 1e (general fund state aid to local libraries) is a biennial appropriation.										
25		In the event coal severance tax allocated to the state library under 15-35-108(3)(f) exceeds the amounts appropriated to the state library for fiscal 1										

	Fiscal 1992			Fiscal 1993			Total	Other	Total
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue			
1									
2	b. Merchandise Authority (Line Item)			30,000			30,000		30,000
3	c. Milwaukee Mitigation (Line Item)								
4		13,500					13,500		
5	5. Historical Sites Preservation (06)								
6	65,551		571,751	63,717			637,302		637,302
7	a. Audit (Line Item)								
8	768	4,038					4,806		
9	b. Computers -- Federal (Line Item)								
10		11,400					11,400		
11	6. Budget Reduction -- Special Session II								
12									66,585
13									
14	Total								
15	1,234,253	104,397	634,081	535,861	2,508,592	4,207,248	103,279	607,594	538,304
16									
17									
18									
19									
20									
21									
22									
23	1,520,604								1,546,713
24	a. Audit (Line Item)								
25	123,438	41,150	8,512	6,838	179,938				

In item 1, \$16,221 in fiscal 1992 and \$16,181 in fiscal 1993 are to offset vacancy savings that will revert to the general fund if not needed to personnel costs during the biennium. The agency has the authority to move these funds between programs by transfer to meet the expenses experienced.

The proprietary authority for a statutorily required transfer of general fund money in the magazine program must be increased by the same amount as pay plan increase for FIEs supported by the general fund.

DEPARTMENT OF CORRECTIONS AND HUMAN SERVICES (6401)

1. Central Operations Division (10)

	Fiscal 1992				Fiscal 1993							
	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
1	b.	Board of Pardons Staff (Line Item)										
2		30,995				30,995	26,910					26,910
3	c.	Information System Enhancement (Line Item)										
4		130,665				130,665	128,024					128,024
5	2.	Corrections Division (20)										
6		21,234,267	1,302,651	155,023	3,077,232	25,769,173	20,927,059	1,303,227	155,056	3,080,854		25,466,111
7	a.	Corrections Medical (Line Item)										
8		1,869,975				1,869,975						
9	b.	Staffing for Additional Capacity (Line Item)										
10		560,823				560,823	759,892					759,892
11	c.	Operating Cost Increases (Line Item)										
12		80,663				80,663	80,663					80,663
13	d.	SRFC Chemical Dependency (Line Item)										
14		38,350				38,350		38,282				38,282
15	e.	Female Population Increase (Line Item)										
16		77,058				77,058	99,214					99,214
17	f.	WCC Additional Staff (Line Item)										
18		43,306				43,306	43,034					43,034
19	g.	Local Jurisdiction Sentencing (Line Item)										
20		17,264				17,264	17,301	17,265				34,126
21	h.	Prerelease Expansion (Line Item)										
22		72,240				72,240	358,145					358,145
23	i.	House Arrest (Line Item)										
24							45,000					45,000
25	j.	Great Falls ISP (Line Item)										

HB
Fiscal 1992

	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
1	105,597					105,597	70,600					70,600
2	k.	Probation and Parole Officer Increase (Line Item)										
3	95,930					95,930	134,526					134,526
4	l.	Jail -- Graduated Sanctions (Line Item)										
5							66,120					66,120
6	m.	Targeted Case Managers (Line Item)										
7	54,244					54,244	54,128					54,128
8	n.	BLSO Operating Increases (Line Item)										
9	3,110					3,110	3,110					3,110
10	o.	New Women's Pre-release Center (Line Item)										
11	40,740					40,740	237,043					237,043
12	p.	Community Pre-release Provider Increases (Line Item)										
13	27,132					27,132	54,807					54,807
14	q.	Gallehon Turner Trial (Line Item)										
15	75,000					75,000						
16	r.	Maximum Disturbance Legal Costs (Line Item)										
17	25,000					25,000						
18	s.	Reception Overflow (Line Item)										
19	41,000					41,000						
20	t.	Food Costs (Line Item)										
21	78,782					78,782						
22	u.	Jail Payments -- Parole Violators (Line Item)										
23	66,120					66,120	66,120					66,120
24	3.	Mental Health Division (30)										
25	29,460,517	742,323	1,021,946			31,224,786	29,949,438	753,509	1,021,947			31,724,894

Fiscal 1992

Fiscal 1993

30,131,395

	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
1							28,355,941					
2	a.											
3						13,405						
4	b.											
5						107,100						26,775
6	c.											
7						106,381						214,889
8	d.											
9						36,100						36,100
10	e.											
11						275,000						275,000
12	f.											
13						32,370						64,740
14	4.											
15						226,877						2,032,298
16	a.											
17						20,817						41,666
18	b.											
19						507,276						15,610
20	c.											
21						65,788						16,447
22	d.											
23						16,612						33,224
24	5.											
25						13,724,386						12,786,305

12,786,305

2,440

30,251

12,753,705

13,767,969

30,251

12,753,705

13,356

30,227

12,786,305



Fiscal 1993

Fiscal 1992

	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
1												
2	89,278					89,278	45,633					45,633
3												
4	136,720					136,720	137,102					137,102
5												
6	587,137	1,223,606	851,408			2,662,151	578,781	1,259,167	855,109			2,693,057
7												
8	30,200					30,200	60,400					60,400
9												
10	Total											
11	70,803,267	4,951,653	5,071,948	3,084,070		83,910,938	68,789,298	4,946,096	4,442,348	3,080,854		81,258,596
12							67,225,801					79,695,000

13 Contracts negotiated or renegotiated by the department may not extend beyond the end of the 1993 biennium unless they contain the clause "subject to legislative appropriation of funds for this contract".

14

15 If the department is unable to recruit and hire professional positions funded in the appropriation and required for patient treatment and/or certification it may transfer up to 100% of the aggregate personal services cost of each class of vacant position or the cost of the required contract, whichever is less, operating expenses for the purpose of contracting for services that would have been provided if that position were filled. The department shall certify to governor or his designated representative that:

16 (1) the department is unable to fill the position or positions; and

17 (2) the services that would be provided by that position if filled and by the proposed contract are necessary for either federal medicare certification or the treatment requirements of its correctional institutions.

18

19 Within the industries operations in item 2, the department may submit budget amendments to hire 1 FTE marketing representative, 2 FTE shop supervisor and 1 FTE prison industries procurement coordinator if funding is available.

20

21 Within the industries training program in item 2, the department may submit budget amendments to hire 1 FTE vehicle maintenance shop supervisor if funding is available.

	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total

1 The department is authorized to maintain a cash balance of not more than \$16,000 at the end of each fiscal year in the prison industries training
 2 proprietary account. Any funds in excess of \$16,000 in the proprietary account are to offset the general fund appropriation.

3 Item 2a, the corrections medical budget, is a biennial appropriation.

4 The department shall submit budget amendments for the local jurisdiction sentencing option program in item 2g if federal funding becomes available. The
 5 total general fund and state special fund share of the program may not exceed 50% and must revert to the extent that federal funding
 6 less than \$35,000.

7 Item 2m contains \$55,276 in fiscal 1992 and \$55,158 in fiscal 1993 for two targeted case managers at the prison. In preparing the 1995 biennial budget
 8 for legislative consideration, the office of budget and program planning and the legislative fiscal analyst's office may not include the expenditures from
 9 above items in the current level base.

10 Transfers may be made between line items within the mental health division and the alcohol and drug abuse division (chemical dependency) for the purpose
 11 of accurately allocating operating expenses associated with the alcohol and drug programs on the Galen campus upon approval of the governor or his designa
 12 representative.

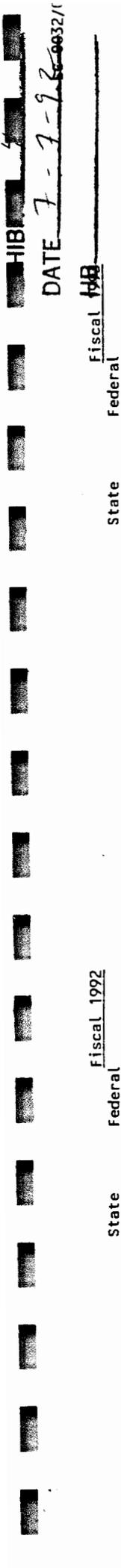
13 Included in item 3 are \$22,492,426 in fiscal 1992 and \$22,717,860 in fiscal 1993 for the operation of Montana state hospital. Except for approved transfers
 14 to the chemical dependency division for the purpose of accurately allocating operating expenses associated with the alcohol and drug programs on the Galen camp
 15 no more than 5% of these funds may be transferred.

16 In item 3, the department may transfer appropriation authority from the personal services category to the operating expense category of the mental hea
 17 division budget upon approval by the governor or his designated representative for costs associated with the Ihler lawsuit and the pilot projects in Kalisp
 18 Missoula, and Butte.

19 In item 3, the department may transfer appropriation authority from the personal services category to the operating expense category of the mental hea
 20 division budget upon approval by the governor or his designated representative for costs, up to \$1,000,000 for the 1993 biennium, associated with responding
 21 the district court ruling on the Ihler lawsuit.

22 Included in the appropriation for the Montana state hospital-chemical dependency program within item 4 are \$1,408,733 in fiscal 1992 and \$1,413,201
 23 fiscal 1993 for the operation of the Galen chemical dependency program. No more than 5% of these funds may be transferred.

24 The department shall continue to provide acute hospital care, intermediate nursing care, and chemical dependency services at the Montana state hosp
 25 at Warm Springs and Galen without significant changes in the program at either campus, except for approved changes on the Warm Springs campus to implement



HIB

DATE 7-7-92

Fiscal 1992

Fiscal 1993

1 district court ruling on the Ihler lawsuit.

2 In item 5, the department may transfer appropriation authority from the personal services category to the operating expense category of the Montana developmental center budget upon approval of the governor or his designated representative if the downsizing does not take place on schedule.

	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
4												
5	TOTAL SECTION D											
6	73,299,417	5,576,701	8,804,715	3,619,931		91,300,764	70,969,859	5,660,356	5,643,007	3,619,158		85,892,380
7							69,322,958					84,245,47

Meriwether Lewis Institute

324 Fuller Ave. Suite S-12
Helena, Montana 59601
406-442-7416
1-800-823-7234

Funded in part by NIMH



EXHIBIT 5
DATE 7-7-92
#B _____

7/7/92 Testimony for Special Session 2

Mr. Chairman and members of the Committee:

I am Kathy Standard and I'm speaking here today as President of the Meriwether Lewis Institute. I want to once again stress our confidence in the Department of Corrections and Human Services. We believe they are doing the best they can in difficult times to try and attain their Mental Health System Vision Statement. However, we feel they are being forced to place a higher priority on the short-range goal of balancing the state budget than on the long-range goal of truly meeting the needs and rights of mental health consumers across Montana.

Therefore, after a great deal of consideration, the Meriwether Lewis Institute has decided to OPPOSE the Department's proposal to downsize Galen during this Special Session. Cutting any funding from the Department's budget in order to balance the state budget is UNACCEPTABLE to Montana mental health consumers.

In the 1991 Legislative session, House Bill No. 966 created a study committee on the Montana State Hospital. Thirty-seven thousand dollars was appropriated for conducting their study. We have followed this Committee with great interest and concern since its inception, and have attended all of their meetings. Most members of the Study Committee are taking an objective view and are truly trying to educate themselves so that they can find workable solutions. Their study NEEDS TO BE COMPLETED before there is any downsizing or closure of Galen. Thank you...

6

Testimony of Keith Colbo
July 7, 1992
Galen Proposal
Appropriations Sub-Committee

EXHIBIT 6
DATE 7-7-92
HB _____

I. Introduction - Warm Springs/Galen Task Force

- A. Community and employee organizations
- B. Drafter of H.B. 966 - Warm Springs Study Committee

II. Oppose the Galen proposal made by the administration to this special session

- A. The proposal is based on the incomplete deliberations of the Study Committee. Opposed by legislators.
- B. Once use is changed, the facilities will no longer be licensed for their current uses. Once abandoned, the buildings will be costly to reoccupy.
- C. The Warm Springs Study Committee is just now beginning to look at alternative program uses and will be taking them into consideration in August and September.
- D. The peer review of the acute care facility at Galen authorized by the Study Committee has not been completed.
- E. The administration's infrastructure study has begun, and the findings will not be known for some time yet. Study cost - \$100,000.
- F. The program and physical facility needs of the State of Montana require long-term planning as conditions change. This has not been done, and it would be foolish to abandon staff and facilities valued at \$21 million until it is done.
- G. The estimated savings from this action are mis-stated by at least one third and probably more.

III. The Warm Springs/Galen Task Force has supported the work of the Warm Springs Study Committee and has submitted several documents in support of the process.

- A. Background document
- B. Last Meeting - Mission statement for an Intensive Treatment Facility at Galen
- C. Continue to support the Study Committee as they enter the most important part of their work

Page Two

Testimony of Keith Colbo
July 7, 1992
Galen Proposal

- IV. **The Warm Springs/Galen Task Force has secured an EDA Grant this last month to develop responses to the closure proposals taking into consideration the needs of the communities and employees of changes that might occur. That work is just now beginning.**

- V. **Close - Again reject the "scaled back, modified adjustment" that will not generate the savings claimed nor allow the Study Committee to complete its work.**

Testimony of George Hagerman
July 7, 1992
Galen Proposal
Appropriations Sub-Committee

Mr. George Hagerman representing the American Federation of State, County and Municipal Employees, Montana Council Number 9.

As many of you know, I represent many of the employees whose jobs will be affected by this proposal to alter the programs at the Galen Campus of Montana State Hospital. For many of them, patient care at Galen has been a life's work, and I can assure you it has been well done under some very difficult and trying circumstances. Particularly the last two years have caused a great deal of hardship for these employees and their families. In addition to the closure proposals, the employees have been required to adjust to policy and program changes throughout the period that have destroyed morale and demonstrated a lack of support for their mission and purpose by those who employ them.

AFSCME committed to the H.B. 966 Warm Springs Study Committee process as did the Warm Springs/Galen Task Force following the 1991 Regular Session. We believe that the next regular session should review the recommendations made by the committee when their deliberations are completed and accept or reject them based on the program needs of the state at that time. We do not believe that this proposal has any more merit today than it did when it was rejected during the 1991 session and again during the first special session. I will not repeat those same arguments you have heard then and again today, but would urge the sub-committee to reject the administration's proposal and allow the Study Committee to complete its work and the employees to continue to do theirs' at Galen.

HOUSE OF REPRESENTATIVES

WITNESS STATEMENT

PLEASE PRINT

NAME Audrey Aphalon BILL NO. _____

ADDRESS 400 E. Blvd DATE 7-7-92

WHOM DO YOU REPRESENT? Washburn County - Washburn/Valer task
SUPPORT _____ OPPOSE _____ AMEND _____ for car

COMMENTS: Long term care, acute care retention at
Valer health Committee complete work summary.

HOUSE OF REPRESENTATIVES

WITNESS STATEMENT

PLEASE PRINT

NAME John Shantz BILL NO. _____

ADDRESS Box 1185 Helena 59624 DATE 7-7-92

WHOM DO YOU REPRESENT? Mental Health Act of Montana

SUPPORT _____ OPPOSE X AMEND _____

COMMENTS: Oppose executive proposals regarding
Montana State Hospital

HOUSE OF REPRESENTATIVES

WITNESS STATEMENT

PLEASE PRINT

NAME John CARLINGHOUSE BILL NO. _____

ADDRESS RR 1 GALEN DATE 7-7-92

WHOM DO YOU REPRESENT? GALEN

SUPPORT _____ OPPOSE _____ AMEND _____

COMMENTS: John sent a deposition -
unable to attend because of family
problems.

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Institutions SUBCOMMITTEE DATE 7-17-92

DEPARTMENT (S) _____ DIVISION _____

PLEASE PRINT

PLEASE PRINT

NAME	REPRESENTING	
Cindy Anderson	Galen	
Charline Hasking	Galen	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Institutions SUBCOMMITTEE DATE 7-7-92
DEPARTMENT (S) _____ DIVISION _____

PLEASE PRINT

PLEASE PRINT

NAME	REPRESENTING	
Charlotte A. Randa	Galen Task Force	
Lee Lopez	Galen Task Force	
Kathy McGowan	CDPM - MCHHC	
Patrick P...	McCallister...	
Kathy Standa...	Medicare Law...	
ALICE WARDEN	MINT ASSOC IN CH...	
Jane M. Pillech	Galen Employee	
Jane M. Pillech	Galen Employee	
... Eunice Connolly	Galen	
Shirley Kelly	GALEN TASK FORCE	
Sergey Agapov	AF-5A MP	
Juanita Weist	Galen	
JOHN W PELLEGRINI	GALEN EMPLOYEE	
Linda Nichols	GALEN Employee	
Do Myrick	GALEN EMPLOYEE	
James Myrick	GALEN EMPLOYEE	
Colin Tracey	Galen	
Mike Tracey	Galen	
Allen Taylor	Galen Employee	

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