

MINUTES

MONTANA SENATE/MONTANA HOUSE
54th LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE ON HOUSE BILL 002

Call to Order: By SENATOR GARY AKLESTAD, Chairman, on April 6, 1995, at 8:00 a.m., Room 312-2. Free conference committee also met on April 7, April 11, April 12, 1995.

ROLL CALL

Members Present:

Sen. Gary C. Aklestad, Chairman (R)
Sen. Charles "Chuck" Swysgood (R)
Sen. Judy H. Jacobson (D)
Rep. Tom Zook (R)
Rep. Ernest Bergsagel (R)
Rep. Joe Quilici (D)

Members Excused: None

Members Absent: None

Staff Present: Clayton Schenck, LFA, as well as all LFA staff

General Discussion of HB 2 free conference committee:

CHAIRMAN AKLESTAD indicated that the conference committee would go through sections of HB 2 and that the de-earmarking of SB 83 would be included in the sections. He noted they would also deal with technical amendments, primarily working on Sections A, B, and C for regular amendments and all five areas pertaining to SB 83.

Clayton Schenck, LFA, explained that SB 83 would eliminate earmarking a number of accounts and a number of statutory appropriations. He noted that the amendment would create what otherwise was a statutory appropriation and change it to a general fund in HB 2. The appropriation would add approximately \$600 million to HB 2. The majority of that \$600 million is moving the school equalization account authority from statutory appropriation and state special revenue to general fund.

Mr. Schenck explained a table showing what would be going into HB 2 as a result of SB 83. EXHIBIT 1 He noted that SB 83 currently is going to conference committee and that there could be changes to the amendment if the conference committee would make changes to the bill.

In questioning from **CHAIRMAN AKLESTAD** regarding the bottom line of **EXHIBIT 1**, **Mr. Schenck** said the bottom line would be a reduction of state special revenue of \$23.9 million in the bill and an increase in general fund of \$608.5 million. The majority of that is under OPI state equalization aid (SEA) of approximately \$580 million; that is transfer of SEA funds into the general fund.

SECTION A, B, C, BP AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND HB 2, amendment hb000283.a12. EXHIBIT 2

Discussion: REPRESENTATIVE QUILICI questioned if the \$580 million SEA that would be put in HB 2 included the \$245 million that was already there.

Mr. Schenck explained that would be in addition to the \$245 million that is built into HB 2. This particular amendment would shift the \$245 million currently shown in one year and have it shown half in each of the two years of the biennium. He maintained there are two items not related to SB 83 but related to the equalization account. One is SB 112 which reduces the general fund by \$97,100 relating to school transportation. That is included in the amendment under OPI. Also HB 479 adds \$1.7 million which is included in the amendment **EXHIBIT 2** for school equalization.

REPRESENTATIVE BERGSAGEL asked where the money came from with regard to enforcement wardens in Fish, Wildlife and Parks.

Roger Lloyd, LFA, referred to Fish, Wildlife and Parks section of **EXHIBIT 1**. He noted that enforcement wardens were paid from the general license account. SB 83 strikes the specific 1 percent of wardens and adds it to the amount of funds paid by the Department. The appropriation to the Department would have an increase by that \$24,000.

CHAIRMAN AKLESTAD, referring to amendment **EXHIBIT 2**, said he would like one motion on the exhibit to plug in to each section rather than going through each section on SB 83. He explained that all amendments pertaining to SB 83 include a narrative. **EXHIBIT 2**

In questioning from **CHAIRMAN AKLESTAD** regarding Fish, Wildlife and Parks Department (FW&P) having a series of appropriations going from state special revenue and being picked up with general fund, he questioned how that would happen.

Mr. Lloyd said justice court fine revenues would be passed to the general fund. Programs that had been funded through the fines as state special would have to be funded with general fund to maintain the same level of the program.

Vote: REPRESENTATIVE ZOOK'S amendment motion EXHIBIT 2 CARRIED with REPRESENTATIVE BERGSAGEL OPPOSED.

Motion: REPRESENTATIVE BERGSAGEL MOVED TO AMEND THE TECHNICAL AMENDMENTS TO HB 2. EXHIBIT 3

Discussion: Mr. Schenck explained the technical amendments, indicating to the conference committee that a brief explanation was included after each amendment.

In questioning from REPRESENTATIVE ZOOK if the figures reducing the mental health general fund appropriation shown on amendment 7 and 8 are currently on the LFA green sheet, Mr. Schenck said yes, they are in HB 2 numbers. It would reduce the status sheet by a little over \$200,000.

SENATOR SWYSGOOD asked if that was indicated on the last status sheet as a reduction or was being carried as an expenditure.

Mr. Schenck said it was shown as an expenditure in the most current status sheet.

Vote: REPRESENTATIVE BERGSAGEL'S amendment motion EXHIBIT 3 CARRIED UNANIMOUSLY.

Motion: REPRESENTATIVE QUILICI MOVED TO AMEND HB 2, SECTION A-4. EXHIBIT 4

Discussion: CHAIRMAN AKLESTAD said the amendment would provide funding for the Mental Disabilities Board of Visitors and 4.5 FTE. There is approximately \$123,000 federal monies as a match and approximately \$300,000 general fund.

Vote: REPRESENTATIVE QUILICI'S amendment motion EXHIBIT 4 CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED TO AMEND HB 2, PAGE B-4. EXHIBIT 5

Discussion: SENATOR SWYSGOOD described the amendment as increasing provider rate increases for hospitals and nursing homes from 1.5 percent to 3 percent, as well as adding \$1.8 million general fund. He reported that he would have language later on that would go along with the amendment.

When questioned by REPRESENTATIVE QUILICI as to the difference between these figures and the executive budget, SENATOR SWYSGOOD thought the executive recommended 4.4 percent; therefore, it would be approximately \$1.6 million difference.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 5 CARRIED UNANIMOUSLY.

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND SECTION C-11.
EXHIBIT 6

Discussion: REPRESENTATIVE ZOOK explained that the amendment would implement HB 445 for the weed free hay and is state special revenue.

When asked by SENATOR SWYSGOOD if the .50 FTE would come out of the noxious weed account, REPRESENTATIVE ZOOK said that was his understanding.

REPRESENTATIVE QUILICI voiced concern on who paid into the noxious weed account.

SENATOR SWYSGOOD said a bill passed this legislative session set up a weed free hay account which the producers pay into; they are funded out of the noxious weed free account.

Vote: REPRESENTATIVE ZOOK'S amendment motion EXHIBIT 6 CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED TO AMEND HB 2 SECTION A-8.
EXHIBIT 7

Discussion: CHAIRMAN AKLESTAD explained that the amendment would reverse the distribution ratio of highway fuel tax distribution to counties and cities. He noted that HB 2 has a triggering mechanism stating if it gets up to \$165 million, the money would then go into the cities and counties; this amendment would change the ratio to the original intent of HB 297.

In questioning from REPRESENTATIVE QUILICI whether this was some of the fuel tax money that was in HB 297, CHAIRMAN AKLESTAD said that HB 297 was automatically moving \$7.5 million each year out of the highway department and to the counties. The triggering mechanism is at \$165 million, and they couldn't spend over \$15 million. If there was a windfall and it was over \$15 million, only the \$15 million could go into the account. The amendment merely deals with the distribution of it. As the bill currently is, 40 percent goes to counties and 60 percent to cities, and the amendment EXHIBIT 7 would reverse that to 40 percent to cities and 60 percent to counties. That is what the League of Cities and Towns and MACo had agreed on in HB 297.

SENATOR SWYSGOOD questioned since HB 297 was tabled why there was consideration of putting a portion of that bill into HB 2 and he questioned the current distribution to cities and counties under the monies that the department currently has.

CHAIRMAN AKLESTAD said there is no attempt to put it into HB 2 because it is already in that bill; he was trying to change the distribution of dollars.

When questioned by **SENATOR SWYSGOOD** if that would be excess funds, **CHAIRMAN AKLESTAD** said that was correct, and it currently is estimated at \$165 million.

In further questioning from **SENATOR SWYSGOOD** if the cities and counties didn't like it going 60 percent to the counties and 40 percent to the cities, **SENATOR AKLESTAD** said the agreement under HB 297 was 60 percent would go to counties and 40 percent to the cities.

SENATOR JACOBSON questioned if that is per distribution.

REPRESENTATIVE ZOOK commented that there already was a formula in law where it is 60 percent county and 40 percent city, which is the reason HB 297 was drafted in that manner. It was his understanding that it included the number of miles of roads in the counties also.

CHAIRMAN AKLESTAD reported that the cities and counties agreed on that in HB 297. This is for secondary roads which is different from what was in the original concept where they were going to put the money for streets and alleys. There is less miles of maintenance available to be funded from this since the streets and alleys are not included. Cities would have less need for the dollars compared to the original concept.

SENATOR SWYSGOOD said there already is a formula set up for distribution of the funds and the excess funds should be distributed in the same ratio.

Skip Culver, LFA, alleged the fixed amount in statute is approximately \$16.7 million distributed to cities and counties. Approximately \$10 million of that goes to cities and approximately \$6 million to counties. This would reverse that, adding that this is only for the excess over \$165 million.

CHAIRMAN AKLESTAD said two different portions of money are being dealt with. The statute dealing with the \$16 million mentioned by **Mr. Culver** would stay in that ratio. The amendment is dealing with the excess over \$165 million and the ratio would change. The \$16 million is separate from the triggering mechanism that is currently in HB 2.

Mr. Culver said that was correct.

SENATOR SWYSGOOD questioned if on the excess there would be a different percentage distribution of those funds and that with the amendment 40 percent would go to the cities and 60 percent to the counties.

SENATOR AKLESTAD said that was correct. When asked by **SENATOR SWYSGOOD** if it would be just on the excess, **CHAIRMAN AKLESTAD** said it would be just on the excess which pertains to the amendment that is already in HB 2.

SENATOR SWYSGOOD noted that the proposed amendment **EXHIBIT 7** does not state that it would apply to the excess.

CHAIRMAN AKLESTAD said the excess is already in HB 2 as an amendment.

SENATOR SWYSGOOD alleged that the explanation on the amendment **EXHIBIT 7** had no language about the excess. Referring to HB 2 page A-8, line 23, he questioned there being a figure for the excess when that is not currently known.

Mr. Culver said in HJR 9, the revenue oversight committee set revenue estimates for the fuel tax. This stated if the revenue estimates of approximately \$165 million are exceeded during the coming biennium, any excess over that would be distributed on this ratio up to a maximum of \$16 million.

Vote: **SENATOR SWYSGOOD'S** amendment motion **EXHIBIT 7 CARRIED UNANIMOUSLY.**

Motion: **SENATOR SWYSGOOD MOVED TO AMEND SECTION C. EXHIBIT 8**

Discussion: **SENATOR SWYSGOOD** indicated this would be spending authority brought about by SB 321 which increased the allocation of the gasoline dealers' license tax revenue for snowmobiles.

Vote: **SENATOR SWYSGOOD'S** amendment motion **EXHIBIT 8 CARRIED** with **REPRESENTATIVE BERGSAGEL OPPOSED.**

Motion: **SENATOR SWYSGOOD MOVED TO AMEND SECTION C. EXHIBIT 9**

Discussion: **SENATOR SWYSGOOD** remarked that the renewable resource grant and loan program account and the reclamation and development grant program account are over-appropriated by more than \$1.7 million for the biennium. The amendment **EXHIBIT 9** would use \$1.5 million over the biennium to replace special revenue in the Department of Natural Resources and Conservation (DNRC) and Department of State Lands (DSL).

Vote: **SENATOR SWYSGOOD'S** amendment motion **CARRIED UNANIMOUSLY.**

Motion: **REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION BP-1. EXHIBIT 10.**

Discussion: **REPRESENTATIVE BERGSAGEL** asked **Mary Bryson**, **Legislative Auditor's Office (OLA)** to explain the amendment.

Mary Bryson, **Legislative Auditor's Office**, explained that the amendment would allow her office to recover the costs associated with the pay plan if implemented at whatever dollar amount it is implemented. She reported that the legislative audit costs are a line item biennial appropriation in each agency budget. It would increase the line item audit appropriation by an amount equal to

the special revenue fund amount appropriated to the office for the 1997 biennium pay plan funding.

In questioning from **REPRESENTATIVE QUILICI** whether these are indirect costs, **Ms. Bryson** said it could be described that way, adding that their special revenue fund is on a cost recovery basis. The agencies are billed for the financial audit costs, and pay plan increases would drive their costs up with no way to recover them unless they could increase the line item appropriation.

CHAIRMAN AKLESTAD questioned why the subcommittee did not address that issue earlier since they were aware of the financing of the pay plan.

Ms. Bryson indicated that the office appropriation is not funded from the perspective that they will pay the increases in the pay plan from their office budget, however this amendment would allow OLA to recover any increases in their special revenue fund. She added that they can only pay the cash they collect and if the cash is not collected, they would not be making the payments.

Mr. Schenck said subcommittees don't really deal with boilerplate language, which this amendment addresses. He noted that the language is similar to what was in HB 2 in the last biennium.

Vote: **REPRESENTATIVE BERGSAGEL'S** amendment motion **EXHIBIT 10** CARRIED UNANIMOUSLY.

Motion: **REPRESENTATIVE BERGSAGEL** MOVED TO AMEND SECTION A-1. EXHIBIT 11.

Discussion: **REPRESENTATIVE BERGSAGEL** explained that the amendment implemented the provisions of SB 202, adding \$10,832 general fund for the biennium to the Legislative Auditor's Office for the fraud hotline.

When questioned by **SENATOR SWYSGOOD** if the legislation was passed in a previous session, **REPRESENTATIVE BERGSAGEL** said there was legislation that passed in the last special session which had a sunset. SB 202 would make the hotline permanent.

In questioning from **SENATOR SWYSGOOD** whether there was not money in the OLA to continue the hotline, **REPRESENTATIVE BERGSAGEL** said that was correct; it was contingent on passage of SB 202.

Vote: **REPRESENTATIVE BERGSAGEL'S** amendment motion **EXHIBIT 11** CARRIED with **SENATOR SWYSGOOD** OPPOSED.

Motion: **REPRESENTATIVE BERGSAGEL** MOVED TO AMEND SECTION A-1. EXHIBIT 12.

Discussion: **REPRESENTATIVE BERGSAGEL** indicated that the amendment would implement the provisions of SB 398 amendments

which in the House increased the size of the Legislative Audit Committee by four legislators.

SENATOR JACOBSON said she would like to hold the amendment until the conference committee met to discuss SB 398.

Withdrawal of motion: **REPRESENTATIVE BERGSAGEL WITHDREW HIS AMENDMENT MOTION. EXHIBIT 12**

Motion: **REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION A-1. EXHIBIT 13**

Discussion: **REPRESENTATIVE BERGSAGEL** indicated that the amendment would increase OLA operating expenses by \$500 each fiscal year to implement provisions of HB 576 that require OLA to complete privatization reviews as requested by OBPP. ←

When questioned by **CHAIRMAN AKLESTAD** if this is a straight general fund appropriation, **REPRESENTATIVE BERGSAGEL** said yes, \$1,000 for the biennium.

Vote: **REPRESENTATIVE BERGSAGEL'S** amendment motion **EXHIBIT 13 FAILED.**

Motion: **SENATOR SWYSGOOD MOVED TO AMEND SECTION B-7. EXHIBIT 14**

Discussion: **SENATOR SWYSGOOD** described the amendment as language for the provider rate increase for hospital and nursing homes. It would inform SRS in the event the Borne requirements are not met that they may use other funds to bring the state into compliance.

Vote: **SENATOR SWYSGOOD'S** amendment motion **CARRIED UNANIMOUSLY.**

Motion: **REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION B. EXHIBIT 15**

Discussion: **REPRESENTATIVE BERGSAGEL** stated that the amendment would add \$280,000 general fund to the Department of Labor for certified apprenticeship instruction and related training programs.

In questioning from **REPRESENTATIVE QUILICI** as to the nature of the program, **REPRESENTATIVE BERGSAGEL** said it was his understanding that it provided training for approximately 48 percent of non-union labor and about 52 percent of union labor for job training programs.

When asked by **REPRESENTATIVE ZOOK** if this language was in a bill that did not pass, **REPRESENTATIVE BERGSAGEL** thought the program already existed. There was legislation that attempted to make a permanent funding source for it, and this amendment **EXHIBIT 15** was putting general fund money into the program.

Vote: REPRESENTATIVE BERGSAGEL'S amendment motion EXHIBIT 15 FAILED.

CHAIRMAN AKLESTAD announced that there would be a short recess until further amendments were received.

BRIEF RECESS - 9:15 A.M.

FREE CONFERENCE COMMITTEE RESUMES - 9:35 A.M.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION B-7. EXHIBIT 16

Discussion: SENATOR SWYSGOOD explained that the amendment corrected the amount appropriated to hospitals within the total appropriation for medicaid services in SRS. It included hospital rate increase of 3 percent annually.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 16 CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION A,B. EXHIBIT 17

Discussion: SENATOR SWYSGOOD indicated that the amendment would transfer the appropriation for the local citizen review board pilot program from Section B, Department of Family Services (DFS) to Section A, Judiciary.

In questioning from REPRESENTATIVE BERGSAGEL relative to the amendment, SENATOR JACOBSON said the program is in the Judiciary and the money is currently in the wrong place.

When asked by CHAIRMAN AKLESTAD how it got into the wrong place, SENATOR SWYSGOOD said the money was appropriated in the DFS budget, and the program is administered by the Supreme Court.

REPRESENTATIVE QUILICI questioned if federal funds are also involved with the program.

SENATOR JACOBSON said it was possible that the state might be getting some federal funding.

CHAIRMAN AKLESTAD asked Pat Chenovick to address this issue.

Pat Chenovick, Administrator, Supreme Court, said the funds currently are in DFS because the pilot program was scheduled for this current biennium. SB 174 would continue the program so the money would have to be moved from DFS to the Supreme Court because of statute.

When asked by CHAIRMAN AKLESTAD if the subcommittee was not aware of that, Mr. Chenovick explained that there was confusion on the different foster care monies. The money in the subcommittee was federal money used for a study of foster placements, and it is dictated that it go to the highest court in the land.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 17 CARRIED with CHAIRMAN AKLESTAD OPPOSED.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION B-4. EXHIBIT 18

Discussion: SENATOR SWYSGOOD characterized the amendment as adding \$225,000, general fund each year and \$225,000 federal funds into the Omnibus Budget Reconciliation Act (OBRA).

In questioning from REPRESENTATIVE ZOOK whether this was a federal requirement, SENATOR SWYSGOOD said the federal register sets forth the provisions of the OBRA regarding nursing home certification and enforcement procedures under the medicaid program. He asked Mr. Blouke to address the issue.

Peter Blouke, Director, SRS, maintained that OBRA laid out specific requirements that had to be followed by medicaid relating to nurse aide registry, investigations of abuse and misappropriation of resident funds. The initial request to the subcommittee was \$650,000 but was reduced after further review. These requirements are necessary as a condition of participation in the medicaid program, adding that it is not just the nurse aide registry but goes beyond that.

REPRESENTATIVE QUILICI, noting the amount is \$450,000 general fund over the biennium, said this is another unfunded mandate the state has gotten from the federal government.

Mr. Blouke said it is unfunded in that the state has to come up with 50 percent of the cost.

In concern voiced by REPRESENTATIVE ZOOK regarding the \$1,350,000, he questioned how many people would be involved in this.

Mr. Blouke said it was broken out by investigation, a half time attorney involved, hearing costs, adding that they may contract for the half time FTE that is required.

SENATOR SWYSGOOD said the hearing process includes travel of \$4,000 each year, a half FTE attorney at \$10,000 yearly, 20 hearings at \$80 hourly, \$75,000 yearly; equipment, rent and communications \$11,000 yearly for a subtotal of \$100,000 each year of the biennium. The investigations is \$300,000 yearly; sanctions and enforcement is \$50,000 yearly and total program is \$450,000 fiscal '96 and fiscal '97. He explained that half of that is matched by federal funds.

Mr. Blouke alleged that the total was \$900,000 rather than the \$1,350,000 stated by REPRESENTATIVE ZOOK.

CHAIRMAN AKLESTAD commented that SRS had a \$202 million budget increase over the last biennium and asked Mr. Blouke if the requested funds could be worked into that increase.

Mr. Blouke indicated SRS had worked additional figures through the appropriations process and added that these amounts are in the operating budget and not in the benefits budget. He described the operating budget as being less than 20 percent of their total budget, noting that they have been absorbing various costs that they originally asked for in the executive budget. He concluded that something else would have to be eliminated because the OBRA is a mandate.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 18 CARRIED ON A ROLL CALL VOTE.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION B-10. EXHIBIT 19

Discussion: SENATOR SWYSGOOD claimed that the amendment would restore \$249,000 general fund and \$997,000 federal revenue to continue a federal grant to fund preventive services for children at-risk of abuse and neglect in order to prevent out-of-home placement.

In questioning from **REPRESENTATIVE QUILICI** about incorporating amendments into bills such as the reorganization bill, **SENATOR SWYSGOOD** said under the reorganization bill, it would allow agencies to take the monies appropriated to them and use it in the reorganization.

In concern raised by **REPRESENTATIVE QUILICI** if there would be a cost reduction in government by the reorganization, **SENATOR SWYSGOOD** remarked that the reorganization bill showed a \$428,000 cost reduction the second year of the biennium which is associated with the approximately 25 FTE elimination. Later legislative sessions would better be able to look at impacts of the reorganization and make further adjustments.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 19 FAILED ON A ROLL CALL VOTE.

CHAIRMAN AKLESTAD recessed the HB 2 free conference committee.

FREE CONFERENCE COMMITTEE RECESSED - APRIL 6, 1995 - 10:00 A.M.

FREE CONFERENCE COMMITTEE RECONVENED - APRIL 7, 1995 - 8:00 A.M.

{Tape: 2; Side: a}

Continuation of discussion of HB 2 free conference committee

Motion: REPRESENTATIVE QUILICI MOVED TO AMEND SECTION BP-2. EXHIBIT 20.

Discussion: REPRESENTATIVE QUILICI said this was boilerplate language allowing the executive branch the authority to modify the judiciary's budget without proper legislative review. The review is required by the constitution and Section 17-7-122 (3), MCA.

Vote: REPRESENTATIVE QUILICI'S amendment motion EXHIBIT 20 CARRIED UNANIMOUSLY.

Motion: REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION A-1. EXHIBIT 21

Discussion: REPRESENTATIVE BERGSAGEL depicted the amendment as implementing SB 398 amendments increasing the size of the Legislative Audit by four legislators.

Withdrawal of motion: After discussion relative to SB 398 being in a conference committee, REPRESENTATIVE BERGSAGEL withdrew his motion.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION A-1. EXHIBIT 22

Discussion: SENATOR SWYSGOOD reported that the amendment would add general fund to the LFA's budget to provide funding the postsecondary education interim committee as authorized in SB 76.

When questioned by REPRESENTATIVE ZOOK as to number of meetings in the interim with the university system, SENATOR SWYSGOOD indicated it is budgeted for six meetings. He added that traditionally the committee had not expended the entire amount appropriated to them and the money was reverted.

In response to REPRESENTATIVE ZOOK as to number of legislators on the committee, SENATOR SWYSGOOD stated there are two Senators, two House members, two members of the board of regents, a student and a member from the governor's office.

When asked by REPRESENTATIVE ZOOK if the money would pay for the total committee membership, SENATOR SWYSGOOD said that was correct.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 22 CARRIED with SENATOR AKLESTAD and REPRESENTATIVE ZOOK OPPOSED.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION A-1. EXHIBIT 23

Discussion: SENATOR SWYSGOOD claimed that the legislative finance committee was directed by the legislature to go through all earmarked funds and statutory appropriations and come up with a mechanism to begin looking into de-earmarking, and he added that SB 83 is a result of that. The legislature directed this to be an ongoing process. He explained there was \$6,000 left over from money appropriated, and the amendment would reappropriate

the \$6,000 to the next interim legislative finance committee to continue the work.

When questioned by **CHAIRMAN AKLESTAD** if the finance committee within their existing budget would not be able to do this work, **SENATOR SWYSGOOD** said many hours of work was done dealing with SB 83. While the work now would not be as intense as that done by the last subcommittee, he assumed there would be more work than the whole committee could accomplish at their regular meetings.

Vote: **SENATOR SWYSGOOD'S** amendment motion **EXHIBIT 23 CARRIED UNANIMOUSLY.**

Motion: **REPRESENTATIVE QUILICI** MOVED TO AMEND SECTION A-1. **EXHIBIT 24**

Discussion: **REPRESENTATIVE QUILICI** indicated that the amendment would add \$60,000 general fund for the biennium for dues of the National Conference of State Legislatures (NCSL). He asked **Mr. Schenck** to explain how the NCSL facilities are used.

Mr. Schenck explained that Legislative Council because of their research would use NCSL more than anyone else. LFA in terms of fiscal policy uses NCSL virtually daily in telephone calls for interim reports and studies and comparing data to other states.

When questioned by **CHAIRMAN AKLESTAD** if any of the necessary information could be obtained from the Library of Congress, **Mr. Schenck** said the Library of Congress would not be collecting the same type of data as NCSL, and added they currently do not have access to the Library of Congress.

Vote: **REPRESENTATIVE QUILICI'S** amendment motion **FAILED.**

Motion: **REPRESENTATIVE ZOOK** MOVED TO AMEND SECTION A-1. **EXHIBIT 25**

Discussion: **REPRESENTATIVE ZOOK** claimed that this would add \$10,000 cigarette tax state special revenue to the Legislative Council for the interim study of veterans' needs proposed in HJR 19.

In questioning from **CHAIRMAN AKLESTAD** if this study would have a direct appropriation through special revenue, **REPRESENTATIVE ZOOK** said that was correct.

Vote: **REPRESENTATIVE ZOOK'S** amendment motion **EXHIBIT 25 CARRIED** with **REPRESENTATIVE BERGSAGEL** OPPOSED.

Motion: **SENATOR SWYSGOOD** MOVED TO AMEND SECTION A-3. **EXHIBIT 26.**

Discussion: **SENATOR SWYSGOOD** indicated that the amendment would add 10 FTE and state special revenue of \$978,400 per year to

Judiciary for court automation. The funds would be derived from a \$5 user surcharge on court actions authorized in HB 176.

REPRESENTATIVE ZOOK questioned whether 10 FTE would be needed to implement the program.

Pat Chenovick said there would be automation of 224 courts in the state. He noted that they currently have 5 FTE; this would be an increase of 5 to service the court automation.

In questioning from **SENATOR SWYSGOOD** regarding 5 FTE currently in the system, **Mr. Chenovick** said they have 5 FTE that are funded by a separate bill from the last legislature. HB 176 would give them permanent funding for the next four years when it would sunset.

When asked by **CHAIRMAN AKLESTAD** where the original 5 FTE are, **Mr. Chenovick** said the funding ends for the current five at the end of June so they were not included in the budget presentation. This amendment is needed to continue the automation.

When questioned by **CHAIRMAN AKLESTAD** why the original 5 FTE were not in the budgeting process earlier, **Mr. Chenovick** said they originally asked the subcommittee for \$1 million and 10 FTE to continue automation, and the subcommittee took all automation and FTE out.

Vote: **SENATOR SWYSGOOD'S** amendment motion **FAILED**.

Motion: **SENATOR SWYSGOOD** MOVED TO AMEND SECTION A-3. EXHIBIT 27

Discussion: **SENATOR SWYSGOOD** alleged that the amendment would add \$5,000 per year state special revenue to the water courts in Judiciary for water adjudication advisory committee established in SB 387.

In questioning from **SENATOR JACOBSON** if the funding would be from a \$5 user fee, **SENATOR SWYSGOOD** said the user fee was in the previous amendment that did not pass. He asked **Dave Lewis** to address the issue.

Dave Lewis, OBPP, claimed that the Governor was monitoring the free conference committee actions. As HB 176 and SB 387 come down and money is not available, the Governor would have to determine whether to sign the bills. Currently there is HB 176 with a fee in it to pay for court automation that the conference committee decided not to appropriate money for.

Withdrawal of motion: **SENATOR SWYSGOOD** said because the \$5 funding amendment did not pass and there would be no funding, he would withdraw his motion.

SENATOR JACOBSON made the comment that HB 176 and SB 387 both passed by a majority of 150 people, and a free conference committee of 6 people could veto both of the bills.

REPRESENTATIVE ZOOK alleged that only this particular amendment did not pass, and that did not mean there could not be other amendments put in that would do some of the same functions.

Motion: **SENATOR SWYSGOOD** MOVED TO AMEND SECTION A-3. EXHIBIT 28

Discussion: **CHAIRMAN AKLESTAD** described the amendment as implementing SB 249 that would eliminate the elected clerk of the Supreme Court effective January 1, 1996. It would eliminate .5 FTE in fiscal '96, 1 FTE in fiscal '97 and general fund of \$88,000 over the biennium.

Vote: **SENATOR SWYSGOOD'S** amendment motion EXHIBIT 28 CARRIED with **SENATOR JACOBSON** and **REPRESENTATIVE QUILICI** OPPOSED.

Motion: **REPRESENTATIVE QUILICI** MOVED TO AMEND SECTION A-4. EXHIBIT 29

Discussion: **REPRESENTATIVE QUILICI** proclaimed that the amendment would restore funding for the Montana Consensus Council (MCC) in the Governor's office and increase general fund by \$65,998 in fiscal '96 and \$66,007 in fiscal '97. He concluded that MCC has saved the state money in tort claims and has been credited with significant achievements on land access and instream flow issues.

Vote: **REPRESENTATIVE QUILICI'S** amendment motion EXHIBIT 29 FAILED.

Motion: **REPRESENTATIVE ZOOK** MOVED TO AMEND SECTION A-4. EXHIBIT 30.

Discussion: **REPRESENTATIVE ZOOK** explained that the amendment would remove \$2 million each year in federal grants to conduct community service projects. There was concern in the House that the people involved in the program were not necessarily those in need.

SENATOR SWYSGOOD said he had firsthand experience in his area as to the value of the project.

Vote: **REPRESENTATIVE ZOOK'S** amendment motion FAILED.

Motion: **SENATOR JACOBSON** MOVED TO AMEND SECTION A-6. EXHIBIT 31

Discussion: **SENATOR JACOBSON** referred to the chart showing health care package bills that passed this legislative session. She noted that SB 388 that is shown on the chart is in a conference committee and is not included in the amendment. It would include HB 466, HB 446, HB 533, SB 384, HB 449, HB 563.

When questioned by **REPRESENTATIVE ZOOK** if this amendment provided money for an actuary, **SENATOR JACOBSON** said she did not believe so.

In concern voiced by **REPRESENTATIVE BERGSAGEL** why workers' compensation is in the general fund and not taken out of special revenue funds, **SENATOR JACOBSON** explained that is money needed in the State Auditor's Office for their part of that. She asked the Auditor's Office to comment on that.

Frank Cote, Deputy Insurance Commissioner, said the Insurance Commissioner's Office handled the private insurance carriers. This is the money to adopt rules to implement SB 384.

SENATOR SWYSGOOD questioned if the money paid by insurance premiums that goes into the general fund is more than what is currently being used by the department.

Mr. Cote said yes. Insurance companies in fees alone, not including the premium tax collected by the Auditor's Office, there is a substantial amount more money collected in fees than is appropriated for their budget purposes.

In questioning from **REPRESENTATIVE ZOOK** about the explanation that 2 FTE funded are the health care reform specialist and the life health actuary positions, **Mr. Cote** alleged that should be one actuary position.

When asked about the cost of the amendment, **Mr. Schenck** described the total amount of general fund as being \$416,591.

Vote: **SENATOR JACOBSON'S** amendment motion **CARRIED**.

Motion: **SENATOR SWYSGOOD** MOVED TO AMEND SECTION A-8, **EXHIBIT 32**

Discussion: **SENATOR SWYSGOOD** stated that the amendment resulting from SB 378 would reduce 6 FTE in the Public Service Commission (PSC) and increase 1 FTE in the Motor Carrier Services program in the Department of Transportation to take care of interstate registration of SSRS program.

SENATOR JACOBSON indicated that the PSC has already been largely reduced.

SENATOR SWYSGOOD insisted that this amendment would not affect the PSC more than had already been done.

Vote: **SENATOR SWYSGOOD'S** amendment motion **EXHIBIT 32 CARRIED** with **REPRESENTATIVE BERGSAGEL** OPPOSED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION A-9. EXHIBIT 33

Discussion: SENATOR JACOBSON noted that the amendment would add 1 FTE and general fund of \$30,667 in fiscal '97 to the income tax division of the Department of Revenue to implement HB 560, which has been signed by the Governor.

Vote: SENATOR JACOBSON'S amendment motion EXHIBIT 33 CARRIED UNANIMOUSLY.

CHAIRMAN AKLESTAD indicated that amendments being held until action has been taken in both houses would be dealt with later. The amendments that are being held have contingent language in them and action will be taken on them later, depending on the outcome of the bills.

Discussion on amendment (not offered)

CHAIRMAN AKLESTAD asked Terry Johnson, LFA, to discuss the amendment adding a one-time only general fund appropriation of \$50,000 in fiscal '96 to the property valuation division of Department of Revenue to implement SB 198. EXHIBIT 34

Terry Johnson indicated that SB 198 had a study commission in it which was amended out of the bill and now has been put back in with a cost of \$50,000.

In questioning from SENATOR SWYSGOOD why it showed as a \$299,000 revenue reduction, Mr. Johnson thought it had to do with the change in the valuation so it had a taxable valuation impact. SENATOR SWYSGOOD indicated it would take away from revenue and from general fund and would fund a study commission.

Mr. Johnson said that as correct.

(NOTE: THERE WAS NO MOTION MADE ON THE PREVIOUSLY DISCUSSED AMENDMENT, EXHIBIT 34)

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND SECTION A. EXHIBIT 35

Discussion: REPRESENTATIVE ZOOK explained that the amendment dealt with HB 574 which would eliminate state-operated liquor stores. He asked the OBPP to address the issue.

Dan Gengler, OBPP, explained that the amendment coordinates the language appropriation for the liquor merchandising operation with this bill and added that it is more or less technical adjustments.

Vote: REPRESENTATIVE ZOOK'S amendment motion EXHIBIT 35 CARRIED UNANIMOUSLY.

Motion: REPRESENTATIVE QUILICI MOVED TO AMEND SECTION A.
EXHIBIT 36

Discussion: SENATOR SWYSGOOD indicated that the amendment dealt with the appellate defender commission. Because the account was de-earmarked in SB 83, it has to be funded out of the general fund.

Vote: REPRESENTATIVE QUILICI'S amendment motion EXHIBIT 36
CARRIED UNANIMOUSLY.

Motion: REPRESENTATIVE QUILICI MOVED TO AMEND SECTION A.
EXHIBIT 37

Discussion: REPRESENTATIVE QUILICI said with the amount of money spent on construction, Architecture and Engineering (A&E) does not have adequate staff to look at the magnitude of construction. The money would come from cigarette tax money. He asked Mr. O'Connell to address the issue.

Tom O'Connell, Administrator, A&E, indicated there is approximately \$180 million of construction which is \$30 million more than the total of the building programs from 1982 through 1990. They currently have increases in contracts, payments to vendors and projects under construction that average between 75 and 80 percent of workload from fiscal year '93.

When questioned by CHAIRMAN AKLESTAD if A&E presented the amendment to the subcommittee, Mr. O'Connell said it was presented to the subcommittee who indicated they should wait until the construction program progressed through the legislature and take action on it in the free conference committee. He added that all long range building bills passed both houses and are headed toward conference committees.

REPRESENTATIVE QUILICI explained that it was discussed in subcommittee and there was a decision to wait until the status was known of the long range building bills. He noted that it was not general fund money.

CHAIRMAN AKLESTAD questioned where the funds would be utilized if the amendment did not pass since they were to be taken from the cigarette tax.

REPRESENTATIVE QUILICI said it would remain there unless it was expended for some other building project; he did not think it would revert to the general fund.

REPRESENTATIVE BERGSAGEL claimed that it was included in the \$4.9 million of cigarette tax money. Funds are being appropriated from there to A&E, Department of Administration, for administration of the building program. If the amendment is approved, they would have the staff for the building program and the money would stay at the \$4.9 million in the long range

building program. He explained that HB 5 would go into a conference committee and that money would either be reallocated or left there.

In questioning from **CHAIRMAN AKLESTAD** if the money could be used for repair and maintenance, **REPRESENTATIVE BERGSAGEL** maintained that although that was correct, there would be no one to oversee the repair and maintenance. A building program this large needs someone to review it.

Vote: **REPRESENTATIVE QUILICI'S** amendment motion **EXHIBIT 37**
CARRIED UNANIMOUSLY.

Motion: **REPRESENTATIVE QUILICI** MOVED TO AMEND SECTION A.
EXHIBIT 38

Discussion: **CHAIRMAN AKLESTAD** asked **Mr. Lewis** to explain the amendment.

Dave Lewis, OBPP, said regarding HB 268, the appropriation basically is the extra money necessary to pay the employer contributions for state government. There is language in the amendment that would make the appropriation contingent on passage and approval of HB 268.

CHAIRMAN AKLESTAD questioned if the committee would like to hold the amendment until the outcome of HB 268 is known.

After discussion ensued regarding the Senate amendments to HB 268, **REPRESENTATIVE ZOOK** said he was not sure that the House wanted to close HB 2 this day.

REPRESENTATIVE QUILICI asked **Linda King** to address the amendment.

Linda King, Public Employees Retirement Division, (PERD), Department of administration, explained that the amendments passed by the Senate to HB 268 dealt with putting off the effective date of PERS members beginning to pay actuarial costs for purchasing service from July 1, 1995 to July 1, 1996. Some distinctions were made in the Teacher's Retirement System (TRS), treating differently summer and extra compensation with university faculty and K through 12 teachers. There is a real difference in how that is part of their normal compensation. Those distinctions were worked out with the groups involved, and those changes are the amendments put on the bill in the Senate. The result of those amendments is that it actually reduced the general fund obligation in the first two years of the biennium, therefore the numbers on the bill are lower in the coming biennium for this appropriations process.

In questioning from **REPRESENTATIVE QUILICI** if the general fund expenditures have actually already been budgeted for, **Ms. King** said that was correct. The bill's fiscal note that had a \$4.9 million general fund impact, that was the amount that had to be

actually appropriated to state government employers so they could pay the increased contributions. The remainder of the general fund impact would come directly to the retirement system through subsidies they are giving to the local government where the general fund would pay a certain percentage of the payroll into the retirement system.

Mr. Schenck indicated there was a difference on the status sheet. It has gone up about \$100,000 because it did not reflect all Senate action the way the amendment was written and did not reflect some of the amendments that had been added since the amendment was prepared.

CHAIRMAN AKLESTAD said the current sheet showed \$829,000, and he asked for an accurate figure that pertained to Senate floor amendments.

Mr. Lewis said to the best of his knowledge, the amendments reflect Senate action.

Regarding the figure of \$927,834 shown on the second page of the amendment, **SENATOR SWYSGOOD** indicated that must have been brought about by Senate amendments to the bill.

CHAIRMAN AKLESTAD voiced concern that this figure is \$100,000 larger than the original figure.

Mr. Lewis indicated that the numbers on the green sheet are from the original fiscal note. There was no request by the sponsor to update the fiscal note to reflect the Senate amendments.

When asked by **CHAIRMAN AKLESTAD** where the \$100,000 reduction was reflected, **Mr. Gengler** said the cost of HB 268 is in two pieces; one is in HB 2 and the other are direct transfers made to the retirement systems by statutory authorization. He concluded that the amendment presented reflects all Senate amendments.

Substitute motion: REPRESENTATIVE ZOOK MADE A SUBSTITUTE MOTION TO APPROVE THE AMENDMENT EXHIBIT 38 LESS \$100,000.

Discussion: REPRESENTATIVE QUILICI questioned the impact that would have on implementing HB 268.

Mr. Gengler said that would essentially underfund state agencies for paying the additional employer contributions.

Mr. Lewis explained that the original package that was discussed during the summer included concessions by teachers and university faculty to bring the costs down. Because of concern from those people, there were amendments made costing more money. At the same time, PERS recalculated and was able to come up with some savings offsetting part of those costs.

Withdrawal of motion: Because of a need for additional information, REPRESENTATIVE QUILICI WITHDREW HIS MOTION AND REPRESENTATIVE ZOOK WITHDREW HIS SUBSTITUTE MOTION.

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND SECTION A-14. EXHIBIT 39

Discussion: SENATOR SWYSGOOD said he would like information on HB 316.

Dave Senn, Teacher's Retirement System, indicated the bill revised and clarified the purchase of certain out of state service under the Teacher's Retirement System. The amendment would add \$3,600 in fiscal '96 to TRS for costs associated with HB 316.

Vote: REPRESENTATIVE ZOOK'S amendment motion CARRIED UNANIMOUSLY.

BRIEF RECESS - 10:00 A.M.

FREE CONFERENCE COMMITTEE RESUMED - 10:15 A.M.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION A-2. EXHIBIT 40

Discussion: SENATOR JACOBSON reported that the amendment would restore .5 FTE to the Environmental Quality Council (EQC) but would impose a vacancy savings reduction of 3.4 percent. The total general fund added for the biennium by the amendment would be \$18,427.

REPRESENTATIVE QUILICI maintained that the .5 FTE is necessary for EQC to function properly.

In questioning from REPRESENTATIVE ZOOK relative to vacancy savings, Deborah Schmidt, Director, EQC, indicated it wasn't called a vacancy savings but was a \$10,000 a year reduction they took when one of their employees retired from state government and when a Legislative Council employee began doing accounting for EQC. They promised Legislative Council that they would reduce their budget request by \$10,000 yearly so the 3.4 percent is in addition to that.

When asked by REPRESENTATIVE ZOOK if the budget office imposed a vacancy savings in EQC, Ms. Schmidt alleged that they did not but other cuts were made as part of the agreement in the subcommittee.

SENATOR JACOBSON, in closing, said EQC has taken a lot of reduction over the last four years.

Vote: SENATOR JACOBSON'S amendment motion FAILED.

CHAIRMAN AKLESTAD informed the free conference committee that he would like to leave Section A open for reorganization pertaining to the particular section dealt with where the figures could be included in the bill.

REPRESENTATIVE BERGSAGEL said he would like to be able to look at amendments that had been held.

In response to a concern of **SENATOR SWYSGOOD**, **CHAIRMAN AKLESTAD** said the section could be kept open to allow one or two incidental amendments that the free conference committee thought they needed to correct some areas.

REPRESENTATIVE QUILICI asked whether amendments that were being held until bills passed through both houses would be acted on by the free conference committee.

CHAIRMAN AKLESTAD explained that amendments put on hold pertaining to Section A would definitely be considered.

SECTION B AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: **SENATOR SWYSGOOD MOVED TO AMEND SECTION B. EXHIBIT 41**

Discussion: **SENATOR SWYSGOOD** explained that the amendment would add \$200,000 over the biennium of UI admin tax to the Department of Labor for certified apprenticeship instruction and related training programs.

Vote: **SENATOR SWYSGOOD'S** amendment motion **EXHIBIT 41 CARRIED UNANIMOUSLY.**

Motion: **SENATOR JACOBSON MOVED TO AMEND SECTION B. EXHIBIT 42**

Discussion: **CHAIRMAN AKLESTAD** informed the committee that the amendments deal with special revenue accounts in HB 68.

Dave Lewis said the amendment would transfer to the Professional and Occupational License program in the Department of Commerce some functions that had been in the Department of Labor, adding that it is all special revenue.

In questioning from **CHAIRMAN AKLESTAD** whether the money is simply being transferred or if there is an increase, **Mr. Lewis** declared that it is being transferred.

Vote: **SENATOR JACOBSON'S** amendment motion **EXHIBIT 42 CARRIED UNANIMOUSLY.**

Motion: **SENATOR SWYSGOOD MOVED TO AMEND SECTION B. EXHIBIT 43**

Discussion: **SENATOR SWYSGOOD** said the amendment dealt with SB 354 that created responsibilities in the Department of Labor in

certain areas. The amendment is funded by fees assessed to the contractors. The fees may not be generated at the beginning until the program is running. Amendment 3 would provide for a short term loan that must be repaid by September 30, 1996. It also would provide for 3 FTE in fiscal '96 and 5.50 in fiscal '97 in Employment Relations Division, and 1 FTE in fiscal '96 and 1.5 FTE in fiscal '97 in Legal Services Division to implement these new provisions.

In response to **REPRESENTATIVE ZOOK'S** concern if this bill dealt with legitimate contractors, **REPRESENTATIVE QUILICI** said that was correct, that the contractors had adequate coverage of unemployment insurance or workers' compensation.

When questioned by **REPRESENTATIVE BERGSAGEL** regarding number of FTE's being dealt with in the amendment, **Chuck Hunter, Department of Labor**, explained that in the first year of the biennium it would add 4 FTE and would go up to 7 FTE in the second year of the biennium.

Vote: **SENATOR SWYSGOOD'S** amendment motion **EXHIBIT 43 CARRIED** with **REPRESENTATIVE BERGSAGEL OPPOSED.**

Motion: **SENATOR JACOBSON MOVED TO AMEND SECTION B. EXHIBIT 44**

Discussion: **CHAIRMAN AKLESTAD** indicated that the amendment would implement the provision of HB 511 which creates the Montana Health Care Advisory.

In questioning from **SENATOR SWYSGOOD** relative to HB 511 and HB 509, **Mr. Lewis** maintained that HB 509 is a statutory appropriation and there is no need to have an appropriation in HB 2 for it.

CHAIRMAN AKLESTAD indicated that the committee would be dealing with the general fund portion of HB 511 which is approximately \$196,000.

Vote: **SENATOR JACOBSON'S** amendment motion **EXHIBIT 44 CARRIED UNANIMOUSLY.**

Motion: **REPRESENTATIVE ZOOK MOVED TO AMEND SECTION B. EXHIBIT 45**

Discussion: **REPRESENTATIVE ZOOK** indicated that the amendment dealt with SB 55 that clarifies the responsibility of DBS for payment of administrative costs associated with the provision of protective services. He added that it would only affect non-assumed counties.

In questioning from **REPRESENTATIVE QUILICI** regarding funding, **REPRESENTATIVE ZOOK** said there was no appropriation included in the bill but it does have a fiscal impact. Without funding for

the bill, according to the Attorney General, the counties would continue paying administrative costs.

When asked by **CHAIRMAN AKLESTAD** for further explanation, **Mr. Schenck** said SB 55 was tabled in House Appropriations at the time the status sheeting being referred to was published. Since that time it was taken off the table and passed out of House Appropriations.

CHAIRMAN AKLESTAD questioned if there would be an additional \$614,000 impact on the general fund compared to the green status sheet being discussed.

REPRESENTATIVE ZOOK said that was correct; the money was from the junk vehicle fund where there currently is a surplus. He concluded that it would not deplete the fund.

Mr. Schenck said it would not impact the status sheet because it is taking it from state special revenue and depositing it into the general fund in the same amount being taken out is appropriated to DFS.

Vote: **REPRESENTATIVE ZOOK'S** amendment motion **EXHIBIT 45 FAILED.**

Motion: Because of confusion over the previous amendment **EXHIBIT 45**, **REPRESENTATIVE QUILICI** MOVED THAT THE CONFERENCE COMMITTEE RECONSIDER THEIR ACTION ON THE AMENDMENT. **EXHIBIT 45.**

Discussion: When asked to clarify the amendment, **Mr. Schenck** advised that **EXHIBIT 45** is an amendment that would simply fund DFS for these office costs from the general fund. The other amendment (**MARKED BY SECRETARY AS EXHIBIT 46**) would take \$615,000 out of the junk vehicle account and then appropriate that same amount to DFS, which is what the previous debate was on.

CHAIRMAN AKLESTAD announced to the free conference committee that amendment hb000287.a09 **EXHIBIT 45** would be dealt with again.

SENATOR SWYSGOOD said the two amendments **EXHIBIT 45** and **EXHIBIT 46** do the same thing from different sources.

Withdrawal of motion to reconsider: **REPRESENTATIVE QUILICI** WITHDREW HIS MOTION TO RECONSIDER ACTION ON AMENDMENT **HB000287.A09. EXHIBIT 45**

Motion; **REPRESENTATIVE ZOOK** MOVED TO AMEND SECTION B, AMENDMENT **HB000289.A09. EXHIBIT 46**

Discussion: **REPRESENTATIVE QUILICI** noted that the amendment dealt with SB 55. It would add \$614,544 general fund and \$126,764 federal funds over the biennium; the general fund portion of the cost is supported by a transfer of state special revenue from the junk vehicle account to the general fund.

Vote: REPRESENTATIVE ZOOK'S amendment motion EXHIBIT 46 CARRIED.

Motion: SENATOR SWYSGOOD MOVED TO RECONSIDER ACTION OF APRIL 6, 1995 RELATIVE TO AMENDMENT HB000295.A09 THAT FAILED. (EXHIBIT 19)

Vote: SENATOR SWYSGOOD'S motion to reconsider CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION B-10, AMENDMENT HB 000284.A09 EXHIBIT 47

Discussion: SENATOR SWYSGOOD described the amendment as restoring \$124,731 general fund each year and \$997,843 federal special revenue biennial appropriation for the family preservation and support grant. He explained that although House action removed these amounts from the department's general fund appropriation, these funds never were included in the executive budget as a general fund item.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 47 FAILED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION B-13. EXHIBIT 48

Discussion: CHAIRMAN AKLESTAD indicated that the amendment would add 5 FTE to the Department of Health and Environmental Sciences (DHES).

Vote: SENATOR JACOBSON'S amendment motion FAILED.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION B-13. EXHIBIT 49

Discussion: SENATOR SWYSGOOD explained that the amendment would add general fund to DHES that was taken out in subcommittee.

SENATOR JACOBSON asked Mr. Chisholm to comment on the amendment.

Curt Chisholm, DHES, indicated that the amendment that Director Robinson asked to have introduced was to re-establish one of the present law adjustments that originally had been placed in HB 2 and then was moved to take some of the general fund out. If the general fund is taken out, it would hurt the programs that are general funded entities. They have no recourse to funding sources other than general fund. He concluded that all present law adjustments were consistently placed in the bill for all other entities in the DHES except this particular one.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 49 FAILED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION B-14. EXHIBIT 50

Discussion: SENATOR JACOBSON described the amendment as adding 1 FTE, \$476,000 general fund and \$90,974 federal special revenues to DHES to expand the Follow Me project to 10 additional counties, resulting in a total of 20 Follow Me counties in Montana.

Vote: SENATOR JACOBSON'S amendment motion EXHIBIT 50 FAILED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION B. EXHIBIT 51

Discussion: SENATOR JACOBSON said the amendment would add general fund to pay for DHES costs associated with performing duties required under SB 292, the women's right to know.

In response to a request from REPRESENTATIVE BERGSAGEL for additional information, SENATOR JACOBSON said it was suggested that the state provide information to women seeking an abortion that would give them information about stages of a pregnancy and so forth. She added that it would cost money to prepare and print the pamphlets.

CHAIRMAN AKLESTAD said SB 292 is in a conference committee.

Withdrawal of motion: SENATOR JACOBSON MOVED TO WITHDRAW AMENDMENT HB000251.A10. EXHIBIT 51

{Tape: 3; Side: b}

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND SECTION B. EXHIBIT 52

Discussion: REPRESENTATIVE ZOOK explained that the amendment would reduce the AFDC payment level for the '97 biennium from 40.5 percent to 38.5 percent of the federal poverty index. He indicated that is the level appropriated when the bill left the House.

SENATOR JACOBSON, indicating her opposition to the amendment, alleged that the welfare system would be revamped because of this legislative session.

Vote: REPRESENTATIVE ZOOK'S amendment motion FAILED.

Motion: REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION B. EXHIBIT 53

Discussion: REPRESENTATIVE BERGSAGEL explained that an audit of SRS generated \$164,000 savings, and the amendment would put the money into the general fund. It would use the money to fund other audits that are determined necessary by SRS.

When questioned by **SENATOR SWYSGOOD** if the \$164,000 is shown in the ending fund balance, **REPRESENTATIVE BERGSAGEL** said it was not, adding it essentially would be a wash because it would be allocated to SRS.

CHAIRMAN AKLESTAD asked **Mr. Schenck** to address the issue.

Mr. Schenck said the \$164,000 in the amendment would add \$164,000 in appropriation authority to SRS. The savings that have been incurred would be reflected in the top line of the status sheet.

CHAIRMAN AKLESTAD questioned if SRS would be able to move money around to compensate for this because most of the departments in the last few sessions were given latitude to move the money around.

REPRESENTATIVE BERGSAGEL stated his opinion that SRS had a ton of money they could move around which SRS has indicated they cannot; this would be an attempt to make that available.

When questioned by **SENATOR SWYSGOOD** if the savings generated by the \$164,000 is reflected on the top line of the status sheet, **Mr. Schenck** said that was correct, it is in the current general fund budget.

In questioning from **SENATOR SWYSGOOD** if the amendment did not pass that the ending fund balance would be reduced by \$164,000, **Mr. Schenck** alleged if the amendment did not pass, it would have no impact on the status sheet.

Vote: **REPRESENTATIVE BERGSAGEL'S** amendment motion **EXHIBIT 53** **FAILED.**

With no further amendments to Section B, **CHAIRMAN AKLESTAD** advised that Section C amendments would be considered.

SECTION C AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: **REPRESENTATIVE ZOOK** MOVED TO AMEND SECTION C. **EXHIBIT 54**

Discussion: **REPRESENTATIVE BERGSAGEL** indicated that it would authorize the department to contract with counties for boating safety administration and enforcement. He added that participation would be at the discretion of the individual counties.

Vote: **REPRESENTATIVE ZOOK'S** amendment motion **EXHIBIT 54 FAILED.**

Discussion: **SENATOR SWYSGOOD** asked **Mr. Schenck** to explain amendment hb000250.a10. (**SECRETARY MARKED HB000250.A10 EXHIBIT 55**)

Mr. Schenck indicated that the amendment is the same as one passed yesterday (**SHOWN AS EXHIBIT 9 TO THESE MINUTES**). The only change is amendment 6 **EXHIBIT 55**, a change of wording for clarification purposes.

In response to clarification from **CHAIRMAN AKLESTAD, Mark Lee, LFA**, indicated that the language in the other amendment **EXHIBIT 9** was very specific to things contained in HB 569, adding that changes were made to that bill on April 6. The language states if HB 569 passed and it puts the metal mines tax money into the two accounts that are short, there would be a backfill of less than \$1.5 million.

In questioning from **REPRESENTATIVE BERGSAGEL** as to potential reduction, **Mr. Lee** said as HB 569 currently is, it would be between \$2.5 million and \$3 million.

SENATOR AKLESTAD commented that the amendment passed on April 6 **EXHIBIT 9** put in \$1.5 million, and he questioned the dollar amount in the present amendment being discussed. **EXHIBIT 55**

Mr. Lee alleged that the number would not change. It would be \$1.5 million but the contingency language would change. The way the language was originally written, the reduction would have been \$400,000 over the biennium, but that language became useless after the HB 569 conference committee. He noted it did not include a specific dollar amount.

In questioning from **REPRESENTATIVE ZOOK** as to how much the backfill was expected to be, **Mr. Lee** said the general fund backfill with the language is expected to be \$1.25 million.

SENATOR SWYSGOOD asked **Susan Cottingham** to address the issue.

Susan Cottingham, Reserved Water Rights Compact Commission, said originally HB 569 would have reduced the general fund backfill from \$1.5 million to \$1.1 million. An amendment put on the bill reduced the amount of money that was going to be diverted, and it would only be providing approximately \$250,000 of reduction from the \$1.5 million. The numbers being backfilled are still the same; there would still be approximately \$150,000 shortfall in the account.

In response to **REPRESENTATIVE ZOOK'S** question, **Ms. Cottingham** said that **Mr. Lee** was attempting to have the coordinating language general enough that if something else happened to HB 569, it would not have to be amended again.

Motion/vote: **SENATOR SWYSGOOD MOVED TO RECONSIDER ACTION TAKEN ON APRIL 6, 1995 IN FREE CONFERENCE COMMITTEE RELATIVE TO EXHIBIT 9, AMENDMENT HB000242.A10.**

SENATOR SWYSGOOD'S motion to reconsider **CARRIED UNANIMOUSLY.**

Motion: SENATOR SWYSGOOD MOVED AMENDMENT HB000250.A10, SECTION C. EXHIBIT 55

Discussion: Mr. Schenck indicated that the motion passed to reconsider action on amendment HB000242.a10. While LFA uses the numbers at the bottom of the amendment for reference, it does not change the fact that there would be reconsideration of yesterday's amendment. By passing amendment hb000250.a10 EXHIBIT 55, the same amendment would be passed with the revised language.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 55 CARRIED UNANIMOUSLY.

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND SECTION C, REDUCING THE DOLLAR FIGURES IN THE AMENDMENT TO \$27,000 EACH YEAR. EXHIBIT 56

Discussion: REPRESENTATIVE ZOOK said although he would carry the amendment, he would reduce the figures in half. The amendment would implement HB 395 by funding 1 FTE and associating operating in the land administration program in the Department of State Lands with resource development funds. Also, HB 395 would require state agencies to implement integrated noxious weed control agreements with district weed boards.

SENATOR SWYSGOOD said it was his understanding when HB 395 was heard in the Senate that there would be no need to fund the bill, that the agencies were to take it up within their own budget.

REPRESENTATIVE ZOOK said some of the agencies originally thought the Department of Agriculture was going to do it, and then found out otherwise.

SENATOR JACOBSON alleged that other amendments to be presented are asking for funding for HB 395.

In questioning from SENATOR JACOBSON whether the bills in the Agriculture Committee had a fiscal note that the sponsor indicated was not necessary, Mr. Schenck explained that the \$160,000 in the fiscal note is the general fund portion. It also shows in an amendment for DNRC which is about \$38,000 of it, and there also is an amendment for the university system. He alleged there were amendments for the entire \$160,000 but in different departments.

When asked by SENATOR SWYSGOOD if the sponsor of HB 395 signed the fiscal note, Dave Lewis said he did not.

Withdrawal of motion: REPRESENTATIVE ZOOK WITHDREW HIS AMENDMENT MOTION. EXHIBIT 56

LUNCH RECESS - 11:55 A.M.

FREE CONFERENCE COMMITTEE RECONVENED - 2:10 P.M.

Discussion on Exhibit 56: REPRESENTATIVE ZOOK said he had talked to REPRESENTATIVE RANEY regarding HB 395 and he advised that there should be no impact. The department's responsibility has been expanded somewhat, and REPRESENTATIVE RANEY did not want to add any money for that purpose.

REPRESENTATIVE ZOOK said he was not going to offer any amendments dealing with that issue.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION C-8. EXHIBIT 57

Discussion: SENATOR SWYSGOOD declared that the amendment would implement SB 389 by funding 1 FTE, operating and equipment expenditures in the disease control program in the Department of Livestock. He noted the money is state special revenue from fee increases on the game farms.

Vote: SENATOR SWYSGOOD'S amendment motion CARRIED UNANIMOUSLY.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION C-10. EXHIBIT 58

Discussion: SENATOR JACOBSON said the amendment would provide language appropriation authority for property lease revenues to be used to administer the lease program. She noted it is state special revenue.

Vote: SENATOR JACOBSON'S amendment motion CARRIED with REPRESENTATIVE BERGSAGEL OPPOSED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION C-12. EXHIBIT 59

Discussion: SENATOR JACOBSON explained that the amendment would eliminate .50 FTE and \$10,915 proprietary in fiscal '96 and \$10,947 in fiscal '97 in the Professional and Occupational Licensing Bureau in the Department of Commerce.

Vote: SENATOR JACOBSON'S amendment motion EXHIBIT 59 CARRIED UNANIMOUSLY.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION C-12. EXHIBIT 60

Discussion: SENATOR JACOBSON alleged that the amendment implementing SB 171 would provide \$6,000 state special revenue each year for the Board of Physical Therapists in the Professional and Occupational Licensing program for operating expenses associated with their increased responsibilities.

Vote: SENATOR JACOBSON'S amendment motion CARRIED UNANIMOUSLY.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION C. EXHIBIT 61

Discussion: SENATOR JACOBSON indicated that the amendment would implement SB 311 by providing \$100,000 general fund in fiscal '96 for the Economic Development Division in the Department of Commerce to contract for the development and evaluation of a plan for a business registration and licensing system.

In questioning from SENATOR SWYSGOOD why the green sheet showed \$161,000, Terry Johnson, LFA, said there is a \$60,000 impact on another department that is not shown in the amendment being dealt with.

REPRESENTATIVE BERGSAGEL questioned what benefits would be derived from the \$100,000.

SENATOR SWYSGOOD claimed that the amendment indicated the Department of Commerce was to contract for development and evaluation of a plan for a business registration and licensing system.

Withdrawal of motion: SENATOR JACOBSON WITHDREW HER AMENDMENT MOTION, STATING SHE WOULD GET ADDITIONAL INFORMATION BEFORE INTRODUCING IT.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION C. EXHIBIT 62

Discussion: SENATOR SWYSGOOD explained that the amendment would implement HB 473 which generally revises local subdivision laws.

Vote: SENATOR SWYSGOOD'S amendment motion FAILED.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION C-15. EXHIBIT 63

Discussion: SENATOR SWYSGOOD reported that SB 242 added two new members to the Board of Horse Racing, and the amendment would add state special revenue to the program for per diem and travel costs associated with the two new board members in the Department of Commerce.

Vote: SENATOR SWYSGOOD'S amendment motion CARRIED with REPRESENTATIVE BERGSAGEL OPPOSED.

SECTION D AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND SECTION D. EXHIBIT 64

Discussion: REPRESENTATIVE ZOOK said the amendment dealt with HB 311 and would increase funding of \$26,500 in fiscal '96 to comply with HB 311.

Vote: REPRESENTATIVE ZOOK'S amendment motion CARRIED WITH REPRESENTATIVE BERGSAGEL and SENATOR AKLESTAD OPPOSED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION D-2. EXHIBIT 65

Discussion: SENATOR AKLESTAD summarized the amendment as reducing the general fund appropriated to fund the bankruptcy collection in the Department of Justice by \$79,847 for the biennium and reducing 1 FTE attorney position.

Vote: SENATOR JACOBSON'S amendment motion CARRIED with REPRESENTATIVE BERGSAGEL OPPOSED.

CONTINUATION OF DISCUSSION RELATIVE TO AMENDMENT HB000257.A12.
(NOTE: AMENDMENT MARKED AS EXHIBIT 61 TO THESE MINUTES)

SENATOR JACOBSON asked SENATOR WELDON to address the amendment.
EXHIBIT 61

SENATOR WELDON described the amendment as dealing with SB 311, providing one stop business licensing. He said the bill had been significantly amended in the process and now would call for the planning process over the biennium for a business registration and licensing system. The Department of Commerce estimated that the planning process would cost \$100,000. He concluded that the additional \$61,000 shown on the green sheet would be for the Department of Labor and Department of Agriculture to participate in the planning process over the next biennium.

When questioned by SENATOR JACOBSON if there were other amendments for implementation of SB 311, SENATOR WELDON said he was not aware of any.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION C. (MARKED AS EXHIBIT 61)

Substitute motion: REPRESENTATIVE ZOOK MADE A SUBSTITUTE MOTION TO PROVIDE \$50,000 GENERAL FUND INSTEAD OF \$100,000 GENERAL FUND.

Vote: REPRESENTATIVE ZOOK'S substitute motion on EXHIBIT 61 CARRIED with SENATOR SWYSGOOD OPPOSED.

Motion: REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION D-2. EXHIBIT 66

Discussion: REPRESENTATIVE BERGSAGEL said this amendment would be proprietary revenue for the Department of Justice. He asked Attorney General Mazurek to address the amendment.

Attorney General Joe Mazurek explained that the amendment dealt with the issue of reducing the Department's reliance on outside legal counsel. State government agencies are spending approximately \$2 million yearly by contracting with lawyers outside of state government at the approximate rate of \$100 or

higher. The Agency Legal Services in the Department of Justice charges \$53 hourly to agencies for providing legal services. The amendment would allow the department to hire two additional attorneys and one secretary to begin reducing reliance on outside counsel. He added that expertise in private law firms would still be needed in some cases.

Vote: REPRWSNEATIVE BERGSAGEL'S amendment motion CARRIED UNANIMOUSLY.

Motion: REPRESENTATIVE QUILICI MOVED TO AMEND SECTION D. EXHIBIT 67

Discussion: REPRESENTATIVE QUILICI presented to the committee a spreadsheet relative to SB 316. EXHIBIT 68 He indicated that this amendment would appropriate money to the forensic science division of the Department of Justice.

REPRESENTATIVE QUILICI asked Attorney General Mazurek to comment on this issue.

Attorney General Mazurek said that SB 316 authorized the use of preliminary alcohol screening devices. Law enforcement officers would be trained to utilize these new devices, and the amendment would allow them to comply with the responsibilities set out in SB 316.

REPRESENTATIVE ZOOK alleged that a highway patrolman brought in to receive the training could train other officers in his area on the use of the equipment.

REPRESENTATIVE QUILICI said the forensic science division in Missoula has the technical equipment to analyze the different types of equipment. He said without certifying the equipment, there could be appeals in many cases.

Vote: REPRESENTATIVE QUILICI'S amendment motion EXHIBIT 67 FAILED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION D, REDUCING THE FIGURES TO \$25,000 A YEAR. EXHIBIT 69

Discussion: SENATOR JACOBSON stated the amendment, which is similar to the previous amendment that failed, would reduce the figures contained in the amendment to \$25,000 a year.

Vote: SENATOR JACOBSON'S amendment motion FAILED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION D-4. EXHIBIT 70

REPRESENTATIVE ZOOK indicated while he did not know how many offenders there were of this type, he doubted that it would require two additional people to handle this.

SENATOR JACOBSON referred to a list of cases, adding at some point a decision would have to be made whether to put language in HB 2 that would indicate if the program was not funded that it would be voluntary.

REPRESENTATIVE ZOOK said the amendment only dealt with certain offenders, to which **SENATOR JACOBSON** indicated it was estimated to be 691 offenders at \$50 a test.

REPRESENTATIVE ZOOK claimed that all offenders probably would not fall under the category of HB 551 that would require this type of testing.

In questioning from **REPRESENTATIVE BERGSAGEL** relative to the \$50 per test, **Attorney General Mazurek** indicated that HB 551 was expanded to include violent offenders. He said if they had to establish the capability at the laboratory, train people and have equipment available to conduct the tests, that is where the costs would come in.

When questioned by **REPRESENTATIVE ZOOK** if the DNA samples could be sent away to be tested, **Attorney General Mazurek** said yes, adding that HB 551 did not contemplate a full scale DNA forensic laboratory. They will continue to send DNA evidence out of state as well which currently is more cost effective. However, in order to maintain a DNA registry of sex and violent offenders in Montana, it would be necessary to have limited capabilities to take the samples and deal with them. He concluded that this would not make the state crime laboratory fully DNA capable.

REPRESENTATIVE ZOOK alleged that the amendment would expend approximately \$112,500 in fiscal '96 to remodel the additional laboratory space.

Attorney General Mazurek affirmed that it would require additional space, necessitating two additional employees that would need a scientifically secure area to deal with the evidence, but they would remain in leased space at St. Patrick's Hospital in Missoula.

Vote: **SENATOR JACOBSON'S** amendment motion **EXHIBIT 70 FAILED.**

Motion: **REPRESENTATIVE ZOOK MOVED TO AMEND SECTION D. EXHIBIT 71**

Discussion: **CHAIRMAN AKLESTAD** explained that the amendment would provide \$22,700 general fund over the biennium to implement HB 214 that revises laws relating to registration of sexual and violent offender.

Vote: **REPRESENTATIVE ZOOK'S** amendment motion **CARRIED with SENATOR JACOBSON and REPRESENTATIVE BERGSAGEL OPPOSED.**

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND SECTION D-7. EXHIBIT 72

Discussion: CHAIRMAN AKLESTAD described the amendment as adding 5 FTE and \$476,915 general fund over the biennium for the Swan River Correctional Treatment Center.

Vote: REPRESENTATIVE ZOOK'S amendment motion EXHIBIT 72 FAILED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION D-7. EXHIBIT 73

Discussion: SENATOR JACOBSON explained that the amendment would provide \$110,000 general fund each year to the Department of Corrections for housing assistance to adults with mental illness who are in community programs.

Vote: SENATOR JACOBSON'S amendment motion EXHIBIT 73 FAILED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION D-7. EXHIBIT 74

Discussion: SENATOR JACOBSON characterized the amendment as providing \$206,250 general fund in fiscal '96 and \$756,250 in fiscal '97 to provide crisis intervention programs. They would be phased in through the biennium and would establish three community based residential programs for short-term crisis management for adults with serious mental illnesses.

Vote: SENATOR JACOBSON'S amendment motion EXHIBIT 74 FAILED.

Motion: REPRESENTATIVE QUILICI MOVED TO AMEND SECTION D-7. EXHIBIT 75

Discussion: REPRESENTATIVE QUILICI interpreted the amendment as adding \$4,931,558 general fund in fiscal '96 and \$5,066,024 in fiscal '97 to provide present law and new proposal adjustments requested by the executive for the MRM program.

{Tape: 4; Side: b

REPRESENTATIVE ZOOK said the '95 projection is \$11 million which is approximately \$3 million over what was appropriated. He questioned how the money could be spent if it was not appropriated.

REPRESENTATIVE QUILICI said the appropriation for the '95 biennium is approximately \$8 million but there was spending of about \$11 million. Some of the excess \$2 million came from SRS savings from medicaid and refinancing which is used to explore federal funds to supplement the program. He explained that there was approximately \$2 million spent over their budget for '95, claiming there must have been a necessity to spend these funds.

SENATOR JACOBSON alleged that the program is growing because people are finding and utilizing the resources and having one entity manage all the mental health resources together. Since this is the managed care component, someone bidding would have to make money on the project or there would be no one bidding, and she alleged that it needed proper funding.

REPRESENTATIVE ZOOK questioned if there was \$20 million of funding appropriated what would prevent the Department of Corrections from spending \$23 million, adding that they spent more money than appropriated already in this biennium.

SENATOR JACOBSON expressed her opinion that the Department was trying to manage their resources as best they could; they moved some money into the area because they saw the need.

REPRESENTATIVE ZOOK said he was not denying the need was there, but he voiced concern that the Department was spending more than appropriated.

SENATOR JACOBSON said in putting it out for bid, the department is held harmless by offering the company money to pay for the service and it is provided whether the company made or lost money, therefore the department would win and there would be no need to overspend.

When questioned by **REPRESENTATIVE ZOOK** if it is an accurate statement that MRM funding has been cut, **SENATOR JACOBSON** said no, it is not an accurate statement at this point that MRM funding has been cut. However, there is an attempt to integrate an integrated program and it could not be bid without adequate funding.

REPRESENTATIVE ZOOK questioned if it was accurate for the subcommittee dealing with this budget to say that they increased funding for MRM by 20 percent.

SENATOR JACOBSON characterized it as being accurate to say that they increased 20 percent over what the legislature appropriated for the program. That is not what was spent by the department because the department spent \$3 million and not \$1 million. She claimed that there was inadequate funding.

REPRESENTATIVE QUILICI alleged that \$11 million was necessary to run the MRM program during the last biennium, adding that the department prioritized needs of the young people for these services. He said while he had a problem with spending over-appropriated money, there is a true need for the program.

REPRESENTATIVE BERGSAGEL noted his willingness to support \$4 million for the program, adding that there currently are 1,700 in the program.

Vote: **SENATOR JACOBSON'S** amendment motion **EXHIBIT 75 FAILED.**

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION D-7. EXHIBIT 76

Discussion: SENATOR SWYSGOOD reported that the amendment would add \$2,500,000 general fund each year for the MRM program with the department determining the allocation of the funds within the program. Looking at the chart dealing with MRM, he had trouble determining the cost, but he felt \$11 million was spent even though they spent over what was appropriated. He concluded that his amendment would go toward addressing the community service that is essential in keeping the youth out of more costly services.

In questioning from REPRESENTATIVE BERGSAGEL if the proposed amendment is the executive proposal plus another \$1 million for expanded community services, CHAIRMAN AKLESTAD said that was true under present law.

REPRESENTATIVE QUILICI cited information that indicated there are approximately 7,000 youth in Montana currently eligible for this program.

REPRESENTATIVE BERGSAGEL said Department of Corrections' information indicated there was the potential of serving 6,000 children in the state based on national averages. This proposal is for 3,100 children so the Department is indicating there are half as many children with severely emotionally disturbed problems as the rest of the nation. He concluded that currently there are 1,700.

SENATOR SWYSGOOD said all the figures are subject to interpretation when estimating caseloads, but he was aware there are many needing the help.

REPRESENTATIVE ZOOK asked for a 15 minute recess.

BRIEF RECESS

CHAIRMAN AKLESTAD reconvened the free conference committee after a brief recess.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 76 FAILED.

Motion: REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION D-7. EXHIBIT 77

Discussion: REPRESENTATIVE BERGSAGEL explained that his amendment would add \$2 million general fund each year for the MRM program. Approval of the amendment would fund present law at about \$300,000 less than the executive originally requested.

Vote: REPRESENTATIVE BERGSAGEL'S amendment motion EXHIBIT 77 CARRIED with SENATOR JACOBSON and REPRESENTATIVE QUILICI OPPOSED.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION D. EXHIBIT 78

Discussion: SENATOR SWYSGOOD maintained if SB 223 passed, a federal waiver would be granted to Montana by the federal Health Care Financing Administration to implement managed care mental health services. The amendment would allow the Department of Corrections spending authority for the monies they would receive for that.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 78 CARRIED UNANIMOUSLY.

CHAIRMAN AKLESTAD recessed the free conference committee before discussing further amendments.

RECESS - 4:00 P.M.

FREE CONFERENCE COMMITTEE RESUMES - 5:40 P.M., APRIL 7, 1995

{Tape: 5; Side: a}

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION D-7. EXHIBIT 79

Discussion: SENATOR SWYSGOOD explained that the amendment would add an additional \$500,000 general fund each year for the MRM program in the Department of Corrections.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 79 CARRIED.

CHAIRMAN AKLESTAD reported that the conference committee would discuss amendments to Section E, HB 2.

SECTION E AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION E. EXHIBIT 80

Discussion: SENATOR JACOBSON explained that HB 561 would increase fees for motorcycle registration and would dedicate the additional revenue for motorcycle safety programs administered by OPI. The amendment would appropriate \$30,000 of new revenue to OPI in fiscal '96 and \$65,000 in fiscal '97.

Vote: SENATOR JACOBSON'S amendment motion CARRIED with REPRESENTATIVE BERGSAGEL OPPOSED.

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND SECTION E. EXHIBIT 81

Discussion: REPRESENTATIVE ZOOK described the amendment as removing Goals 2000 from the OPI budget. He indicated that there was concern in the House about the program.

SENATOR JACOBSON described the program as a federal program with no matching funds, almost no strings attached; also the money, if

it came in, would be distributed to schools if they wanted to use it for their programs.

REPRESENTATIVE ZOOK stated that the President was going to appoint a board to disseminate curriculum policies. He added that some states surrounding Montana have rejected it and some states that accepted it are now in the process of changing their minds. There is concern that we would be dictated to regarding what textbooks contain, also concern that it would detract from local school boards.

SENATOR JACOBSON asked **Gail Gray, OPI**, if any strings were attached to the federal money that may or may not come to Montana.

Gail Gray, OPI, said it was her understanding that there were no strings attached, that districts may or may not participate, 90 percent of the money would go directly to the district. She noted that the Governor and Superintendent of Public Instruction appointed a panel to study systemic reform in the state with their recommendations made to the Board of Education. She claimed that nothing could change in Montana unless the Board of Public Education changed them.

REPRESENTATIVE ZOOK indicated there was another point of view stating that was not the case, and he added that the money from the federal government was not free dollars.

Vote: **REPRESENTATIVE ZOOK'S** amendment motion **EXHIBIT 81 CARRIED** with **SENATOR JACOBSON** and **REPRESENTATIVE QUILICI** OPPOSED.

Motion: **SENATOR JACOBSON** MOVED TO AMEND SECTION E-1. **EXHIBIT 82**

Discussion: **SENATOR JACOBSON** explained that the amendment would restore the money for basic education that was taken out of OPI. The money would be for the math, science, language, and library curriculum specialist positions. She noted because of SB 83, the position for the bus safety administrator was de-earmarked, and the amendment would restore that position.

Vote: **SENATOR JACOBSON'S** amendment motion **FAILED**.

Motion: **SENATOR JACOBSON** MOVED TO AMEND SECTION E-5. **EXHIBIT 83**

Discussion: **SENATOR JACOBSON** contended that the amendment would increase the general fund appropriated to the Montana university system to the level recommended by the Governor of \$15.5 million. She added that it also would delete supplemental authority language in the bill.

Vote: **SENATOR JACOBSON'S** amendment motion **EXHIBIT 83 FAILED**.

Motion: **REPRESENTATIVE ZOOK** MOVED TO AMEND SECTION E. **EXHIBIT 84**

Discussion: REPRESENTATIVE ZOOK asked REPRESENTATIVE ROYAL JOHNSON to explain the amendment.

REPRESENTATIVE ROYAL JOHNSON gave the explanation contained under "Explanation" of EXHIBIT 84.

REPRESENTATIVE JOHNSON alleged that the amendment is called a student amendment because they figured out the number and cost per student under general fund. Their only concern was that they desired more general fund money.

SENATOR JACOBSON asked student Mary Gillerly to state her position relative to the amendment.

Mary Gillerly, representing Associated Students of Montana State University-Billings, declared they would like more general fund money put back into their budget, however she expressed her support of the amendment as addressing important issues, such as quality and price. She explained that general fund per student has increased by \$500 since 1992 while tuition has gone up by \$750. At the same time that general fund has increased, enrollments have also increased on in-state students, which she noted is tied to quality of education.

When asked by SENATOR JACOBSON if she supported funding in the amendment at the level it currently is, Ms. Gillerly explained they would like more funding.

In questioning from SENATOR JACOBSON if the \$8 million was supported, Ms. Gillerly alleged they did not support the \$8 million.

REPRESENTATIVE QUILICI voiced concern that students are being denied access to the Montana university system. If quality is not to be compromised, access would have to be limited which he felt was a problem.

SENATOR JACOBSON claimed that the legislature is not adequately supporting the units of the university system, forcing a situation of either limiting enrollment or funding them adequately. She contended she did not support the level of funding in the proposed amendment EXHIBIT 84 and that the students also did not support the funding level.

SENATOR AKLESTAD questioned if the students agreed to the \$4,040 figure.

REPRESENTATIVE ZOOK alleged it was their number.

SENATOR SWYSGOOD questioned what level of general fund funding the figure was based on.

REPRESENTATIVE ROYAL JOHNSON declared that it was their number based on the general fund money being discussed in the amendment

today. It is taking the number of students they have divided by that number. The students have gone through taking the numbers that are currently available through the Commissioner's office and multiplying them out so they know how many in-state students this number would satisfy.

In questioning from SENATOR SWYSGOOD whether it was the students' number based on the \$8 million of general fund being appropriated, REPRESENTATIVE ROYAL JOHNSON said that was correct.

SENATOR JACOBSON commented there was a question of constitutionality in some of the language stating that they shall limit resident students, that the legislature is passing this, and she added that the board of regents still has jurisdiction over those type of decisions.

Vote: REPRESENTATIVE ZOOK'S amendment motion CARRIED with SENATOR JACOBSON and REPRESENTATIVE QUILICI OPPOSED.

Motion: REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION E. EXHIBIT 85

Discussion: REPRESENTATIVE BERGSAGEL described the amendment as changing the amount of revenue collected by the 6 mill levy revenue appropriation by \$592,000 and reducing the general fund appropriation by a similar amount.

Vote: REPRESENTATIVE BERGSAGEL'S amendment motion CARRIED UNANIMOUSLY.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION E. EXHIBIT 86

Discussion: SENATOR JACOBSON defined the amendment as reducing the general fund because there no longer is a requirement that the colleges of technology provide workers' compensation insurance for students.

Vote: SENATOR JACOBSON'S amendment motion CARRIED UNANIMOUSLY.

REORGANIZATION AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

CHAIRMAN AKLESTAD informed the committee that they would now deal with reorganization amendments.

CHAIRMAN AKLESTAD asked Ms. Purdy to explain the reorganization bills.

Ms. Purdy indicated there are a number of reorganization bills that were put into a packet for the conference committee's action at one time, adding that there were no legislative reorganization bills included in the packet.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION BP-E. EXHIBIT 87

Discussion: Ms. Purdy said the amendment is coordinating language allowing the LFA to write the bill after the legislature adjourns to reflect any of the reorganization that passes. She advised the committee that House Bill No. 552 in the last line of the amendment should be House Bill No. 563.

Vote: SENATOR JACOBSON'S amendment motion CARRIED with REPRESENTATIVE BERGSAGEL OPPOSED.

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND SECTION A AND SECTION E. EXHIBIT 88

Discussion: Ms. Purdy said this amendment would implement the provisions of HB 563 by moving the warrant writing from the State Auditor's Office to the Department of Administration. She explained that the amendments would leave the bill intact in the body of the bill but inserting a new section stating that if the bill passes, this would then become the law. She added that House Bill No. 552 in the amendment should be changed to House Bill No. 563.

Vote: REPRESENTATIVE ZOOK'S amendment motion CARRIED with SENATOR JACOBSON and REPRESENTATIVE QUILICI OPPOSED.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION C AND SECTION E. EXHIBIT 89

Discussion: Ms. Purdy said the amendment would move the Milk Control Board to the Department of Livestock from the Department of Commerce. She added if HB 280 did not pass that HB 2 would not be changed.

Vote: SENATOR SWYSGOOD'S amendment motion CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION D AND SECTION E. EXHIBIT 90

Discussion: Ms. Purdy indicated that the amendment would move the highway traffic safety program from the Department of Justice to the Department of Transportation. She added it would be contingent on passage and approval of SB 361.

Vote: SENATOR SWYSGOOD'S amendment motion CARRIED UNANIMOUSLY.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION C AND SECTION E. EXHIBIT 91

Discussion: Ms. Purdy explained that the amendment would move the Indian Affairs Coordinator to the Governor's Office, adding that has a chapter number.

Vote: SENATOR JACOBSON'S amendment motion CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION B-15. EXHIBIT 92

Discussion: Ms. Purdy described the amendment as stating if SB 234 and SB 345 are passed and approved that the Department of Health would no longer be in HB 2.

Vote: SENATOR SWYSGOOD'S amendment motion CARRIED UNANIMOUSLY.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTIONS B, C AND E. EXHIBIT 93

Discussion: Ms. Purdy reported that the amendment is contingent on the final passage of the reorganization bill, SB 234. The amendment reflects conference committee action on the bill.

Vote: SENATOR JACOBSON'S amendment motion CARRIED UNANIMOUSLY.

Discussion on amendment (MARKED AS EXHIBIT 94)

Ms. Purdy explained that the amendment to SB 345 does not incorporate the conference committee action that moves juvenile corrections to the Department of Corrections. If the committee gave direction that the amendment reflect that change, the LFA would accordingly change the amendment.

SENATOR SWYSGOOD alleged that the conference committee completed its work on the bill, and the House amendments were taken from the bill. It was put back in its original intent which would put juvenile corrections back into the Department of Corrections. He asked that that be indicated on the amendment being considered.

Ms. Purdy said with that, the bottom line would not change. Some of the dollars would go to one department rather than to the other, but there would be no increase or decrease in the amount of money.

Motion/vote: SENATOR SWYSGOOD MOVED TO AMEND THE AMENDMENT (EXHIBIT 94) BY DIRECTING LFA TO INCORPORATE THE CONFERENCE COMMITTEE'S ACTION THIS MORNING, PUTTING YOUTH CORRECTIONS BACK IN THE DEPARTMENT OF CORRECTIONS

SENATOR SWYSGOOD'S motion to amend the amendment CARRIED UNANIMOUSLY.

Motion/vote: SENATOR SWYSGOOD MOVED TO AMEND EXHIBIT 94 AS AMENDED.

SENATOR SWYSGOOD'S amendment motion EXHIBIT 94 AS AMENDED CARRIED UNANIMOUSLY.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION A AND SECTION E. EXHIBIT 95

Discussion: Ms. Purdy stated that the amendment incorporated the provisions of HB 576 which removed the requirements that proprietary funds be appropriated. The amendment would remove the appropriations from HB 2. She referred to a document detailing the affected programs that would no longer appear in HB 2 because of HB 576. **DOCUMENT MARKED AS EXHIBIT 96**

Vote: SENATOR JACOBSON'S amendment motion **EXHIBIT 95 CARRIED** with SENATOR SWYSGOOD OPPOSED.

{Tape: 5; Side: b}

CHAIRMAN AKLESTAD said the reorganization bills just covered were SB 4, SB 234, SB 345, SB 361, SB 378, HB 68, HB 280, HB 511, HB 563. He recessed the free conference committee until 7:30 P.M.

HEARING RECESSED - 6:30 P.M.

HEARING RECONVENED - 7:40 P.M., APRIL 7, 1995

SECTION B AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

CHAIRMAN AKLESTAD indicated a problem in an amendment discussed earlier that moved money from the junk vehicle state special revenue account to the general fund. **(AMENDMENT PREVIOUSLY MARKED AS EXHIBIT 46)** Amendment number 3 **EXHIBIT 46** dealt with the junk vehicle account, and CHAIRMAN AKLESTAD proposed that the general fund junk vehicle amount of \$614,000 remain.

Motion/vote: REPRESENTATIVE ZOOK MOVED TO RECONSIDER THE HB 2 FREE CONFERENCE COMMITTEE ACTION IN ADOPTING AMENDMENT 3, EXHIBIT 46.

Motion CARRIED UNANIMOUSLY.

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND AMENDMENT EXHIBIT 46.

Discussion: CHAIRMAN AKLESTAD explained that the amendment would strike the language in item 3 of the amendment **EXHIBIT 46** which would then have the general fund dollars shown in amendment 1, and the junk vehicle dollars would be taken out.

Vote: REPRESENTATIVE ZOOK'S amendment motion CARRIED UNANIMOUSLY.

SECTION A AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Discussion: SENATOR SWYSGOOD referred to an amendment that previously failed on the court automation in the Judiciary.

(AMENDMENT PREVIOUSLY MARKED AS EXHIBIT 26). He indicated that the failed amendment added 10 FTE to Judiciary for court automation.

Motion: SENATOR SWYSGOOD MOVED PREVIOUSLY MARKED AMENDMENT 26 TO ALLOW JUDICIARY 5 FTE INSTEAD OF 10 FTE SHOWN ON THE FAILED AMENDMENT.

Discussion: In questioning from REPRESENTATIVE BERGSAGEL if the amendment was not changing the dollar amount but only the number of FTE, SENATOR SWYSGOOD said that was correct, the dollar amount is generated by \$5 user fees. The amendment would only change the number of FTE's from 10 to 5.

Vote: SENATOR SWYSGOOD'S amendment motion CARRIED UNANIMOUSLY.

CHAIRMAN AKLESTAD reported that the committee would now deal with amendments previously held by the conference committee.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION A-3. EXHIBIT 97

Discussion: SENATOR SWYSGOOD depicted the amendment as adding \$5,000 state special revenue per year to the water courts in Judiciary for the water adjudication advisory committee established in SB 387.

Vote; SENATOR SWYSGOOD'S amendment motion EXHIBIT 97 CARRIED UNANIMOUSLY.

Motion: REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION A-1. EXHIBIT 98.

Discussion: REPRESENTATIVE BERGSAGEL explained that the amendment would implement provisions of SB 398 amendments, which in the House increased the size of the legislative audit committee by four legislators.

In questioning from CHAIRMAN AKLESTAD as to the fiscal impact, REPRESENTATIVE BERGSAGEL stated that the impact in fiscal '96 would be \$7,376 and \$5,963 in fiscal '97, total impact of \$13,339.

In response to SENATOR SWYSGOOD regarding the impact to the general fund, REPRESENTATIVE BERGSAGEL indicated if SB 398 did not pass, the amendment would fail. However, the increased size of the audit committee had to be addressed if SB 398 passed.

Vote: REPRESENTATIVE BERGSAGEL'S amendment motion EXHIBIT 98 CARRIED with SENATOR SWYSGOOD OPPOSED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION A-6. EXHIBIT 99

Discussion: SENATOR JACOBSON said SB 388 provides for an integrated medicaid managed care program, adding that the cost in fiscal '96 is \$6,000.

Vote: SENATOR JACOBSON'S amendment motion EXHIBIT 99 FAILED.

Motion: REPRESENTATIVE QUILICI MOVED TO AMEND SECTION A-9. EXHIBIT 100

Discussion: CHAIRMAN AKLESTAD indicated that the amendment would add 2 FTE and \$198,593 over the biennium to the income tax division of the Department of Revenue to implement HB 293, adding that it is contingent on passage of that bill.

Vote: REPRESENTATIVE QUILICI'S amendment motion CARRIED with SENATOR SWYSGOOD OPPOSED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION A-9. EXHIBIT 101

Discussion: SENATOR JACOBSON described the amendment as adding general fund of \$50,000 in fiscal '96 to implement SB 198 that would establish an advisory committee to study methods for using soil capability for the valuation of agricultural land.

Vote: SENATOR JACOBSON'S amendment motion FAILED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION A. EXHIBIT 102

Discussion: SENATOR JACOBSON maintained that the amendment would implement the guaranteed annual benefit adjustment (GABA) for retirees included in HB 268.

REPRESENTATIVE QUILICI asked Dan Gengler, OBPP, to address the GABA issue.

Dan Gengler, OBPP, distributed a handout explaining changes between the House and Senate versions of HB 268. EXHIBIT 103

In questioning from CHAIRMAN AKLESTAD regarding the Senate version total, Mr. Gengler alleged that the total general fund cost for HB 268 as it currently stands is \$4,8 million. He added that the HB 2 portion of the fiscal impact increased; the statutory portion decreased. EXHIBIT 103

Amended motion: SENATOR JACOBSON amended her motion to change the figure to \$829,000.

CHAIRMAN AKLESTAD said the difference between \$829,000 and \$927,000 if the amendment is agreeable would be split between '96 and '97.

SENATOR JACOBSON said that was agreeable.

In questioning from REPRESENTATIVE QUILICI if the HB 268 conference committee would then address that issue accordingly, CHAIRMAN AKLESTAD claimed it would be underfunded by about \$99,000.

Vote: SENATOR JACOBSON'S amendment motion EXHIBIT 102 FAILED.

SECTION B AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: REPRESENTATIVE ZOOK MOVED TO AMEND SECTION B. EXHIBIT 104

Discussion: CHAIRMAN AKLESTAD said that amendment would add general fund for DHES costs associated with performing duties required under SB 292.

Vote: REPRESENTATIVE ZOOK'S amendment motion EXHIBIT 104 CARRIED with SENATOR JACOBSON OPPOSED.

SECTION D AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: REPRESENTATIVE QUILICI MOVED TO AMEND SECTION D. EXHIBIT 105

Discussion: CHAIRMAN AKLESTAD noted that the amendment dealt with HB 345, imposing a \$15 surcharge on persons convicted of driving under the influence.

SENATOR SWYSGOOD questioned why general fund money was being allocated for the equipment when HB 345 imposed a surcharge.

SENATOR JACOBSON responded that when the fees and fines were de-earmarked, it went into general fund.

Vote: REPRESENTATIVE QUILICI'S amendment motion EXHIBIT 105 CARRIED UNANIMOUSLY.

Motion to reconsider action

Motion/vote: SENATOR SWYSGOOD MOVED TO RECONSIDER ACTION ON AMENDMENT HB000263.A03 (PREVIOUSLY MARKED IN MINUTES AS EXHIBIT 70).

SENATOR SWYSGOOD'S motion to reconsider CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED TO AMEND THE ORIGINAL AMENDMENT (EXHIBIT 70) BY PROVIDING \$300,000 GENERAL FUND FOR THE BIENNIUM.

Discussion: SENATOR SWYSGOOD stated that the amendment dealt with HB 551, requiring certain sexual and violent offenders to provide DNA samples and establishing a DNA identification index and testing requirements for the forensic DNA laboratory. He

asked Mr. Mazurek to comment on whether they would rather have an annual or biennial appropriation.

Attorney General Mazurek claimed it would be better as a biennial appropriation.

In response to CHAIRMAN AKLESTAD'S questions if the FTE level would remain the same, SENATOR SWYSGOOD said that was correct.

Vote: SENATOR SWYSGOOD'S amendment motion to amend HB000263.A03 EXHIBIT 70 for a \$300,000 biennial appropriation CARRIED UNANIMOUSLY.

(BRIEF RECESS - POWER FAILURE; HB 2 FREE CONFERENCE COMMITTEE MOVED TO ROOM 312-1)

{Tape: 6; Side: A; }

SECTION A AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: REPRESENTATIVE QUILICI MOVED TO AMEND SECTION A. EXHIBIT 106

Discussion: CHAIRMAN AKLESTAD explained that the amendment would add \$40,000 general fund for the biennium to allow the state's involvement in the Pacific Northwest Economic Region Conference.

SENATOR JACOBSON commented that she would rather put the money into NCSL, agreed to by REPRESENTATIVE QUILICI.

Vote: REPRESENTATIVE QUILICI'S amendment motion CARRIED with SENATOR JACOBSON and REPRESENTATIVE QUILICI OPPOSED.

Motion: SENATOR JACOBSON MOVED TO AMEND AMENDMENT HB000260.A03 TO \$100,000 EACH YEAR OF THE BIENNIUM, \$8,200 EACH YEAR FOR THE ETHICS COMMISSION AND 2 FTE. EXHIBIT 107

Discussion: CHAIRMAN AKLESTAD said the amendment implements provisions of SB 136 by revising laws concerning ethics.

Vote: SENATOR JACOBSON'S AMENDED AMENDMENT MOTION EXHIBIT 107 CARRIED with SENATOR SWYSGOOD, REPRESENTATIVE ZOOK OPPOSED.

Motion/vote: SENATOR SWYSGOOD MOVED TO RECONSIDER FREE CONFERENCE COMMITTEE ACTION ON AMENDMENT HB000240.A08 (PREVIOUSLY MARKED AS EXHIBIT 102 TO THESE MINUTES).

SENATOR SWYSGOOD'S motion to reconsider CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED THE AMENDMENT PERTAINING TO HB 268 WITH THE \$829,000 FIGURE.

Discussion: CHAIRMAN AKLESTAD stated that the \$829,000 figure corresponded with the green sheet figure regarding HB 268, the GABA bill.

In questioning from REPRESENTATIVE QUILICI if the approximately \$100,000 difference is general fund each year, SENATOR SWYSGOOD remarked it would be approximately \$50,000 each year. It would be split between the years.

Vote: SENATOR SWYSGOOD'S amendment motion CARRIED UNANIMOUSLY.

SECTION D AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION D. EXHIBIT 108

Discussion: SENATOR JACOBSON explained the amendment added \$197,287 general fund over the biennium to implement HB 357, commission on sentencing.

Vote: SENATOR JACOBSON'S amendment motion EXHIBIT 108 CARRIED UNANIMOUSLY.

SECTION B AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion/vote: REPRESENTATIVE BERGSAGEL MOVED THAT THE FREE CONFERENCE COMMITTEE RECONSIDER THEIR ACTION ON THE OMNIBUS BUDGET RECONCILIATION ACT (OBRA) AMENDMENT. (PREVIOUSLY MARKED AS EXHIBIT 18 TO THESE MINUTES)

REPRESENTATIVE BERGSAGEL'S motion to reconsider action CARRIED with SENATOR SWYSGOOD OPPOSED.

Motion/vote: REPRESENTATIVE BERGSAGEL MOVED TO NOT PASS AMENDMENT HB000299.A09. (EXHIBIT 18 TO THESE MINUTES)

REPRESENTATIVE BERGSAGEL'S amendment motion to not fund OBRA CARRIED with SENATOR SWYSGOOD OPPOSED.

Motion/vote: SENATOR SWYSGOOD MOVED TO RECONSIDER HB 2 FREE CONFERENCE COMMITTEE ACTION ON AMENDMENT HB000295.109. (PREVIOUSLY MARKED AS EXHIBIT 19 TO THESE MINUTES)

SENATOR SWYSGOOD'S motion to reconsider action CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION B-10, AMENDMENT HB000295.A09. EXHIBIT 19

Discussion: SENATOR SWYSGOOD indicated that this amendment previously failed in the HB 2 conference committee. The amendment would restore \$249,462 general fund and \$997,843 federal revenue to continue a five year federal grant to fund preventive services for children at risk of abuse and neglect to

prevent out-of-home placement. The grant would require a 25 percent general fund match that the DFS will provide.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 19 CARRIED with SENATOR AKLESTAD OPPOSED.

MOTION TO CLOSE HB 2

Motion/vote: SENATOR SWYSGOOD MOVED TO CLOSE HB 2.

Motion CARRIED UNANIMOUSLY.

HEARING ADJOURNED - APRIL 7, 1995 - 9:00 P.M.

HEARING REOPENED - APRIL 11, 1995 - 9:00 A.M.

{Tape: 7; Side: a}

Motion/vote: REPRESENTATIVE ZOOK MOVED THAT THE HB 2 FREE CONFERENCE COMMITTEE RECONSIDER THEIR ACTION IN MOVING HB 2 AS AMENDED.

REPRESENTATIVE ZOOK'S motion CARRIED UNANIMOUSLY.

Motion/vote: REPRESENTATIVE ZOOK MOVED THAT SECTION D BE REOPENED.

REPRESENTATIVE ZOOK'S motion CARRIED UNANIMOUSLY.

SECTION D AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION D-7. EXHIBIT 109

Discussion: CHAIRMAN AKLESTAD alleged that the amendment would add \$500,000 general fund each year for the MRM program in the mental health program in the Department of Corrections and Human Services.

In questioning from SENATOR JACOBSON whether this would bring the MRM program up to \$6 million, CHAIRMAN AKLESTAD indicated that was correct.

SENATOR JACOBSON voiced concern that the Governor wanted \$10 million to make the program work.

CHAIRMAN AKLESTAD claimed that is putting in \$6 million additional to what the subcommittee had done.

SENATOR JACOBSON said that was \$4 million short of what the Governor stated he needed to run the program.

CHAIRMAN AKLESTAD said this would be the opinion of the legislators that this would be adequate money to run the program.

SENATOR JACOBSON expressed that it was not her opinion.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 109 CARRIED UNANIMOUSLY.

Motion/vote: REPRESENTATIVE ZOOK MOVED THAT THE HB 2 FREE CONFERENCE COMMITTEE RECONSIDER THEIR ACTION TAKEN ON THE GUARANTEED ANNUAL BENEFIT ADJUSTMENT (GABA).

REPRESENTATIVE ZOOK'S motion to reconsider CARRIED UNANIMOUSLY.

Discussion: CHAIRMAN AKLESTAD described the amendment to be considered EXHIBIT 110 as showing the dollar amounts as far as potential appropriations.

When asked by SENATOR JACOBSON if the money was put in to fund the GABA bill for state employees, CHAIRMAN AKLESTAD said that was correct.

SENATOR JACOBSON questioned why the money was being taken out that would fund GABA.

CHAIRMAN AKLESTAD indicated that conferees were meeting on the GABA bill in the very near future. The HB 2 free conference committee would do what they did in revenue and taxation bills where they would fund themselves, and if the conferees working on the GABA bill decide to go along with that, they will fund it within the bill itself rather than through this process.

Motion/vote: REPRESENTATIVE BERGSAGEL MOVED THAT THE HB 2 FREE CONFERENCE COMMITTEE RESCIND THEIR ACTION PERTAINING TO HB 268.

REPRESENTATIVE BERGSAGEL'S motion CARRIED ON A ROLL CALL VOTE.

REPRESENTATIVE QUILICI asked for clarification on the previous action.

CHAIRMAN AKLESTAD said the conference committee took out the \$828,834. The remaining money is in HB 268 which is being presently dealt with in a conference committee.

Motion/vote: SENATOR SWYSGOOD MOVED THAT THE HB 2 FREE CONFERENCE COMMITTEE REOPEN SECTION E.

SENATOR SWYSGOOD'S motion CARRIED UNANIMOUSLY.

SECTION E AMENDMENT - HB 2 FREE CONFERENCE COMMITTEE

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION E-5. EXHIBIT 111

Discussion: SENATOR SWYSGOOD described the amendment as increasing the general fund and tuition appropriations to the Montana university system \$2 million each year of the biennium in general fund; tuition increase authority of \$854,370 in fiscal '96 and \$899,415 in fiscal '97.

SENATOR JACOBSON said the free conference committee put in language on limiting enrollment. She said this is not the \$7.5 million requested by the Governor and she voiced concern on number of students that would be denied admission to the university system in the fall by this amendment.

SENATOR SWYSGOOD said when the amendment was put in, the number of students that were restricted was based upon the \$8 million general fund money in that original motion. He added that although he could not recall the exact figures on the amendment, it was approximately 1,100 students that were going to be denied access because of the funding level. By putting \$4 million additional in, that should compress the access figure and allow between 400 and 500 additional students to gain access.

SENATOR JACOBSON asked Mr. Sundsted for an indication at the \$4 million level what that would do to the enrollments based on the language being put in.

Rod Sundsted, Commissioner of Higher Education office, indicated he had not seen the amendment before today, but he believed that previous action taken was approximately 2,500 students over both years. He thought that the amendment currently being proposed EXHIBIT 111 would lower it somewhere in the area of 1,400 or 1,500 over the biennium resident students that would be denied access.

When questioned by CHAIRMAN AKLESTAD if that would be over the biennium, Mr. Sundsted said it would be approximately 700 a year.

CHAIRMAN AKLESTAD commented that with the proposed amendment the enrollment would be increased by approximately 475 students, and at the first year of the biennium there would be some students denied; however, in the second year, there would be more allowed.

Mr. Sundsted remarked that he was speaking from the original numbers used in subcommittee. He added that the proposed amendment EXHIBIT 111 would allow approximately 475 additional students per year from where the figures were in the conference committee. He concluded that was 1,100 or 1,200 per year down so it would be netted against that.

When asked by CHAIRMAN AKLESTAD if that did not take into consideration the action presently being considered, Mr. Sundsted said the last time the numbers were in the bill, the explanation

said that would cause a reduction in access of approximately 1,100 to 1,200 per year. The proposed amendment would reduce that number between 400 and 500 per year.

REPRESENTATIVE QUILICI stated his opinion that when the conference committee discussed this earlier, the average allotment to a resident student was approximately \$4,040, and he questioned what the proposed amendment **EXHIBIT 111** would bring that up to per student.

SENATOR SWYSGOOD said he did not think that figure would change because more students would be allowed to enter, therefore the \$4,040 of educating a student would remain the same. The proposed amendment **EXHIBIT 111** would allow more students into the system. The only figures that would be changed would be those limiting access.

REPRESENTATIVE QUILICI questioned how the university system would maintain quality of education without the proper funds.

SENATOR SWYSGOOD said while his amendment is not at the point asked for by the executive, it brings it up from where it originally was. By maintaining the quality, access would be limited.

SENATOR JACOBSON described that because of action taken in the free conference committee access would be limited to Montana students in the university system which she did not agree with. While she understood the students' concerns about quality, she did not think students or Montana residents wanted access to the university system limited as would happen with the proposed amendment.

CHAIRMAN AKLESTAD alleged that with the amendment, funding is being increased by \$4 million general fund and \$1.8 million tuition. The number of students limited would be far less under this amendment, adding that students under the original \$8 million were involved in that amendment and agreed that might be the best way to proceed under the circumstances with available revenues.

Vote: SENATOR SWYSGOOD'S amendment motion **EXHIBIT 111 CARRIED** with SENATOR JACOBSON, REPRESENTATIVE QUILICI OPPOSED.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION E-1. **EXHIBIT 112.**

Discussion: SENATOR JACOBSON commented that the amendment would restore the appropriation for basic education curriculum specialists to OPI to the fiscal '95 levels with no increase by adding \$185,143 general fund each year.

Vote: SENATOR JACOBSON'S amendment motion **FAILED.**

Motion: REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION E-1.
EXHIBIT 113

Discussion: REPRESENTATIVE BERGSAGEL indicated that the amendment would line item \$110,000 over the biennium for school bus safety. There would be no change in the total amount appropriated.

SENATOR JACOBSON expressed her dissatisfaction in asking OPI to find \$110,000 to pay for this position.

Vote: REPRESENTATIVE BERGSAGEL'S amendment motion CARRIED with SENATOR JACOBSON, REPRESENTATIVE QUILICI OPPOSED.

Motion/vote: REPRESENTATIVE BERGSAGEL MOVED THAT SECTION A BE REOPENED.

REPRESENTATIVE BERGSAGEL'S motion CARRIED UNANIMOUSLY.

SECTION A AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION A-1.
EXHIBIT 114

Discussion: REPRESENTATIVE BERGSAGEL explained that HB 484 was an attempt to do a study to determine if private insurance could be used as a method of cost containment or system of helping with medicaid and medicare programs. The proposed amendment EXHIBIT 114 would allow the auditors to do the study and give the study results to SRS for implementation. He noted that the auditor is included for independence from both SRS and people that would put up the private money for the study.

When questioned by REPRESENTATIVE QUILICI where the legislative auditor would get the private funds, REPRESENTATIVE BERGSAGEL said they would not do the study if they did not get the private funds. He understood there were people willing to pay money for the study.

SENATOR JACOBSON thought the money would be raised by Project Heal, adding there would probably be only one firm bidding for this who also did it in other states. She asked Mr. Blouke to address the issue of the independence of the study.

Peter Blouke, SRS Director, said they estimated a comprehensive study would cost approximately \$250,000 to fully implement provisions of HB 484. He was unsure how much money the audit committee would be able to raise from private funds. He cautioned that because of significant impact on Montana's medicaid program and the overall state budget, this would need to be done adequately and appropriately.

Responding to SENATOR JACOBSON whether this would alleviate SRS concerns about independence, Mr. Blouke said he would have to

defer to the audit committee as being capable of determining whoever is contracted with is an appropriate and reputable firm.

Vote: REPRESENTATIVE BERGSAGEL'S amendment motion EXHIBIT 114 CARRIED UNANIMOUSLY,

Motion/vote: SENATOR SWYSGOOD MOVED THAT SECTION B BE REOPENED.

SENATOR SWYSGOOD'S motion CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION A AND SECTION B. EXHIBIT 115

Discussion: SENATOR SWYSGOOD said the first amendment would reduce federal spending authority in the Governor's office by \$125,000 each year of the biennium. It would increase state special revenue authority in the water quality division of DHES by the same amount each year of the biennium to allow for implementation of bills needing increased spending.

Motion: SENATOR JACOBSON MOVED TO DIVIDE THE QUESTION. EXHIBIT 115

Discussion: SENATOR JACOBSON maintained that the two items are not particularly connected to each other and should be voted on separately.

Vote: SENATOR JACOBSON'S motion to divide the question CARRIED UNANIMOUSLY.

SECTION A AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION A-4, AMENDMENT NUMBER 1. EXHIBIT 115

Discussion: SENATOR SWYSGOOD claimed that the amendment would reduce the federal spending authority in the Governor's office by \$145,000 each year of the biennium.

SENATOR JACOBSON alleged that the amendment would be reducing the Americorps money.

SENATOR SWYSGOOD stated that the federal spending for Americorps over the biennium is close to \$4 million. That federal authority would be reduced by \$250,000 over the biennium.

Vote: SENATOR SWYSGOOD'S amendment motion CARRIED with SENATOR JACOBSON, REPRESENTATIVE QUILICI OPPOSED.

SECTION B AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION B-13, AMENDMENT NUMBER 2. EXHIBIT 115

Discussion: SENATOR SWYSGOOD said the amendment would increase state special revenue in DHES by \$125,000 each year of the biennium.

Vote: SENATOR SWYSGOOD'S amendment motion CARRIED UNANIMOUSLY.

SECTIONS B, D AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION B AND SECTION D. EXHIBIT 116

Discussion: SENATOR SWYSGOOD explained that the amendment would move 1 FTE and \$75,930 general fund over the biennium from the Department of Family Services to the Department of Corrections because of human services reorganization bill, SB 345, moving juvenile corrections from DFS to Corrections. He concluded there was no increase in spending, only a transfer from one agency to another.

Vote: SENATOR SWYSGOOD'S amendment motion CARRIED UNANIMOUSLY.

SECTION A AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTION A. EXHIBIT 117

Discussion: SENATOR SWYSGOOD indicated that the amendment would add spending authority of \$350,000 for survey, design and staking work to be performed at the direction of Fergus County on the Claggett hill road project. He presented the committee a map showing the area in question EXHIBIT 118.

In questioning from REPRESENTATIVE QUILICI where the state special revenue was coming from, SENATOR SWYSGOOD said it was DOT construction money. In response to REPRESENTATIVE QUILICI as to what effect it would have on their construction program, SENATOR SWYSGOOD said he did not know the total amount of money in that program, but this would be taking \$350,000 to design.

When questioned whether there would be federal funds in the project, SENATOR SWYSGOOD said he understood federal funds would be used to build the road but the appropriation authority to the department is for design and surveys.

REPRESENTATIVE QUILICI asked if the department would design the road and put it out to bid.

SENATOR SWYSGOOD said it would be the department, not the legislature. In response to REPRESENTATIVE QUILICI, he said it would be done for Fergus County but would go through DOT.

SENATOR JACOBSON stated it would be more appropriate to inform the Highway Department that this was a priority of the legislature instead of passing the legislation and telling the Highway Commission what to do.

REPRESENTATIVE ZOOK maintained there are many roads in the state that are not addressed and added that the Highway Department needed some direction.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 117 CARRIED with SENATOR SWYSGOOD, REPRESENTATIVE QUILICI OPPOSED.

Motion/vote: REPRESENTATIVE BERGSAGEL MOVED THAT ALL SECTIONS OF HB 2 THAT WERE OPENED NOW BE CLOSED.

REPRESENTATIVE BERGSAGEL'S motion CARRIED UNANIMOUSLY.

CHAIRMAN AKLESTAD informed the committee that the free conference committee on HB 2 would reconvene at the call of the Chair.

HEARING RECESSED - APRIL 11, 1995 - 9:50 A.M.

HEARING RESUMED - APRIL 12, 1995 - 11:40 A.M.

{Tape: 8; Side: a}

Motion/vote: REPRESENTATIVE BERGSAGEL MOVED TO OPEN SECTIONS A, D, E, HB 2.

REPRESENTATIVE BERGSAGEL'S motion CARRIED UNANIMOUSLY.

SECTIONS A, D, E AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: REPRESENTATIVE BERGSAGEL MOVED TO RESCIND ACTION TAKEN REGARDING PACIFIC NORTHWEST ECONOMIC REGION CONFERENCE.
(AMENDMENT PREVIOUSLY MARKED AT EXHIBIT 106 TO THESE MINUTES)

Discussion: REPRESENTATIVE BERGSAGEL reported that \$40,000 general fund was put in for the Northwest Economic Region Conference. He claimed that was primarily for legislators' benefit and there was nothing provided for benefit of legislative council and LFA.

Vote: REPRESENTATIVE BERGSAGEL'S motion to rescind CARRIED UNANIMOUSLY. EXHIBIT 106

Motion: REPRESENTATIVE QUILICI MOVED TO AMEND SECTION A. EXHIBIT 119

Discussion: REPRESENTATIVE QUILICI stated that the amendment would add \$40,000 general fund for the biennium for National Conference of State Legislatures dues. He added that money previously was for the Northwest Economic Region Conference which was rescinded by our last motion.

Vote: REPRESENTATIVE QUILICI'S amendment motion EXHIBIT 119 CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED THAT THE HB 2 FREE CONFERENCE COMMITTEE RECONSIDER THEIR ACTION AS TO PRIOR REJECTION OF FREE CONFERENCE COMMITTEE AMENDMENT DEALING WITH THE UNIVERSITY SYSTEM.

Vote: SENATOR SWYSGOOD'S motion to rescind CARRIED UNANIMOUSLY.

Motion: SENATOR SWYSGOOD MOVED TO AMEND SECTIONS A, .D, E. EXHIBIT 120.

Discussion: CHAIRMAN AKLESTAD explained that the amendment would put back in the \$12 million that was put in in previous motions, and \$750,000 of that \$12 million will be taken out and put in amendment items 1, 2, 3, 4. The tuition at the university system would be increased by \$9.2 million which would pertain mostly to out of state students.

Vote: SENATOR SWYSGOOD'S amendment motion EXHIBIT 120 CARRIED UNANIMOUSLY.

Motion: SENATOR JACOBSON MOVED TO AMEND SECTION E-7. EXHIBIT 121

Discussion: SENATOR JACOBSON explained that the amendment would add that the Montana university system shall limit resident students in the six units and colleges of technology based on expenditure of general fund money and millage of at least \$4,040 per resident student FTE in fiscal '97.

In concern voiced by CHAIRMAN AKLESTAD over this particular motion and the amendment previously passed, SENATOR JACOBSON said that the previous amendment dealt with the mix of 78 percent resident and 22 percent nonresident (REFERRING TO EXHIBIT 120). She stated that the amendment now being proposed EXHIBIT 121 is dealing with instate students and the dollar amount.

In questioning from SENATOR SWYSGOOD as to implications of the proposed amendment, SENATOR JACOBSON alleged that the amendment would address students' concerns that the general fund and millage effort by the state continues to decrease and tuition increases. The amendment would place a dollar amount on a student, helping to insure that tuition does not continue to rise on resident students and that the quality of their education is there.

REPRESENTATIVE ZOOK voiced concern over limiting resident students.

SENATOR JACOBSON professed it is probably a gray area if someone wanted to challenge it, but she did not believe the university officials would challenge it. She concluded that the students are desirous of having the amendment language in the bill.

When questioned by CHAIRMAN AKLESTAD if the amendment would allow approximately 775 additional students into the university system,

SENATOR JACOBSON said although she was unsure of the 775 figure, there have been students not showing up in the system, and she did not expect the number to be high enough to affect this; however, it would be reasonable.

When asked by **SENATOR AKLESTAD** if the student numbers would increase with the proposed amendment, **SENATOR JACOBSON** said she believed they would.

Vote: **SENATOR JACOBSON'S** amendment motion **EXHIBIT 121 FAILED.**

Motion: **SENATOR JACOBSON MOVED TO AMEND SECTION D-2. EXHIBIT 122**

Motion: **SENATOR JACOBSON MOVED TO RESCIND ACTION OF THE FREE CONFERENCE COMMITTEE TAKEN ON APRIL 11, 1995 AND REJECT THE AMENDMENT OF APRIL 11, 1995 DESIGNATING \$55,000 PER YEAR OF OPI'S GENERAL FUND FOR SCHOOL BUS SAFETY. (AMENDMENT MARKED ON APRIL 11, 1995 AS EXHIBIT 113 TO THESE MINUTES)**

Vote: **SENATOR JACOBSON'S** motion to rescind action taken relative to school bus safety **CARRIED UNANIMOUSLY.**

Motion: **SENATOR JACOBSON MOVED TO AMEND SECTION D-2. EXHIBIT 122**

Discussion: **SENATOR JACOBSON** stated that the amendment would transfer the responsibility of the school bus safety program from the Office of Public Instruction to the Highway Traffic Safety Division. She added that the Highway Traffic Safety Division was agreeable to the position.

Vote; **SENATOR JACOBSON'S** amendment motion **EXHIBIT 122 CARRIED UNANIMOUSLY.**

When questioned by **REPRESENTATIVE ZOOK** if the previous action resulted in leaving \$55,000 per year general fund dollars in OPI, **SENATOR JACOBSON** said that was correct.

Motion: **SENATOR JACOBSON MOVED TO AMEND SECTION E-1. EXHIBIT 123**

Discussion: **SENATOR JACOBSON** said there was concern in OPI that there would be layoffs because of an approximately \$800,000 cut taken during this legislative session. They would like to strike the words "vocational education" on page E-1, line 13 so that the termination payout could be used for any of those positions that would have to be terminated.

Vote: **SENATOR JACOBSON'S** amendment motion **EXHIBIT 123 FAILED.**

Motion/vote: **REPRESENTATIVE BERGSAGEL MOVED THAT SECTION C, HB 2 BE REOPENED. Motion CARRIED UNANIMOUSLY.**

SECTION C AMENDMENTS - HB 2 FREE CONFERENCE COMMITTEE

Motion: REPRESENTATIVE BERGSAGEL MOVED TO AMEND SECTION C.
EXHIBIT 124

Discussion: REPRESENTATIVE BERGSAGEL explained that the amendment would allow the structuring balance that is in the RIT to be addressed. He indicated that Mark Lee, LFA office, could address the issue.

CHAIRMAN AKLESTAD claimed there was language put in previously of \$1.5 million with the language having latitude that the figure might come down, and he questioned how this proposed amendment would counteract what was previously done.

Mark Lee said he was unaware if the impacts of the pay plan were considered in the other amendment. When adding that impact in, it increases the magnitude of the deficit. The amendment that was accepted would add \$1.5 million in HB 569, and if that bill is signed by the Governor, the general fund amount would go from \$1.5 million down to approximately \$1.3 million.

When asked by CHAIRMAN AKLESTAD about the \$1.5 million language, Mr. Lee said if the language is stricken, it is a flat \$1.5 million.

REPRESENTATIVE QUILICI stated his understanding that the amendment would not increase the \$1.5 million but that the money funded out of RIT to the agency would have a deficit without this of approximately \$500,000. Mr. Lee said that was correct.

Vote: REPRESENTATIVE BERGSAGEL'S amendment motion EXHIBIT 124 CARRIED UNANIMOUSLY.

Motion/vote: SENATOR SWYSGOOD MOVED THAT SECTIONS A, B, C, D, E OF HB 2 BE CLOSED. Motion CARRIED UNANIMOUSLY.

Motion/vote: SENATOR SWYSGOOD MOVED THAT HB 2 AS AMENDED BE CLOSED. Motion CARRIED UNANIMOUSLY.

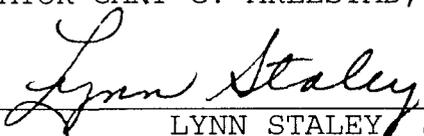
Motion/vote: SENATOR SWYSGOOD MOVED THAT THE FREE CONFERENCE COMMITTEE ADOPT THE FREE CONFERENCE COMMITTEE REPORT ON HB 2 AS AMENDED. Motion CARRIED with SENATOR JACOBSON, REPRESENTATIVE QUILICI OPPOSED.

ADJOURNMENT

Adjournment: 12:10 P.M., April 12, 1995



SENATOR GARY C. AKLESTAD, Chairman



LYNN STALEY, Secretary

Senate Bill No. 83
Adjustments to House Bill No. 2
1997 Biennium
As Determined by LFA

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 1
DATE 4/6/95
BILL NO. HB 2

Agency/Program	Account	State Special Revenue		General Fund	
		Fiscal 1996	Fiscal 1997	Fiscal 1996	Fiscal 1997
Livestock					
Inspection & Control	02425	(20,000)	(20,000)	20,000	20,000
OPI					
METNET	02403	(200,000)	(200,000)	200,000	200,000
Transportation	02403	(3,908,166)	(3,908,166)	3,908,166	3,908,166
Transportation-SB112				(97,100)	(97,100)
Equalization Aid	02403	0	0	290,180,000	290,180,000
Splitting biennial GF approps. already in HB2				(122,503,000)	122,503,000
Equalization Aid-HB479				0	1,752,000
SIMMS	02403	(500,000)	(500,000)	500,000	500,000
Inpatient Treatment Ed. - Biennial	02403	0	0	0	0
School District Audits	02403	0	0	147,992	153,912
School Facility-HB416	02403	0	0	0	0
Traffic Safety Education	02402	0	0	0	0
Board of Crime Control					
Victims Programs	02011	(695,513)	(694,423)	695,513	694,423
Regional Juvenile Detention Grants	02197	0	0	945,593	945,402
Regional Juvenile Detention Admin	02197	(54,407)	(54,598)	54,407	54,598
Board of Public Education					
Research Projects	02???	80,000	80,000	0	0
Commerce					
Board of Horse Racing	02029	(7,000)	(7,000)	7,000	7,000
Growth Thru Ag.	02132	0	0	0	0
Coal Board Impact	02445	0	0	0	0
County Land Planning	02444	0	0	0	0
Mirco-business	02210	0	0	0	0
MT Promotion	02116	0	0	0	0
Economic Devel. Division	02254	0	0	0	0
Economic Devel. Division	02116	0	0	0	0
Family Services					
Domestic Violence	02188	(35,406)	(34,409)	35,406	34,409
SRS					
Nursing facility fee	02292	(6,611,179)	(6,665,040)	6,611,179	6,665,040
DNRC	02010	0	0	0	0
Agriculture					
Alfalfa Seed	02461	34,420	34,419	0	0
Transportation	02422	0	0	0	0
Fish, Wildlife and Parks					
Enforcement-Wardens 1%	02409	0	0	24,330	24,455
Enforcement-Remainder of fines	02409	0	0	0	0
Enforcement-Game restitutions	02409	(68,664)	(68,664)	68,664	68,664
Enforcement-Motorboat fines	02413	(7,153)	(7,153)	7,153	7,153
Enforcement-Snowmobile fines	02414	(8,063)	(8,063)	8,063	8,063
Enforcement-OHV fines	02115	(2,880)	(2,880)	2,880	2,880
Conservation Ed.-OHV fines	02238	(2,880)	(2,880)	2,880	2,880
Parks-Accomodations tax	02274	0	0	0	0
State Lands					
Lands-Recreational access	02241	60,614	60,838	0	0
Revenue		0	0	0	0
Administration/Judiciary					
Appellate Defender Program	???	0	0	0	0
Justice					
Breathalyzer machines	???	0	0	50,000	50,000
Chiropractic Panel (new agency 2115)	02182	14,000	14,000	0	0
TOTALS		(11,932,277)	(11,984,019)	180,869,126	427,684,945
BIENNIAL TOTALS			(23,916,296)		608,554,071

04/06/95

Amendments to House Bill No. 2
Reference Reading Copy

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 2
DATE 4/6/95
BILL NO. HB 2

For the Conference Committee

cancel

Prepared by Roger Lloyd
April 6, 1995

Section A

1. Page A-3, following line 25.

Insert: "MT CHIROPRACTIC LEGAL PANEL (2115)

1. Legal Panel Operations (01)

14,000 14,000 [State special, fiscal 1996 & 1997]

Because of elimination of the statutory appropriation by Senate Bill No. 83, item 1 has been increased by \$14,000 in state special revenue in fiscal year 1996 and by \$14,000 in state special revenue in fiscal year 1997. If Senate Bill No. 83 is not passed and approved in a form that eliminates the statutory appropriation, then the state special revenue amounts in item 1 are eliminated."

This amendment funds the Montana Chiropractic Legal Panel that had previously been funded with a statutory appropriation.

Section B

2. Page B-4, line 13.

Strike: "77,091,371" "15,839,808" "84,729,354" "14,093,669"

General fund & state special revenue, fiscal 1996 & 1997

Insert: "83,702,550" "9,228,629" "91,394,394" "7,428,629"

General fund & state special revenue, fiscal 1996 & 1997

3. Page B-7, following line 11.

Insert: "Because of de-earmarking by Senate Bill No. 83, item 6 has been reduced by \$6,611,179 in state special revenue in fiscal year 1996 and by \$6,665,040 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the general fund amounts in item 6 are reduced by \$6,611,179 in fiscal year 1996 and by \$6,665,040 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts."

These amendments replace state special revenue appropriations in the Medical Assistance Program in the Department of Social and Rehabilitation Services with

general fund.

4. Page B-10, line 3.

Strike: "1,847,055" "1,847,170" State special, fiscal 1996 & 1997

Insert: "1,811,649" "1,812,761" State special, fiscal 1996 & 1997

5. Page B-10, line 4.

Strike: "13,749,742" "14,308,765" General fund, fiscal 1996 & 1997

Insert: "13,785,148" "14,343,174" General fund, fiscal 1996 & 1997

6. Page B-12.

Strike: Lines 13 and 14 in their entirety

Insert: "Because of de-earmarking by Senate Bill No. 83, item 4 has been reduced by \$35,406 in state special revenue in fiscal year 1996 and by \$34,409 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the general fund amounts in item 4 are reduced by \$35,406 in fiscal year 1996 and by \$34,409 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts."

These amendments replace state special revenue appropriations in the Program Management Division in the Department of Family Services with general fund.

Section C

7. Page C-2, line 19.

Strike: "4,986,299" "5,017,028"

State special, fiscal 1996 & 1997

Insert: "111,090" "4,899,539" "111,215" "4,930,268"

General fund & state special, fiscal 1996 & 1997

8. Page C-5, following line 19.

Insert: "Because of de-earmarking by Senate Bill No. 83, item 4 has been reduced by \$86,760 in state special revenue in fiscal year 1996 and by \$86,760 in state special revenue in fiscal year 1997 and general fund amounts have been increased by \$111,090 in fiscal year 1996 and by \$111,215 in fiscal year 1997. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the general fund amounts in item 4 are reduced by \$111,090 in fiscal year 1996 and by \$111,215 in fiscal year 1997 and the state special revenue amounts are increased by \$86,760 in fiscal year 1996 and by \$86,760 in fiscal year 1997."

These amendments replace state special revenue appropriations in the Law

Enforcement Division in the Department of Fish, Wildlife and Parks with general fund, and adds \$24,330 general fund in fiscal 1996 and \$24,455 in fiscal 1997 to pay 1 percent of warden's salaries to the warden pension fund. In the past, the latter had been a non-budgeted transfer of state special revenue.

9. Page C-4, line 9.

Strike: "1,407,461" State special, fiscal 1997
Insert: "2,880" "1,404,581" General fund & state special, fiscal 1997

10. Page C-4, line 10.

Strike: "1,402,159" State special, fiscal 1996
Insert: "2,880" "1,399,279" General fund & state special, fiscal 1996

11. Page C-5, following line 21.

Insert: "Because of de-earmarking by Senate Bill No. 83, item 7 has been reduced by \$2,880 in state special revenue in fiscal year 1996 and by \$2,880 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the general fund amounts in item 7 are reduced by \$2,880 in fiscal year 1996 and by \$2,880 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts."

These amendments replace state special revenue appropriations in the Conservation Education Division in the Department of Fish, Wildlife and Parks with general fund.

12. Page C-6, line 18.

Strike: "493,000" "493,000" State special, fiscal 1996 & 1997
Insert: "553,614" "553,838" State special, fiscal 1996 & 1997

13. Page C-7, following line 19.

Insert: "Because of elimination of the recreational access statutory appropriation by Senate Bill No. 83, item 3 has been increased by 1 FTE and \$60,614 in state special revenue in fiscal year 1996 and by \$60,838 in state special revenue in fiscal year 1997. If Senate Bill No. 83 is not passed and approved in a form that eliminates the statutory appropriation, then the state special revenue amounts in item 3 are reduced by \$60,614 in fiscal year 1996 and by \$60,838 in fiscal year 1997."

These amendments increase state special revenue appropriations in the Land Administration Division in the Department of State Lands to fund 1.00 FTE and associated operation expenses for the recreational access program.

14. Page C-8, line 15.

Strike: "2,343,065" "2,340,195" State special, fiscal 1996 & 1997
Insert: "20,000" "2,323,065" "20,000" "2,320,195"
General fund & state special, fiscal 1996 & 1997

15. Page C-8, following line 22.

Insert: "Because of de-earmarking by Senate Bill No. 83, item 5 has been reduced by \$20,000 in state special revenue in fiscal year 1996 and by \$20,000 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the general fund amounts in item 5 are reduced by \$20,000 in fiscal year 1996 and by \$20,000 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts."

These amendments replace state special revenue appropriations in the Inspection and Control Program in the Department of Livestock with general fund.

16. Page C-11, line 16.

Strike: "2,653,597" "2,697,228" State special, fiscal 1996 & 1997
Insert: "2,688,017" "2,731,647" State special, fiscal 1996 & 1997

17. Page C-12, following line 3.

Insert: "Because of elimination of the alfalfa seed committee statutory appropriation by Senate Bill No. 83, item 3 has been increased by 0.33 FTE and \$34,420 in state special revenue in fiscal year 1996 and by \$34,419 in state special revenue in fiscal year 1997. If Senate Bill No. 83 is not passed and approved in a form that eliminates the statutory appropriation, then the state special revenue amounts in item 3 are reduced by \$34,420 in fiscal year 1996 and by \$34,419 in fiscal year 1997."

These amendments increase state special revenue appropriations in the Agricultural Development Division in the Department of Agriculture to fund 0.33 FTE and associated operation expenses for the alfalfa seed committee.

18. Page C-14, line 25.

Strike: "265,008" "270,110" State special, fiscal 1996 & 1997
Insert: "7,000" "258,008" "7,000" "263,110"
General fund & state special, fiscal 1996 & 1997

19. Page C-15, following line 23.

Insert: "Because of de-earmarking by Senate Bill No. 83, item 17 has been reduced by \$7,000 in state special revenue in fiscal year 1996 and by \$7,000 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the general fund amounts in item 17 are reduced by \$7,000 in fiscal year 1996 and by \$7,000 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts."

These amendments replace state special revenue appropriations in the Board of

Horse Racing Program in the Department of Commerce with general fund.

Section D

20. Page D-1, line 4.

Strike: "484,698" "244,920" "485,656" "244,021"

General fund & state special, fiscal 1996 & 1997

Insert: "675,211" "54,407" "675,079" "54,598"

21. Page D-1, line 6.

Strike: "505,000" "505,000" State special, fiscal 1996 & 1997

Insert: "505,000" "505,000" General fund, fiscal 1996 & 1997

22. Page D-2, following line 5.

Insert: "Because of de-earmarking by Senate Bill No. 83, item 1 has been reduced by \$190,513 in state special revenue in fiscal year 1996 and by \$189,423 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the general fund amounts in item 1 are reduced by \$190,513 in fiscal year 1996 and by \$189,423 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts.

Because of de-earmarking by Senate Bill No. 83, item 1a has been reduced by \$505,000 in state special revenue in fiscal year 1996 and by \$505,000 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the general fund amounts in item 1a are reduced by \$505,000 in fiscal year 1996 and by \$505,000 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts."

These amendments replace state special revenue appropriations in the Victims Program in the Crime Control Division with general fund.

23. Page D-1, line 4.

Strike: "484,698" "244,920" "485,656" "244,021"

General fund & state special, fiscal 1996 & 1997

Insert: "1,484,698" "190,513" "1,485,656" "189,423"

24. Page D-2, following line 5.

Insert: "Because of de-earmarking by Senate Bill No. 83, item 1 has been reduced by \$54,407 in state special revenue in fiscal year 1996 and by \$54,598 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the

general fund amounts in item 1 are reduced by \$54,407 in fiscal year 1996 and by \$54,598 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts.

Because of elimination of the statutory appropriation by Senate Bill No. 83, item 1 has been increased by \$945,593 in general fund in fiscal year 1996 and by \$945,402 in general fund in fiscal year 1997. If Senate Bill No. 83 is not passed and approved in a form that eliminates the statutory appropriation, then the general fund amounts in item 1 are reduced by \$945,593 in fiscal year 1996 and by \$945,402 in fiscal year 1997."

These amendments replace state special revenue appropriations for regional juvenile detention administrative costs in the Crime Control Division with general fund and increases general fund to fund regional juvenile detention grants that had previously been statutorily appropriated.

25. Page D-4, line 2.

Strike: "1,024,073" "1,032,737" General fund, fiscal 1996 & 1997

Insert: "1,074,073" "1,082,737" General fund, fiscal 1996 & 1997

26. Page D-5, following line 3.

Insert: "Because of elimination of the statutory appropriation by Senate Bill No. 83, item 12 has been increased by \$50,000 in general fund money in fiscal year 1996 and by \$50,000 in general fund money in fiscal year 1997. If Senate Bill No. 83 is not passed and approved in a form that eliminates the statutory appropriation, then the general fund amounts in item 12 are reduced by \$50,000 in fiscal year 1996 and by \$50,000 in fiscal year 1997."

These amendments increase general fund to fund breath analyzer machines in the Forensic Science Division in the Department of Justice that had previously been statutorily appropriated.

Section E

27. Page E-1, line 4.

Strike: "2,892,760" "592,021" "2,266,743" "592,909"

[General fund & state special, fiscal 1996 & 1997]

Insert: "3,092,760" "392,021" "2,466,743" "392,909"

[General fund & state special, fiscal 1996 & 1997]

28. Page E-3, following line 24.

Insert: "Because of de-earmarking by Senate Bill No. 83, item 1 has been reduced by \$200,000 in state special revenue in fiscal year 1996 and by \$200,000 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the

general fund amounts in item 1 are reduced by \$200,000 in fiscal year 1996 and by \$200,000 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts."

These amendments increase general fund to fund the METNET in the Administration Division in the Office of Superintendent of Public Instruction that had previously been statutorily appropriated from the state special revenue fund."

29. Page E-1, line 23.

Strike: "6,691,834" "3,908,166" "6,791,834" "3,908,166"
General fund & state special, fiscal 1996 & 1997
Insert: "10,600,000" "10,700,000" General fund, fiscal 1996 & 1997

30. Page E-4, following line 2.

Insert: "Because of de-earmarking by Senate Bill No. 83, item 2c has been reduced by \$3,908,166 in state special revenue in fiscal year 1996 and by \$3,908,166 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the general fund amounts in item 2c are reduced by \$3,908,166 in fiscal year 1996 and by \$3,908,166 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts."

These amendments increase general fund to fund the portion of the transportation program in the Office of Superintendent of Public Instruction that had previously been funded from the state special revenue fund."

31. Page E-1, line 23.

Strike: "6,691,834" "6,791,834" [General fund, fiscal 1996 & 1997]
Insert: "6,594,734" "6,694,734" [General fund, fiscal 1996 & 1997]

This amendment implements the state transportation cost reductions (\$97,1000 general fund each year) in Senate Bill 112 (an act basing pupil transportation costs on a weighted ridership system. It has been signed by the governor) to the transportation program in the Office of Superintendent of Public Instruction.

32. Page E-2, line 10.

Strike: "500,000" "500,000" State special, fiscal 1996 & 1997
Insert: "500,000" "500,000" General fund, fiscal 1996 & 1997

33. Page E-4, following line 2.

Insert: "Because of de-earmarking by Senate Bill No. 83, item 2i has been reduced by \$500,000 in state special revenue in fiscal year 1996 and by \$500,000 in state special revenue in fiscal year 1997 and general fund amounts have been increased by the same amounts. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue, then the general fund amounts in item 2i are reduced by \$500,000 in fiscal year 1996

and by \$500,000 in fiscal year 1997 and the state special revenue amounts are increased by the same amounts."

These amendments increase general fund to fund the SIMMS grant in the Office of Superintendent of Public Instruction that had previously been funded from the state special revenue fund."

34. Page E-3, line 8.

Strike: "245,006,000"

[General fund, fiscal 1996]

Insert: "122,503,000"

"122,503,000"

[General fund, fiscal 1996 & 1997]

This amendment splits the general fund appropriation for K-12 base aid currently in House Bill 2 evenly between both fiscal years.

35. Page E-3, line 8.

Insert: "1,752,000"

[General fund, fiscal 1997]

36. Page E-4, following line 2.

Insert: "Item 2s has been increased by \$1,752,000 in general fund money in fiscal year 1997. If House Bill No. 479 is not passed and approved, general fund money in item 2s is reduced by \$1,752,000 in fiscal year 1997."

These amendments implement the costs to equalization aid to schools associated with House Bill 479 (an act allowing school districts to transfer districts' general fund to the district building reserve fund) and appropriates the additional general fund to the Office of Superintendent of Public Instruction.

37. Page E-3, line 8.

Strike: "245,006,000"

General fund, fiscal 1996

Insert: "535,186,000"

"290,180,000"

General fund, fiscal 1996 & 1997

38. Page E-4, following line 2.

Insert: "Because of de-earmarking and elimination of the statutory appropriation by Senate Bill No. 83, item 2s has been increased by \$290,180,000 in general fund money in fiscal year 1996 and by \$290,180,000 in general fund money in fiscal year 1997. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue and eliminates the statutory appropriation, then the general fund amount in item 2s is reduced by \$290,180,000 in general fund money in fiscal year 1996 and by \$290,180,000 in general fund money in fiscal year 1997."

These amendments increase general fund to fund K-12 base aid in the Office of Superintendent of Public Instruction that had previously been statutorily appropriated from the state special revenue fund and splits the increase between the two fiscal years.

39. Page E-3, following line 10.

Insert: "u. School Districts Audits
147,992 153,912"

General fund, fiscal 1996 & 1997

40. Page E-4, following line 2.

Insert: "Because of de-earmarking and elimination of the statutory appropriation by Senate Bill No. 83, item 2u has been increased by \$147,992 in general fund money in fiscal year 1996 and by \$153,912 in general fund money in fiscal year 1997. If Senate Bill No. 83 is not passed and approved in a form that de-earmarks the state special revenue and eliminates the statutory appropriation, then the general fund amounts in item 2u are reduced by \$149,992 in fiscal year 1996 and by \$153,912 in fiscal year 1997."

These amendments increase general fund to fund the school district audits in the Office of Superintendent of Public Instruction that had previously been statutorily appropriated from the state special revenue fund."

41. Page E-4, line 12.

Strike: "10,036" "9,946" State special, fiscal 1996 & 1997

Insert: "90,036" "89,946" State special, fiscal 1996 & 1997

42. Page E-4, following line 21.

Insert: "Because of elimination of the statutory appropriation by Senate Bill No. 83, item 1 has been increased by \$80,000 in state special revenue in fiscal year 1996 and by \$80,000 in state special revenue in fiscal year 1997. If Senate Bill No. 83 is not passed and approved in a form that eliminates the statutory appropriation, then the state special revenue amounts in item 1 are reduced by \$80,000 in fiscal year 1996 and by \$80,000 in fiscal year 1997."

These amendments increase state special revenue to fund the Board of Public Education with revenue that had previously been statutorily appropriated.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Bill as Amended

For the Conference Committee

Prepared by Lisa Mader

April 6, 1995

TECHNICAL AMENDMENT

carried

1. Page A-8, line 21.

Following: "ESTABLISHED"Strike: "BY THE REVENUE OVERSIGHT COMMITTEE"

Insert: "in House Joint Resolution No. 9"

2. Page A-8, line 23.

Strike: "THE INCREASE IS CONTINGENT ON THE FAILURE OF HOUSE BILL
NO. 297 TO BECOME LAW."

3. Page A-12, line 25.

Strike: the first "THE" through "NUMBER."

This technical amendment to the Appellate Defender Program in the Department of Administration strikes language requiring that the appropriation be accounted for using a separate agency number. Accounting for the program in that manner is not possible under current automation procedures.

4. Page D-4, following line 17.

Strike: line 18 in its entirety.

Explanation of Amendment:

This amendment removes contingency language in the bill for HB 135 which has passed both houses and been signed by the Governor.

5. Page D-6, line 2.

Following: "\$251,138 in general"

Strike: "funds"

Insert: "fund money"

Strike: "of"

Insert: "in"

6. Page D-6.

Following: line 13

Insert: "Item 2a includes \$20,000 for transfers from the department of state lands. The Montana state library commission may transfer appropriation authority between the state special revenue fund and the federal special revenue fund"

to correspond with the appropriation authority transferred from the department of state lands as long as the totals are not exceeded."

State Library Commission

This amendment adjusts wording to be consistent with other language in House Bill 2 and provides language that allows the Library to transfer appropriation authority between state special and federal funds to correspond with the funds transferred from State Lands. State Lands has the authority to transfer these funds between state special and federal and the Library needs the same authority in order to receive the funds.

7. Page D-7, line 22.

Strike: "36,144,453" "36,680,132" General Fund FY96 & FY97
Insert: "36,038,919" "36,565,930" General Fund FY96 & FY97

8. Page D-8, lines 9 and 10.

Strike: lines 9 and 10 in their entirety

Department of Corrections and Human Services Mental Health Program

This amendment reduces the Mental Health general fund appropriation by \$105,534 in fiscal 1996 and \$114,202 in fiscal 1997 which was authorized to implement House Bill 93 for mentally ill sexual offenders. House Bill 93 was tabled in committee. This amendment also eliminates the contingency language included in House Bill 2.

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Aklestad
For the Free Conference Committee

carried

Prepared by L. Thorson
April 6, 1995

1. Page A-4, following line 21.

Insert: "7. Mental Disabilities Board of Visitors (20)"

"147,737 152,263" (general fund 1996 and 1997)

"61,611 61,972" (federal funds 1996 and 1997)

LFA will adjust totals.

Explanation of Amendment:

This amendment provides funding for the Mental Disabilities Board of Visitors in the Governor's Office and 4.5 FTE.

{ Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by Senator Swysgood
For the Free Conference Committee

Prepared by Lois Steinbeck
April 5, 1995

carried

1. Page B-4, line 21. (Narr. - B-42)
Strike: "149,811" "345,269" "286,812" "638,388"
Insert: "299,622" "690,538" "573,624" "1,276,776"

2. Page B-4, line 23.
Strike: "478,762" "1,103,398" "916,839" "2,040,706"
Insert: "957,524" "2,206,796" "1,833,678" "4,081,412"

LFA will amend the totals.

This amendment increases provider rate increases for hospitals and nursing homes from 1.5% to 3.0%. The amendment adds \$1,832,224 general fund and \$4,127,761 federal funds for a total increase of \$5,959,985 over the biennium.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by Roger Lloyd
April 5, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 6

DATE 7/6/95

BILL NO. HB 2

canid

1. Page C-11, following line 14.

Insert: "b. HB 445 -- Noxious Weed Seed Free Act
61,899 61,899" [state special, fiscal 1996 & 1997]

2. Page C-12, following line 3.

Insert: "Item 2b is contingent on passage and approval of House Bill No. 445."

This amendment implements House Bill No. 445 by providing additional state special revenue authority from: 1) the noxious weed management account - \$28,099 each fiscal year; and 2) the newly created noxious weed forage account - \$33,800 each fiscal year. The authority will fund 0.50 FTE and associated operating expenses of the new program and the new advisory council in the Agricultural Sciences Division of the Department of Agriculture.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Aklestad
For HB 2. Free Conference Committee

Prepared by Skip Culver
April 6, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 7

DATE 4/6/95

BILL NO. HB 2

carried

1. Page A-8, line 23.
Strike: "60% URBAN/40%"
Insert: "40% URBAN/60%"

Explanation: This amendment reverses the distribution ratio of highway fuel tax distribution to counties and cities.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Swysgood
For the Conference Committee

Prepared by Roger Lloyd
April 6, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 8
DATE 4/6/95
BILL NO. HB 2

carried

1. Page C-3, following line 4.

Insert: "f. SB 321 -- Additional Snowmobile Allocation

28,488 29,582" State special revenue, fiscal 1996 & 1997

2. Page C-4, following line 3.

Insert: "f. SB 321 -- Additional Snowmobile Allocation

158,672 93,474 177,579"

State special revenue, fiscal 1996 & 1997; Proprietary, fiscal 1996

Renumber subsequent subsections

3. Page C-4, following line 17.

Insert: "d. SB 321 -- Additional Snowmobile Allocation

11,277 13,134" State special revenue, fiscal 1996 & 1997

4. Page C-5, following line 19.

Insert: "Items 4f, 6f, and 7d are contingent on passage and approval of Senate Bill
No. 321."

5. Page C-5, line 21.

Strike: "6f"

Insert: "6g"

These amendments appropriate an additional \$198,437 in fiscal 1996 and \$220,295 in fiscal 1997 of state special revenue to the Department of Fish, Wildlife and Parks contingent on passage of Senate Bill 321 which increases the allocation of the gasoline dealers' license tax revenue for snowmobiles. It also appropriates \$93,474 of proprietary funds in fiscal 1996 to purchase a snowgroomer.

Amendments to House Bill No. 2
Third Reading Copy

For the Free Conference Committee

Prepared by Mark Lee
April 6, 1995*carried*

1. Page C-6, line 6.	(Narr. C-50, C-51)		
Strike: "287,660"	"1,153,791"	"282,478"	"1,141,778"
Insert: "410,825"	"1,030,626"	"405,643"	"1,018,613"
2. Page C-8, line 25	(Narr. C-50, C-51)		
Strike: "1,033,462"	"650,021"	"1,088,997"	"642,366"
Insert: "1,154,563"	"528,920"	"1,210,098"	"521,265"
3. Page C-9, line 12.	(Narr. C-50, C-51)		
Strike: "1,370,296"	"1,375,582"		
Insert: "1,257,273"	"1,262,559"		
Insert: "113,023"	(general fund in fiscal 1996)		
Insert: "113,023"	(general fund in fiscal 1997)		
4. Page C-9, line 14.	(Narr. C-50, C-51)		
Strike: "2,589,966"	"2,989,602"	"2,582,873"	"2,482,824"
Insert: "2,934,229"	"2,645,339"	"2,927,136"	"2,138,561"
5. Page C-9, line 18.	(Narr. C-50, C-51)		
Strike: "169,786"	"335,589"	"169,786"	"330,248"
Insert: "218,234"	"287,141"	"218,234"	"281,800"

LFA will adjust totals.

6. Page C-9, following line 23.

Insert: "If House Bill No. 569 is passed and approved in a form that allocates 1.5% of the metalliferous mines license tax receipts to the renewable resource grant and loan program state special revenue account, that allocates 4.6% of the metalliferous mines license tax receipts to the reclamation and development grants program state special revenue account, and that statutorily appropriates \$240,000 each fiscal year to Montana state university-northern from the renewable resource grant and loan program state special revenue account, then the general fund money in item 4 is reduced by \$222,629 in fiscal year 1996 and by \$181,913 in fiscal year 1997 and the state special revenue in item 4 is increased by like amounts.

If House Bill No. 569 is passed and approved in a form that allocates 1.5% of the metalliferous mines license tax receipts to the renewable resource grant and loan program state special revenue account, that allocates 4.6% of the metalliferous mines license tax receipts to the reclamation and development grants program state special revenue account, and that does not change the amount of the statutory appropriation to Montana state university-northern from the renewable resource

grant and loan program state special revenue account, then the general fund money in item 4 is reduced by \$342,629 in fiscal year 1996 and by \$301,913 in fiscal year 1997 and the state special revenue in item 4 is increased by like amounts."

The renewable resource grant and loan program account and the reclamation and development grants program account (state special revenue accounts receiving RIT interest and RIGWA tax proceeds) are over-appropriated by more than \$1.7 million for the biennium. This amendment uses \$750,000 of general fund each year (\$1.5 million over the biennium) to replace state special revenue in the Department of Natural Resources and Conservation (\$626,835 each year) and the Department of State Lands (\$123,165 each year). HB 569 allocates a portion of metal mines tax receipts to these two accounts and increases the amount of statutory appropriations to MSU-Northern from the renewable resource grant and loan program account, which has a net effect of decreasing the over-appropriation by 0.4 million during the biennium. The language reduces the amount of general fund back-fill by 0.4 million in the event HB 569 passes.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Representative Bergsagel
For the Free Conference Committee

Prepared by Mary Bryson
April 5, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 19

DATE 4/6/95

BILL NO. 2082

carried

1. Page BP-1, line 17.

Following: "**Technical allocation costs.**"

Insert: "(1)"

2. Page BP-1, following line 20.

Insert: "(2) For the agency line item appropriations for legislative audit, there is appropriated an increase equal to the amount appropriated from the legislative auditor's special revenue fund for state pay plan funding. The budget director shall allocate this appropriation on the same basis that current line items for legislative audit in agency budgets are allocated in [this act]."

Explanation of Amendment:

As authorized by section 5-13-402, MCA, the Office of the Legislative Auditor bills agencies for the costs associated with the completion of its financial compliance audits. In this way, the office recovers most of the costs of these audits and the state agencies receive federal reimbursement for a portion of the audit costs. Legislative audit costs are a line item biennial appropriation in each agency budget. This amendment increases the line item audit appropriations by an amount equal to the special revenue fund amount appropriated to the office for the 1997 biennium pay plan funding (total = \$138,264).

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Representative Bergsagel
For the Free Conference Committee

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 11
DATE 4/6/95
BILL NO. NB2

carried

Prepared by Mary Bryson
April 5, 1995

1. Page A-1, line 5.

Strike: "1,396,073" "1,411,236" (general fund, fiscal years 1996 & 1997)
Insert: "1,401,639" "1,416,502" (general fund, fiscal years 1996 & 1997)

LFA will adjust totals.

Explanation of Amendment:

This amendment implements the provisions of SB202 (signed by the Governor and became effective March 9, 1995 - Chapter #97) and adds \$10,832 general fund for the biennium to the Office of the Legislative Auditor. This amendment increases the office's operating expenses by \$5,266 each fiscal year of the biennium, and equipment by \$300 in fiscal year 1996 to provide for the continued operation of the Fraud Hotline as authorized by SB 202. The operating expenses are for monthly telephone charges and advertising costs. The office would replace its existing hotline phone with equipment to accommodate calls from individuals using a Telephone Device for the Deaf.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 12
DATE 4/6/95
BILL NO. NP 2

Amendments to House Bill No. 2
Reference Copy

Requested by Representative Bergsagel
For the Free Conference Committee

withdraw

Prepared by Mary Bryson
April 5, 1995

1. Page A-1, line 5.

Strike: "1,396,073" "1,411,236" (general fund, fiscal years 1996 & 1997)
Insert: "1,403,449" "1,417,199" (general fund, fiscal years 1996 & 1997)

2. Page A-1, following line 9.

Insert: "If Senate Bill No. 398 is not passed and approved, general fund money in item 1 will be decreased by \$7,376 in fiscal year 1996 and \$5,963 in fiscal year 1997."

LFA will adjust totals.

Explanation of Amendment:

This amendment implements provisions of SB 398 amendments, which in the House increased the size of the Legislative Audit Committee by four legislators. This amendment adds general fund of \$13,339 for the biennium. Personal services costs of \$2,576 in FY96 and \$1,963 in FY97 are for legislator salaries for committee meetings. Operating expenses of \$4,800 in FY96 and \$4,000 in FY97 are for legislator travel to each committee meeting.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Representative Bergsagel
For the Free Conference Committee

Prepared by Mary Bryson
April 5, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 13

DATE 4/6/95

BILL NO. NB 2

failed

1. Page A-1, line 5.

Strike: "1,396,073" "1,411,236" (general fund, fiscal years 1996 & 1997)

Insert: "1,396,573" "1,411,736" (general fund, fiscal years 1996 & 1997)

2. Page A-1, following line 9.

Insert: "If House Bill No. 576 is not passed and approved, general fund money in item 1 will be decreased by \$500 each fiscal year."

LFA will adjust totals.

Explanation of Amendment:

HB 576 requires the Office of the Legislative Auditor to complete a minimum of two privatization reviews as requested by the OBPP and biennial evaluations of the state's internal service funds. This amendment increases the office's operating expenses by \$500 each fiscal year to implement the provisions of HB 576. The operating expenses are for anticipated increased printing.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by Senator Swysgood
For the Free Conference Committee

Prepared by Lois Steinbeck
April 5, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 14
DATE 4/6/95
BILL NO. HB 2
Carried

1. Page B-7, following line 15.

Insert: "The department may use funds in items 6d and 6e to increase rates paid for medicaid services purchased from hospitals and nursing homes. If hospital or medicaid providers sue the department to obtain additional increases in medicaid rates, the department may use the funds to defend the state against the law suit and in the event the defense is unsuccessful, the department may reallocate funds from other appropriations to fund rate nursing home and hospital rate increases."

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Representative Bergsagel
For the Senate Committee on the Whole

Prepared by Mark Lee
April 6, 1995

failed

1. Page B-1, following line 13. (Narr. N/A)

Insert: "d. Certified Apprenticeship (instruction and related training programs.) (Restricted)"

"140,000" (general fund in fiscal 1996)
"140,000" (general fund in fiscal 1997)

2. Page B-3, following line 12.

Insert: "Funds appropriated in item 1d may be used only for certified apprenticeship instruction and related training programs."

The LFA will adjust totals.

This amendment adds \$280,000 of general fund to the Department of Labor and Industry for certified apprenticeship instruction and related training programs.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 16

DATE 4/6/95

BILL NO. HB 2

correct

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by Senator Swysgood
For the Free Conference Committee

Prepared by Lois Steinbeck
April 5, 1995

1. Pages B-7, line 10. (Narr. - N/A)
Strike: "\$72,076,489"
Insert: "\$70,653,143"
Strike: "\$74,847,286"
Insert: "\$77,127,105"

LFA will amend the totals.

This amendment corrects the amount appropriated to hospitals within the total appropriation for medicaid services in the Department of Social and Rehabilitative Services. This amendment includes hospital rate increases of 3.0% percent annually.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Swysgood
For the Conference Committee

Prepared by Terri Perrigo
April 5, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 67

DATE 4/6/95

BILL NO. NB 2

Carried

1. Page A-3.

Following: line 12.

Insert: "c. Foster Care Local Review Board Pilot (Restricted) \$139,850" (general fund 1996) "127,535" (general fund 1997)

LFA will amend totals

2. Page A-3.

Following: line 25.

Insert: "The administrator of the supreme court shall prepare a report for the 55th legislature on the activities and accomplishments of the local citizen review board pilot program in item 1c."

3. Page B-10.

Strike: lines 10 and 11 in their entirety.

LFA will amend totals.

Renumber subsequent subsections.

4. Page B-12.

Strike: lines 16 and 17 in their entirety.

5. Page B-12, line 18.

Strike: "4C"

Insert: "4b"

6. Page B-12, line 23.

Strike: "4E" (in two places)

Insert: "4d" (in two places)

This amendment transfers the appropriation for the Local Citizen Review Board Pilot program from the Department of Family Services to the Supreme Court in the Judiciary.

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by Senator Swysgood
For the Free Conference Committee

Prepared by Lois Steinbeck
April 5, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 18
DATE 4/6/95
BILL NO. HB2

carried

** later amendment failed*

1. Pages B-4, following line 25.

Insert: "g. OBRA Nurse Aide
225,000 general fund fiscal 1996
225,000 federal special revenue fiscal 1996
225,000 general fund fiscal 1997
225,000" federal special revenue fiscal 1997

LFA will amend the totals.

This amendment adds \$450,000 general fund and \$900,000 total funds over the biennium to implement provisions of the Omnibus Budget Reconciliation Act.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 19
DATE 4/6/95
BILL NO. HB2

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by Senator Swysgood
For the Free Conference Committee

Prepared by Lois Steinbeck
April 5, 1995

Failed
** amendment*
later carried.

1. Page B-10, line 4. (Narr. B-74)
Strike: "13,749,742" "14,308,765"
Insert: "13,874,473" "14,433,496"

2. Page B-10, following line 23.
Insert: "g. Family Preservation and Support (Biennial)
997,843" federal special revenue fiscal 1996

LFA will amend the totals.

This amendment restores \$249,462 general fund and \$997,843 federal revenue for a total increase of \$1,247,305 to continue a five-year federal grant to fund preventive services for children at-risk of abuse and neglect in order to prevent out-of-home placement. The grant and in-kind general fund match was included in the Executive Budget. The grant requires a 25% general fund match that the Department of Family Services will provide through "refinancing" 100% general fund services by finding matching federal medicaid or Title IV-A funds or through assessing parental contributions for services.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy
April 6, 1995

Requested by Representative Quilici
For the Free Conference Committee

Carried

Prepared by Terri Perrigo
April 6, 1995

1. Page BP-2, line 12.
Following: "ELECTED OFFICIAL)"
Strike: "AND THE JUDICIARY"

This amendment corrects a provision that is in conflict with Article III, Section 1, of the Montana Constitution.

This portion of boilerplate language allows the executive branch the authority to modify the Judiciary's budget without proper legislative review. This review is required by the constitution and Section 17-7-122 (3) MCA.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 21
DATE 4/7/95
BILL NO. HB 2

Requested by Representative Bergsagel
For the Free Conference Committee

Withdrawn

Prepared by Mary Bryson
April 5, 1995

1. Page A-1, line 5.

Strike: "1,396,073" "1,411,236" (general fund, fiscal years 1996 & 1997)

Insert: "1,403,449" "1,417,199" (general fund, fiscal years 1996 & 1997)

2. Page A-1, following line 9.

Insert: "If Senate Bill No. 398 is not passed and approved, general fund money in item 1 will be decreased by \$7,376 in fiscal year 1996 and \$5,963 in fiscal year 1997."

LFA will adjust totals.

Explanation of Amendment:

This amendment implements provisions of SB 398 amendments, which in the House increased the size of the Legislative Audit Committee by four legislators. This amendment adds general fund of \$13,339 for the biennium. Personal services costs of \$2,576 in FY96 and \$1,963 in FY97 are for legislator salaries for committee meetings. Operating expenses of \$4,800 in FY96 and \$4,000 in FY97 are for legislator travel to each committee meeting.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by L. Thorson
April 6, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 22
DATE 4/7/95
BILL NO. HB 2

carried

1. Page A-1, following line 15.

Insert: "b. Postsecondary Education Interim Committee (Restricted/Biennial)
14,800" (general fund in fiscal 1996)

This amendment adds general fund to the budget of the Legislative Fiscal Analyst to provide funding for the Postsecondary Education Interim Committee authorized in Senate Bill 76.

{Office of Legislative Fiscal Analyst

444-2986}

EXHIBIT NO. 23

DATE 4/7/95

BILL NO. NB2

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by L. Thorson
April 6, 1995

carried

1. Page A-1, following line 19.

Insert: "Of the amount appropriated for expenses associated with the review required in Senate Bill No. 378 to the office of the legislative fiscal analyst in section 1, Chapter 30, Special Laws of November 1993, amending section 15, Chapter 623, Laws of 1993, any unexpended funds up to \$6,000 are reappropriated to the analysis and review program (program 01) within the office of the legislative fiscal analyst. The funds reappropriated to the analysis and review program are appropriated for the 1997 biennium for expenses associated with the review required in 17-1-505. "

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Rep. Quilici
For the Free Conference Committee

Prepared by L. Thorson
April 6, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 24
DATE 4/7/95
BILL NO. NB2

failed

1. Page A-1, line 23.

Strike: "70,947" "70,947" (general fund)
Insert: "100,947" "100,947" (general fund)

2. Page A-2, following line 11.

Insert: "NCSL 60,000"

LFA will adjust totals.

Explanation of Amendment:

Legislative Council - This amendment adds \$60,000 general fund for the biennium for National Conference of State Legislatures dues.

{Office of Legislative Fiscal Analyst

444-2986}

carried

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by L. Thorson
April 6, 1995

1. Page A-1, following line 23.

Insert: "b. Interim Study for Veterans' Issues (Biennial)
10,000" (state special revenue)

LFA will adjust totals.

Explanation of Amendment:

This amendment adds \$10,000 cigarette tax state special revenue to the Legislative Council for the interim study of veterans' needs proposed in House Joint Resolution No. 19 to continue the study of long-term care, access to health and nursing home care, and the continuum of services to veterans.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Swysgood
For the Conference Committee

Prepared by Terri Perrigo
April 5, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 26
DATE 4/7/95
BILL NO. HB 2

failed

*A later amendment
carried at 5 FTE*

1. Page A-3.

Following: line 12

Insert: "c. Court Automation (Restricted) 978,400" (state special revenue 1996)
"978,400" (state special revenue 1997)

LFA will amend totals

2. Page A-3.

Following: line 25.

Insert: "Item 1c is contingent upon passage and approval of House Bill No. 176."

This amendment adds 10.0 FTE and state special revenue of \$978,400 per year to Judiciary for court automation. The state special revenue funds are derived from a \$5 user surcharge on court action(s) authorized in House Bill No. 176. If House Bill No. 176 is not passed and approved, the language included in the amendment would allow item 1c to be stricken. As of 4/4/95, House Bill No. 176 had been approved by both houses and returned from enrolling.

HB000228.a08

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Swysgood
For the Free Conference Committee

Prepared by Terri Perrigo
April 5, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 27
DATE 4/7/95
BILL NO. HB 2

withdrawn

1. Page A-3.

Following: line 20.

Insert: "a. SB 387 -- Water Adjudication Advisory Committee (Restricted/OTO)
5,000" (state special revenue 1996) "5,000" (state special revenue 1997)

LFA will amend totals.

2. Page A-3.

Following: line 25.

Insert: "The appropriation in item 5a is contingent upon passage and approval of
both Senate Bill No. 387 and House Bill No. 176."

This amendment adds state special revenue of \$5,000 per year to the Water Courts in Judiciary for the water adjudication advisory committee established in Senate Bill 387. According to the bill, that committee shall provide recommendations to the water court, the supreme court, the department of natural resources and conservation and the legislature on methods to improve and expedite the water adjudication process.

Funding for the committee is from the \$5 user surcharge on court action(s) authorized in House Bill 176. Consequently, language is included in the amendment that makes the appropriation contingent upon passage and approval of that bill in addition to Senate Bill 387. As of 4/4/95, Senate Bill 387 had passed both houses as amended, while House Bill 176 had been returned from enrolling.

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Aklestad
For the Conference Committee

Prepared by Terri Perrigo
April 5, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 28
DATE 4/7/95
BILL NO. 2162

carried

1. Page A-3, line 22.
Strike: "189,821 190,666"
Insert: "160,445 131,715"

LFA will amend totals.

2. Page A-3.
Following: line 25
Insert: "If Senate Bill No. 249 is not passed and approved, the appropriation in item 6 is increased by \$29,376 in fiscal year 1996 and \$58,951 in fiscal year 1997."

This amendment implements Senate Bill No. 249, which eliminates the elected Clerk of the Supreme Court in Judiciary effective January 1, 1996. The amendment eliminates a 0.5 FTE in fiscal 1996, 1.0 FTE in fiscal 1997, and general fund of \$88,327 over the biennium (\$29,376 in fiscal 1996 and \$58,951 in fiscal 1997).

The language included in the amendment would reverse the amendment if Senate Bill No. 249 is not passed and approved. As of 4/5/95, the bill had passed both houses as amended.

EXHIBIT NO. 29DATE 4/7/95BILL NO. HB3Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995*failed*

1. Page A-4, line 3.

Strike: "975,273"	"958,542"	(general fund FY96 and FY97)
Insert: "1,041,271"	"1,024,549"	(general fund FY96 and FY97)
Strike: "137,914"	"138,244"	(state special FY96 and FY97)
Insert: "159,913"	"160,247"	(state special FY96 and FY97)

LFA will adjust totals.

Explanation

This amendment restores funding for the Montana Consensus Council (MCC) in the Governor's Office. The amendment increases general fund by \$65,998 in FY96 and \$66,007 in FY97. It increases state special revenue by \$21,999 in FY96 and \$22,003 in FY97 from private contributions and other sources generated by MCC services. The funds will support 1.75 FTE and necessary operating expenses. The Montana Consensus Council was established in FY94 and has been credited with significant achievements on issues such as land access and instream flows.

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by Lisa Mader
April 6, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 30
DATE 4/7/95
BILL NO. HB 2

Failed

1. Page A-4, line 7.

Strike: "2,125,000"

"2,125,000"

Insert: "125,000"

"125,000"

LFA will adjust totals.

This amendment removes \$2 million each year in federal grants to conduct community service projects. Federal grant funds were statutorily appropriated during the 1995 biennium, but that statutory appropriation sunsets on June 30, 1995. HB 523 would have continued the statutory appropriation, but no action was taken on it in the House State Administration Committee.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Sen. Jacobson
For the Free Conference Committee

Prepared by L. Thorson
April 5, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 31
DATE 4/7/95
BILL NO. HB2
Carved

1. Page A-6, line 3.

Strike: "1,235,896" "1,220,037" (general fund, fiscal years 1996 & 1997)

Insert: "1,446,953" "1,425,571" (general fund, fiscal years 1996 & 1997)

2. Page A-6, following line 19.

Insert: "If House Bill No. 533 is not passed and approved, general fund money in item 2 must be decreased by \$36,693 each fiscal year.

If House Bill No. 466 is not passed and approved, general fund money in item 2 must be decreased by \$170,814 in fiscal year 1996 and \$168,841 in fiscal year 1997.

If Senate Bill No. 384 is not passed and approved, general fund money in item 2 is decreased by \$3,550 in fiscal year 1996."

LFA will adjust totals.

Explanation of Amendment:

This amendment provides State Auditors Office \$73,386 general fund monies for the biennium and 1.0 FTE for implementation of HB 533 which has passed both houses. HB 533 provides insurance reform on portability of health benefit plans. HB 533 also requires refiling of existing contracts and endorsements and filing of a new, uniform plan that each company must file in order to compete in the market place.

This amendment provides the State Auditor's Office with \$339,655 general fund for the biennium and 2.0 FTE for implementation of HB 466, which has passed both houses. HB 466 revises the small group insurance reform legislation initiated last session by SB 185.

This amendment is for \$170,814 in fiscal 1996 and \$168,841 in fiscal 1997. The 2.0 FTE funded are the health care reform specialist and the life health actuary positions authorized in the current biennium in SB 185.

The amounts requested are less than the present law base adjustment approved in the Executive's Budget.

This amendment provides the State Auditor's Office with \$3,550 general fund money for rules required to implement SB 384. SB 384 revises worker's compensation insurance laws for private

worker's compensation carriers. The revised law will require 30 pages of rules and one public hearing. Cost of implementation is \$3,550 in fiscal 1996.

Office of Legislative Fiscal Analyst

444-2986}

04/05/95
 09:53 AM

LEGISLATION WITH FISCAL IMPACT ON THE STATE AUDITOR'S OFFICE

SMALL GROUP REFORM PACKAGE

BILL #	SPONSOR	PURPOSE	STATUS	FISCAL IMPACT		FTE
				FY96	FY97	
HB466	REP. NELSON	SMALL GROUP AMEND.	ENROLLING/RET	\$170,814	\$168,841	2.00
HB446 AND HB533	REP. ORR REP. ARNOTT	PRE. EXISTING COND. PORTABILITY	FREE CONF ENROLLING	\$36,693	\$36,693	1.00

MISCELLANEOUS INSURANCE LEGISLATION

BILL #	SPONSOR	PURPOSE	STATUS	FISCAL IMPACT		FTE
				FY96	FY97	
SB384	SEN BENEDICT	WORK COMP	GOV. SIGNED	\$3,550		
SB388	SEN. HARP	MEDICAID	SENATE/HALF/3RD	\$6,000		

WARRANT WRITER LEGISLATION

BILL #	SPONSOR	PURPOSE	STATUS	FISCAL IMPACT		FTE
				FY96	FY97	
HB449	REP. SWANSON	BAD DEBT FOR COUNTIES	SEN/TAX	\$9,977	\$9,626	
HB563	REP. SLTTER	WARRANT TRANSFER DOA	GOV. SIGNED	(\$969,466)	(\$985,376)	(14.00)

Funding for the Small Group Reform Package

HB 466 - This amendment restores the funding at the level recommended in the Governor's budget for small group reform adjusted for the amendments in HB466. The sub-committee took the money out because they thought small group reform would be repealed. The amendment restores 2 FTE - a life and health actuary and health care specialist. Actuaries are expensive, \$65,000 per year for salary and benefits -- but to hire one on contract costs \$275 per hour. The insurance program does not have a life and health actuary other than this position. There are no other staff who have the technical expertise to do the work.

The amendment also includes approximately \$67,000 of annual operational expenses. Contracted Services - \$27,245, which includes \$10,000 for additional actuarial contracts. The department gave up an actuary position elsewhere in the budget, because we believe we can handle the workload with one full time life and health actuary and \$10,000 of contract work. Also included are contracts with agency legal services for hearings officers, and the filing fees for the rule changes mandated by the amendments.

Also included in operational expenses are: Postage, supplies and printing to survey every insurance company every year as to the amount of small employer business they conduct and postage to notify 14,000 agents of the changes in the law. Travel expenses for board members and staff are also covered

HB533 and HB 446 These bills require 450 insurance companies to file a new uniform health insurance plan. In addition, as a result of changes to the preexisting condition laws the amendments, approximately 4,000 revised plans will be filed over the next two years. The amendment provides one FTE and \$5,500 of operational expenses to handle the review of these filing in a timely manner. There are existing statutory fees, which is general fund revenue, for these filings. Those fees will be \$69,000 over the biennium. The net cost to the general fund is only \$3,600.

Amendments to House Bill No. 2
Reference

For the Conference Committee

Prepared by OBPP
April 6, 1995

1. Page A-8, following line 8.

Insert: "a. Deregulation of Interstate Trucking -- SB 378

21,674 [FY96 state special revenue]

21,747" [FY97 state special revenue] -

Explanation:

As reflected in the fiscal note, SB378 would result in the reduction of 6.00 FTE in the Public Service Commission (already reduced in HB2) and an increase of 1.00 FTE in the Motor Carrier Services Program in the Department of Transportation.

As of April 4, 1995, SB378 has been signed by the Governor and has been sent to the Secretary of State for enrolling.

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by OBPP
April 6, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 33

DATE 4/7/95

BILL NO. HB 2

carried

1. Page A-9.

Following: line 18

Insert: "a. HB 560 -- Medical Care Savings Accounts
30,667" (general fund 1997)

LFA will amend totals.

EXPLANATION: This amendment adds 1.0 FTE and general fund of \$30,667 in fiscal year 1997 to the Income Tax Division of the Department of Revenue to implement House Bill No. 560.

House Bill No. 560 authorizes tax exempt medical savings accounts. The department estimates it will require an additional 1.0 FTE for initial programming and subsequent tax data processing workloads, beginning in fiscal year 1997.

House Bill No. 560 has been enrolled as Chapter No. 295.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

EMENDIT NO. 34DATE 4/7/95

For the Free Conference Committee

BILL NO. SB2

Prepared by OBPP
April 6, 1995

no notes

1. Page A-9, following line 22.
Insert: "a. SB 198 -- Agricultural Land Valuation
Advisory Board (Restricted/OTO) 50,000" [FY96
general fund]

LFA will amend totals.

2. Page A-10, following line 13.
Insert: "Item 6a is contingent upon passage and
approval of Senate Bill No. 198."

Explanation:

This amendment adds a one-time only general fund appropriation of \$50,000 in fiscal year 1996 to the Property Valuation Division of the Department of Revenue to implement Senate Bill No. 198.

Senate Bill No. 198 would establish an advisory committee to study methods for using soil capability for the valuation of agricultural land. The advisory committee is anticipated to meet and complete its work in fiscal year 1996. The department estimates the following costs: committee member expenses (\$15,000); assistance from university faculty (\$22,500); consultants (\$10,000); and miscellaneous expenses (\$2,500).

As of April 5, 1995, the Senate did not concur with House amendments to Senate Bill No. 198.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2 EXHIBIT NO. 35
Reference CopyDATE 4/7/95For the Free Conference Committee BILL NO. 782Prepared by OBPP
April 6, 1995*carried*

1. Page A-10, line 3.
Strike: "10%"
Insert: "[19%]"

2. Page A-10, line 3.
Following: "discounts"
Insert: "[, commissions,]"

3. Page A-10, line 4.
Strike: "15%"
Insert: "[8.25%]"

4. Page A-10, line 6.
Following: "charges."
Insert: "If House Bill No. 574 is not passed and approved, the bracketed language in this paragraph is void and the former text is restored."

EXPLANATION: House Bill No. 574 eliminates state-operated liquor stores. The effect on the language appropriation currently contained in House Bill No. 2 is to reduce expenditures and to reduce "net sales" by shifting the merchandising operations from a wholesale and retail operation to a wholesale only operation. The proposed language makes the expenditure limit, profit target, and definition of net sales consistent with the impact of House Bill No. 574.

The current language would provide an excessive upper limit on expenditures (15%)--approximately \$5.2 million over projected expenditures for the biennium. The 8.25% expenditure limit proposed in this amendment reflects the January 1, 1996 implementation date for conversion of state operated liquor stores and includes one-time termination costs.

The current language also provides a more appropriate profit target. The proposed profit target of 19% includes the one-time increase in revenues due to turnover of existing store inventory.

As of April 5, 1995, House Bill No. 574 has passed the Senate and has been returned to the House.

Amendments to House Bill No. 2
Reference Copy

ENRANT NO. 36
DATE 4/7/95
BILL NO. NB2

For the Free Conference Committee

Prepared by OBPP
April 6, 1995

carried

1. Page A-10.

Strike: lines 19 and 20 in their entirety.

LFA will amend totals.

2. Page A-12 and A-13.

Strike: line 25 on page A-12 and lines 1 and 2 on page A-13.

Renumber: subsequent subsections

3. Page A-13, line 8.

Strike: "5c"

Insert: "4c"

4. Page A-13, line 9.

Strike: "7c"

Insert: "6c"

5. Page A-13, line 23.

Strike: "7d"

Insert: "6d"

6. Page A-14.

Following: line 5

Insert: "APPELLATE DEFENDER COMMISSION (6102)

1. Appellate Defender (03)

100,000" (general fund 1996)

"100,000" (general fund 1997)

"The appropriation in item 1 is contingent on:

(a) the appellate defender program not being funded by a statutory appropriation, as provided in Senate Bill No. 83; and

(b) passage and approval of Senate Bill No. 83."

EXPLANATION: This is a technical amendment to establish the Appellate Defender Commission and the office of the appellate defender under a separate agency number on the state accounting system.

The Appellate Defender is administratively attached to the Department of Administration solely for the purpose of establishing its independence from the Judiciary. The office of the Appellate Defender is governed by the

commission whose members are appointed by the Governor. The Department of Administration has no authority over the Appellate Defender and the Appellate Defender program has no interactions with programs administered by the department.

This change is merely an accounting convention so as not to confuse the expenditures of the Appellate Defender with those of the Department of Administration. Other agencies attached to the department which are currently accounted for under separate agency numbers include the State Fund (6103), the Public Employees Retirement Board (6104), and the Teachers Retirement System (6105).

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by OBPP
April 6, 1995*carried*

1. Page A-10, following line 24.
 Insert: "b. 1997 Biennium Long-Range Building
 Program
 130,384 [FY96 state special revenue]
 131,443" [FY97 state special revenue]"

LFA will amend totals.

2. Page A-13, following line 5.
 Insert: "Item 2b is contingent upon passage and
 approval of House Bill No. 5 and at least
 two or more of the following bills: House
 Bill No. 15, 584, 585, 594, 595, or 603."

Explanation:

This amendment adds 3.50 FTE and \$130,384 in FY96 and \$131,443 in FY97 to the Department of Administration Architecture and Engineering Division for costs associated with various long-range building legislation for the 1997 biennium. The direct costs of the building program are appropriated in long-range building legislation (House Bills 5, 15, 584, 585, 594, 595, and 603) while the administrative costs of the Architecture and Engineering Program are appropriated in House Bill 2. The additional administrative costs in this amendment were presented to the Subcommittee on General Government and Transportation by the Department of Administration, including a letter of support from Governor Racicot.

As of April 5, 1995, the status of the bills is as follows: House Bill No.'s 5, 15, 584, and 594 are awaiting Senate Committee of the Whole action. House Bill No. 595 remains in the Senate Finance and Claims Committee. House Bill No.'s 585 and 603 are on third reading in the Senate.

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by OBPP
April 6, 1995

reed

- Page A-12, following line 12.
 Insert: "e. HB 268 -- GABA Employer Contributions
 (Restricted/OTO)
 420,180 [FY96 general fund]
 391,130 [FY96 other funds]
 507,654 [FY97 general fund]
 396,851" [FY97 other funds]

LFA will amend totals.

- Page A-14, following line 5.
 Insert: "Item 7e is contingent on passage and approval of House Bill No. 268 and is to be allocated by the office of budget and program planning to agencies for increases in employer contributions to public pension funds to fund the guaranteed annual benefit adjustment (GABA). Amounts may be adjusted among fund types, excluding the general fund, which may not be adjusted."

- Page A-14, following line 10.
 Insert: "b. HB 268 -- Guaranteed Annual Benefit Adjustment (OTO)
 76,500" [FY96 other funds]

LFA will amend totals.

- Page A-14, following line 13.
 Insert: "Item 1b is contingent on passage and approval of House Bill No. 268."

- Page A-14, following line 18.
 Insert: "b. HB 268 -- Guaranteed Annual Benefit Adjustment
 34,364 [FY96 other funds]
 34,475" [FY97 other funds]
 "c. HB 268 -- Guaranteed Annual Benefit Adjustment (OTO)
 150,117 [FY96 other funds]
 7,500" [FY97 other funds]

LFA will amend totals.

6. Page A-14, following line 21.

Insert: "Items 1b and 1c are contingent on passage and approval of House Bill No. 268."

Explanation:

This amendment implements the guaranteed annual benefit adjustment (GABA) for retirees included in House Bill No. 268. The amendment adds a total of 1.0 FTE and \$2,018,771 over the biennium (of which \$927,834 is general fund) to three agencies:

(1) the State Personnel Division in the Department of Administration, which would be increased by \$1,715,815 over the biennium (of which \$927,834 is general fund) to be allocated by OBPP for increases to state agency contributions to PERS and TRS;

(2) the Teachers Retirement System (TRS), which would be increased by other funds of \$222,256 over the biennium to fund 1.0 FTE and postage costs (which are ongoing) and other one time only costs associated with implementing the bill; and

(3) the Public Employees Retirement System (PERS), which would be increased by other funds of \$76,500 over the biennium for one time only costs associated with implementing the bill.

As of April 5, 1995, House Bill No. 268 is scheduled for second reading in the Senate.

{Office of Legislative Fiscal Analyst

444-2986}

EXHIBIT NO. 39

DATE 4/7/95

BILL NO. HB 3

carried

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by OBPP
April 6, 1995

1. Page A-14.

Following: line 18.

Insert: "b. HB 316 -- TRS Service Purchase (OTO)
3,600" (other funds 1996)

LFA will amend totals.

EXPLANATION: This amendment adds other funds of \$3,600 in fiscal year 1996 to the Teachers Retirement System (TRS) for costs associated with House Bill No. 316 revising the purchase of certain creditable service under TRS.

House Bill No. 316 has been enrolled as Chapter No. 136.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by L. Thorson
April 6, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 40

DATE 4/7/95

BILL NO. HB 2

Failed

1. Page A-2, line 16.

Strike: "274,789"

"272,493"

Insert: "284,008"

"281,701"

LFA will adjust totals.

Explanation of Amendment:

This amendment restores 0.5 FTE (\$34,040) to the Environmental Quality Council, but imposes a vacancy savings reduction of 3.4 percent (\$15,613). The total general fund for the biennium added by this amendment is \$18,427.

The 0.5 is an existing .5 attorney position that is currently filled.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Sen. Swysgood
For the Free Conference Committee

Prepared by Mark Lee
April 6, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 41
DATE 4/7/95
BILL NO. HB 2
carried

1. Page B-1, following line 13.

Insert: "d. Certified Apprenticeship -- Instruction and Related Training Programs
(Restricted/OTO)"

"100,000" (state special revenue in fiscal 1996)

"100,000" (state special revenue in fiscal 1997)

2. Page B-3, following line 12.

Insert: "Funds appropriated in item 1d may be used only for certified apprenticeship
instruction and for related training programs."

The LFA will adjust totals.

This amendment adds \$200,000 of UI Admin tax (employment security account) to
the Department of Labor and Industry for certified apprenticeship instruction and
related training programs.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Reading Copy

For the Conference Committee

Prepared by OBPP
April 3, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 42
DATE 4/7/95
BILL NO. HB2

carried

1. Page B-2, line 4. (Narr. B-10)

Strike: "4,187,066" "4,177,971" [state special, fiscal 1996 & 1997]
Insert: "3,963,317" "3,953,327" [state special, fiscal 1996 & 1997]

2. Page B-3, following line 12.

Insert: "If House Bill No. 68 is not passed and approved, state special revenue in item 4 is increased by \$223,749 in fiscal year 1996 and by \$224,644 in fiscal year 1997."

3. Page C-12, line 18. (Narr. C-82)

Strike: "3,618,257" "3,612,845" [state special, fiscal 1996 & 1997]
Insert: "3,715,270" "3,709,562" [state special, fiscal 1996 & 1997]

4. Page C-13, line 22. (Narr. C-94)

Strike: "1,800,133" "1,807,636" [state special, fiscal 1996 & 1997]
Insert: "1,951,818" "1,960,185" [state special, fiscal 1996 & 1997]

5. Page C-15, following line 19.

Insert: "If House Bill No. 68 is not passed and approved, state special revenue in item 4 is decreased by \$97,013 in fiscal year 1996 and by \$96,717 in fiscal year 1997."

6. Page C-15, following line 23.

Insert: "If House Bill No. 68 is not passed and approved, state special revenue in item 10 is decreased by \$151,685 in fiscal year 1996 and by \$152,549 in fiscal year 1997."

7. Page D-3, line 9. (Narr. D-21)

Strike: "403,294" "389,672" [state special, fiscal 1996 & 1997]
Insert: "378,345" "365,050" [state special, fiscal 1996 & 1997]

8. Page D-4, following line 21.

Insert: "If House Bill No: 68 is not passed and approved, state special revenue in item 6 is increased by \$24,949 in fiscal year 1996 and by \$24,622 in fiscal year 1997."

These amendments implement House Bill 68 by transferring to the Professional and Occupational Licensing program in the Department of Commerce: 1) 1.50 FTE and \$72,064 in fiscal 1996 and \$72,095 in fiscal 1997 for the licensing of construction blasters, boiler and steam engine operators, and crane and hoist operators from the Employment Relations program in the Department of Labor and Industry; and 2) 1.00 FTE and \$24,949 in fiscal 1996 and \$24,622 in fiscal 1997 from the Law Enforcement Services Division in the Department of Justice for the licensing function of the fire prevention and investigation program.

These amendments also transfer 3.00 FTE and \$151,685 in fiscal 1996 and \$152,549 in fiscal 1997 for boiler safety and inspections from the Employment Relations program in the Department of Labor and Industry to the Building Codes Bureau in the Department of Commerce.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Sen. Swysgood
For the Conference Committee

Prepared by OBPP
April 7, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 93
DATE 4/7/95
BILL NO. HB2

carried

1. Page B-2, following line 10.

Insert: "d. SB 354 -- Contractor Registration
267,780 337,401" [State Special FY96 & FY97]

2. Page B-2, following line 16.

Insert: "c. SB 354 -- Contractor Registration
68,945 138,419" [State Special FY96 & FY97]

3. Page B-3, following line 9.

Insert: "Funds in items 4d and 5c are contingent on passage and approval of Senate Bill No. 354. Senate Bill No. 354 provides for fees to fund the administrative and enforcement activities required of the department. If revenue from the fees is initially insufficient to fund items 4d and 5c, then the department is authorized to use a short-term loan from the employment security trust account. The short-term loan must be repaid by September 30, 1996."

The LFA will adjust totals.

SB 354 creates responsibilities in the Department of Labor & Industry for contractor registration; providing for fees to fund the administration and enforcement of the registration; providing that a percentage of the fees be used for an education program; setting requirements for registration; requiring surety bonds; providing exemptions; providing restrictions on advertising; providing for administrative hearings; and providing for violations and penalties.

This amendment provides for 3.00 FTE in FY96 and 5.50 FTE in FY97 in Employment Relations Division and 1.00 FTE in FY96 and 1.50 FTE in FY97 in the Legal Services Division that are required to implement these new provisions.

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 7, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 44

DATE 4/7/95

BILL NO. HB 2

Carroll

1. Page B-5, following line 10.

Insert: "c. HB 511 -- Health Care Authority

174,168	124,167	(general fund, federal funds FY 96)
22,227	22,227"	(general fund, federal funds FY 97)

2. Page B-8, following line 10.

Insert: "The funds for item 8c are contingent on the passage and approval of House Bill No. 511."

LFA will adjust totals.

This amendment implements the provisions of House Bill No. 511, which creates the Montana Health Care Advisory, transfers the responsibility for a statewide health care data base to the Department of Social and Rehabilitation Services (SRS, which will become part of the Department of Public Health and Human Services (PHHS) under SB 345), and transfer the responsibility for certifications of public advantage to the Department of Justice (DOJ). Included in the funding for SRS is 1.00 FTE with associated personal services, \$260,415 in operating expenses and \$4,000 in equipment during FY 96 and 1.00 FTE with associated personal services and \$10,415 in operating during FY 97. Funding for DOJ is provided by a statutory appropriation contained in HB 509, which was received by the Governor on April 5, 1995.

House Bill No. 511 has been enrolled as of April 4, 1995.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by the Office of Budget and Program Planning
For the Free Conference Committee
April 6, 1995

failed

1. Page B-9, following line 15.
Insert: "b. SB 55 -- County Administrative Costs

307,272	general fund fiscal 1996
63,382	federal special revenue fiscal 1996
307,272	general fund fiscal 1997
63,382"	federal special revenue fiscal 1997

The LFA will adjust totals.

2. Page B-11, following line 25.
Insert: "Funds in item 2b are contingent on passage and approval of Senate Bill No. 55."

SB55 clarifies the responsibility of the Department of Family Services for payment of administrative costs associated with the provision of protective services. An Attorney General's opinion, published May 1994, concluded that: 1) non-assumed counties are liable for operation costs (in addition to salary and travel costs) for protective services, and 2) the county contribution for those costs was frozen at the level paid in FY87, including inflation. Some non-assumed counties refused to fund rent and other administrative costs for local protective services offices. The bill states that "the department is responsible for administrative costs associated with the department's provision of protective services, including costs for rent, telephones, postage, and equipment."

This amendment adds \$614,544 general fund and \$126,764 federal funds for a total increase of \$741,308 over the biennium.

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 46
DATE 4/7/95
BILL NO. SB 2

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by Representative Zook
For the Free Conference Committee

carried

Prepared by Lois Steinbeck
April 6, 1995

1. Page B-9, following line 15.

Insert: "b. SB 55 -- County Administrative Costs
307,272 general fund fiscal 1996
63,382 federal special revenue fiscal 1996
307,272 general fund fiscal 1997
63,382" federal special revenue fiscal 1997

2. Page B-11, following line 25.

Insert: "Funds in item 2b are contingent on passage and approval of Senate Bill No. 55."

3. Page B-161, following line 2.

Insert: "Contingent on passage and approval of Senate Bill No. 55, \$307,272 must be transferred from the junk vehicle state special revenue account to the general fund on July 1, 1995, and \$307,272 must be transferred from the junk vehicle state special revenue account to the general fund on July 1, 1996."

This amendment adds \$614,544 general fund and \$126,764 federal funds for a total increase of \$741,308 over the biennium to implement SB55. The general fund portion of the cost is supported by a transfer of state special revenue from the junk vehicle account to the general fund. The Department of Health and Environmental Sciences estimates that there will be a balance of \$970,000 in the account at fiscal 1995 year end.

SB55 gives the responsibility for payment of administrative costs associated with the provision of protective services to the Department of Family Services. An Attorney General's opinion, published May 1994, concluded that: 1) non-assumed counties are liable for operation costs (in addition to salary and travel costs) for protective services, and 2) the county contribution for those costs was frozen at the level paid in FY87, including inflation. Some non-assumed counties refused to fund rent and other administrative costs for local protective services offices.

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 47
DATE 4/7/95
BILL NO. NB 2
filed

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by the Office of Budget and Program Planning
For the Free Conference Committee
April 5, 1995

1. Page B-10, line 4.

Strike: "13,749,742" "14,308,765"
Insert: "13,874,473" "14,433,496"

2. Page B-10, following line 23.

Insert: "g. Family Preservation and Support (Biennial)
997,843" federal special revenue fiscal 1996

LFA will amend the totals.

This amendment restores \$124,731 general fund each year and a \$997,843 federal special revenue biennial appropriation for the Family Preservation and Support grant that were removed by the House of Representatives. Although the House action removed these amounts from the department's general fund appropriation, these funds never were included in the Executive Budget as a general fund item. The general fund is being restored so that the department will not have to divert general fund from other sources to make up this shortage.

The federal grant supports preventive services and services to families at risk or in crisis. The grant requires a 25% non-federal match (or \$249,462 over the biennium) which is provided by the local nonprofit sub-grantees that receive funds from the partnership project. Because the match is local private funds, it never was included in the Executive Budget.

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by OBPP
March 30, 1995

Facile

1. Page B-13, line 21.

Strike:	"2,550,331"	"3,269,622"	"2,572,339"	"3,239,880"
Insert:	"2,742,093"	"3,314,723"	"2,741,540"	"3,279,968"

The LFA will adjust totals.

This amendment adds to the Department of Health and Environmental Sciences 5.0 FTE, \$360,963 of state special revenue, and \$85,189 of federal special revenue during the biennium in response to the performance audit report on enforcement of the Water Quality and Public Water supply acts. The amendment adds the following FTE:

- 1.0 FTE Administrative Support position in the Enforcement Section.
- 1.0 FTE Lawyer position.
- 2.0 FTE Environmental Specialist and Environmental Engineer for the Public Water Supply Section to conduct complaint investigations, contamination investigations and follow-up, and coordinate the implementation of compliance monitoring.
- 1.0 FTE Administrative Support position in the Subdivision Review Section.

Amendments to House Bill No. 2
Reference Copy

EXHIBIT NO. 49
DATE 4/7/95
BILL NO. RB2

Requested by Sen. Swysgood
For the Free Conference Committee

Prepared by Mark Lee
April 6, 1995

failed

1. Page B-13, line 23.

Strike:	"1,513,702"	"1,470,652"
Insert:	"1,560,904"	"1,523,660"

The LFA will adjust totals.

This amendment adds general fund to the Department of Health and Environmental Sciences in the amounts of \$47,202 in fiscal 1996 and \$53,008 in fiscal 1997. The legislature reduced general fund appropriations in the Health Services Division program to remove the general fund amounts related to increases in personal services, inflation/deflation, and fixed costs included in the Executive Budget. This amendment restores those amounts.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Sen. Jacobson
For the Free Conference Committee

Prepared by Mark Lee
April 6, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 50
DATE 4/7/95
BILL NO. NB2

failed

1. Page B-14, line 9.

Strike: "620,822" "620,241"
Insert: "858,822" "858,241"

2. Page B-14, line 10.

Strike: "24,974,896" "26,035,092"
Insert: "25,020,297" "26,080,665"

The LFA will adjust totals.

This amendment adds 1.0 FTE, \$476,000 of general fund, and \$90,974 of federal special revenues to the Department of Health and Environmental Sciences to expand the Follow Me (FM) project to 10 additional counties, resulting in a total of 20 FM counties in Montana. Based in local health departments, FM provides identification, monitoring, and referral to appropriate services for children who may be adversely impacted by premature birth, low birth weight, teenage parents, parental substance abuse, child neglect or abuse, and other factors.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 51
DATE 4/7/95
BILL NO. 282

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

with draw

Prepared by OBPP
April 6, 1995

1. Page B-14, following line 12.

Insert: "b. SB 292 -- Right To Know Information

37,134 36,334" [general fund FY96 & FY97]

2. Page B-15, following line 24.

Insert: "Item 7b is contingent on passage and approval of Senate Bill No. 292."

The LFA will adjust totals.

This amendment will add general fund of \$37,134 in FY96 and \$36,334 in FY97 to pay for the Department of Health and Environmental Sciences costs associated with performing its duties as required under Senate Bill No. 292.

{Office of Legislative Fiscal Analyst

444-2986}

EXHIBIT NO. 52

DATE 4/7/95

FILE NO. HB 2

Amendments to House Bill No. 2
Reference Copy

Requested by Representative Zook
For the Free Conference Committee

Prepared by L. Steinbeck
April 7, 1995

failed

1. Page B-4, line 1.

Strike: line 1 in its entirety

Insert: "13,370,938" "1,331,166" "33,902,975" "13,139,958" "2,474,674" "34,801,974"
General Fund, State Special, Federal Special FY96 and FY97

2. Page B-6, line 12.

Strike: "40.5%"

Insert: "38.5%"

LFA will adjust totals

This amendment reduces the AFDC payment level for the 1997 biennium from 40.5% to 38.5% of the federal poverty index. This amendment results in a general fund reduction of \$1,721,880 over the biennium.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 53
DATE 4/7/95
BILL NO. WB2
failed

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by Representative Bergsagel
For the Free Conference Committee
April 7, 1995

1. Page B-4, following line 20.
Insert: "g. Implement Chapter 183 (Restricted/Biennial)
164,000" general fund fiscal 1996

2. Page B-7, following line 17.
Insert: "Funds in item 6g are to fund implementation of Chapter 183 and any
other audits determined necessary by the department."

LFA will amend the totals.

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995

failed

1. Page C-3, following line 4.

Insert: "f. HB 600 -- Boating Safety Matching Funds

30,000 30,000 30,000 30,000"

[state special & federal, fiscal 1996 & 1997]

2. Page C-5, following line 19.

Insert: "Item 4f is contingent on passage and approval of House Bill No. 600."

This amendment implements House Bill 600 by providing authority to the Law Enforcement Division in the Department of Fish, Wildlife and Parks to pass on the funds to participating counties. House Bill 600 authorizes the department to contract with counties for boating safety administration and enforcement. Participation will be at the discretion of the individual counties and will require the participating counties to use their boat in-lieu of tax funds to match federal Coast Guard funds administered by the department on a 1 for 1 basis.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by Mark Lee
April 6, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 55
DATE 4/7/95
BILL NO. HB2

Carried

1. Page C-6, line 6.

Strike: "287,660"	"1,153,791"	"282,478"	"1,141,778"
Insert: "410,825"	"1,030,626"	"405,643"	"1,018,613"

2. Page C-8, line 25

Strike: "1,033,462"	"650,021"	"1,088,997"	"642,366"
Insert: "1,154,563"	"528,920"	"1,210,098"	"521,265"

3. Page C-9, line 12.

Strike: "1,370,296"	"1,375,582"		
Insert: "1,257,273"	"1,262,559"		
Insert: "113,023"	(general fund in fiscal 1996)		
Insert: "113,023"	(general fund in fiscal 1997)		

4. Page C-9, line 14.

Strike: "2,589,966"	"2,989,602"	"2,582,873"	"2,482,824"
Insert: "2,934,229"	"2,645,339"	"2,927,136"	"2,138,561"

5. Page C-9, line 18.

Strike: "169,786"	"335,589"	"169,786"	"330,248"
Insert: "218,234"	"287,141"	"218,234"	"281,800"

The LFA will adjust totals.

6. Page C-9, following line 23.

Insert: "If House Bill No. 569 is passed and approved in a form that allocates metalliferous mines license tax receipts to the renewable resource grant and loan program state special revenue account or to the reclamation and development grants program state special revenue account, or both, then the general fund money in item 4 is reduced by the total amount of metal mines license tax receipts deposited in the two state special revenue accounts less any increase in the statutory appropriation from the renewable resource grant and loan program state special revenue account to Montana state university-northern and the state special revenue in item 4 is increased by a like amount."

The renewable resource grant and loan program account and the reclamation and development grants program account (state special revenue accounts receiving RIT interest and RIGWA tax proceeds) are over-appropriated by more than \$1.7 million for the biennium. This amendment uses \$750,000 of general fund each year (\$1.5 million over the biennium) to replace state special revenue in the Department of Natural Resources and Conservation (\$626,835 each

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

*withdrawn*Prepared by OBPP
April 6, 1995

1. Page C-6, following line 22.

Insert: "c. HB 395 -- Noxious Weed Control Agreements

54,046 54,147" [state special, fiscal 1996 & 1997]

2. Page C-7, following line 19.

Insert: "Item 3c is contingent on passage and approval of House Bill No. 395."

This amendment implements House Bill 395 by funding 1.00 FTE and associating operating in the Land Administration program in the Department of State Lands with resource development funds. The bill requires state agencies to implement integrated noxious weed control agreements with district weed boards. Each agreement must include a noxious weed management goal, a six year noxious weed management plan to be updated biennially, a specific plan of operation for the biennium, and a report on the success of the plan. The department administers approximately 5.1 million acres of trust lands which will come under these requirements.

{Office of Legislative Fiscal Analyst

444-2986}

EMENDIT NO. 57
DATE 4/7/95
BILL NO. NB2

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

carried

Prepared by OBPP
April 6, 1995

1. Page C-8, following line 11.

Insert: "b. SB 389 -- Game Farms
66,119 42,900"

[state special, fiscal 1996 & 1997]

2. Page C-8, following line 22.

Insert: "Item 3b is contingent on passage and approval of Senate Bill No. 389."

This amendment implements Senate Bill 389 by funding 1.00 FTE, operating, and equipment expenditures in the Disease Control program in the Department of Livestock. Under the bill, the department will have primary jurisdiction over game farms relating to marking, inspection, transportation, quarantine, and health and enforcement of those functions.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by the Office of Budget and Program Planning
April 6, 1995*Carried*

1. Page C-10, following line 18.

Insert: "During the 1997 biennium, up to \$50,000 of state special revenue funds received as lease payments for properties associated with state water projects is appropriated to the department for the purpose of administering the state water project leased properties program."

This amendment provides language appropriation authority for property lease revenues to be used to administer the lease program. This request is a result of Senate Bill No. 147 which creates the lease account and provides guidelines and stipulations for the lease program. Senate Bill No. 147 has been signed by the Governor.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995

1. Page C-12, line 18.

Strike: "1,202,646"	"1,207,940"	[proprietary, fiscal 1996 & 1997]
Insert: "1,191,731"	"1,196,993"	[proprietary, fiscal 1996 & 1997]

This amendment eliminates 0.50 FTE and \$10,915 proprietary in fiscal 1996 and \$10,947 in fiscal 1997 in the Professional and Occupational Licensing Bureau in the Department of Commerce. These funds were included in a new proposal for the Board of Radiological Technologists based on the passage of Senate Bill 9 which has missed the transmittal deadline.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 60

Amendments to House Bill No. 2
Reference Copy

DATE 4/7/95

BILL NO. HB 2

For the Conference Committee

carried

Prepared by OBPP

April 6, 1995

1. Page C-12, following line 22.

Insert: "c. SB 171 -- Physical Therapy Law Revision

6,000

6,000"

[state special, fiscal 1996 & 1997]

This amendment implements Senate Bill 171 by providing \$6,000 of state special revenue each fiscal year for the Board of Physical Therapists' budget in the Professional and Occupational Licensing program in the Department of Commerce for operating expenses associates with increased responsibilities.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 61

DATE 4/7/95

BILL NO. HB 2

*carried at
\$50,000*

1. Page C-13, following line 1.

Insert: "b. SB 311 -- Business Licensing System Plan (Biennial/OTO)
100,000" [General fund, fiscal 1996]

2. Page C-15, following line 21.

Insert: "Item 5b is contingent on passage and approval of Senate Bill No. 311."

This amendment implements Senate Bill 311 by providing \$100,000 general fund in fiscal 1996 for the Economic Development Division in the Department of Commerce to contract for the development and evaluation of a plan for a business registration and licensing system.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

failed

Prepared by OBPP
April 6, 1995

1. Page C-13, following line 11.

Insert: "d. HB 473 -- Local Subdivision Law Revision (OTO)

16,000 16,000" [general fund, fiscal 1996 & 1997]

2. Page C-15, following line 23.

Insert: "Item 7d is contingent on passage and approval of House Bill No. 473."

These amendments implement House Bill 473 which generally revises local subdivision laws. Additional funding for the Community Development Bureau in the Department of Commerce will be used to update two advisory educational publications and conduct eight education workshops.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 63
DATE 4/7/95
BILL NO. HB 2

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

carried

Prepared by OBPP
April 6, 1995

1. Page C-15, following line 2.

Insert: "b. SB 242 -- New Board Members

5,192 5,192" [state special, fiscal 1996 & 1997]

2. Page C-15, following line 23.

Insert: "Item 17b is contingent on passage and approval of Senate Bill No. 242."

These amendments implement Senate Bill 242 which revises the membership of the Board of Horse Racing from five to seven members. The funding increase in the Board of Horse Racing program in the Department of Commerce is for per diem and travel costs associated with the two new board members.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

*carried*Prepared by the Department of Justice
April 6, 1995

1. Page D-2, line 14.

Strike: "1,504,213" (General Fund)

Insert: "1,530,713" (General Fund)

2. Page D-4, following line 17.

Insert: "If House Bill No. 311 is not passed and approved, general fund money in item 1 must be decreased by \$26,500 in fiscal year 1996."

LFA will adjust totals.

Explanation of amendment:

House Bill 311 requires the Department of Justice to develop guidelines and a related checklist for state agencies to use in preparing assessments of the takings implications of agency actions. Increased funding of \$26,500 in FY96 would purchase 500 hours of Agency Legal Services time to conduct the necessary legal research, prepare the guidelines and checklist, and conduct the public review and comment process required by the bill. Once this is complete, the Department will conduct annual updates to the guidelines and checklist at no additional cost.

Bill Status: 4/4 Enrolling

{Office of Legislative Fiscal Analyst

444-2986}

carried

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Aklestad
For the Free Conference Committee

Prepared by L. Thorson
April 5, 1995

1. Page D-2, line 18.

Strike: "151,728" "151,728" (general fund, fiscal years 1996 and 1997)
Insert: "111,876" "111,733" (general fund, fiscal years 1996 and 1997)

LFA will adjust totals.

Explanation of Amendment:

This amendment reduces the general fund appropriated to fund the Bankruptcy Collection Unit in the Department of Justice by \$79,847 for the biennium and reduces 1.0 FTE attorney position.

{Office of Legislative Fiscal Analyst

444-2986}

EXHIBIT NO. 66

Amendments to House Bill No. 2
Reference Copy

DATE 4/7/95

BILL NO. HB2

Requested by Rep. Bergsagel
For the Free Conference Committee

carried

Prepared by Department of Justice
April 5, 1995

- 1. Page D-2, line 20.
- Strike: "625,082" "627,315" (proprietary revenue)
- Insert: "729,195" "766,342" (proprietary revenue)

LFA will adjust totals.

Explanation of Amendment:

Proprietary funding of \$104,113 in FY96 and \$139,027 in FY97 (\$243,140 for the biennium) is added to Agency Legal Services, Department of Justice. This amendment incorporates the recommendation of the Attorney General in response to HJR 25 of the 1993 Legislature concerning state legal services. Funding will hire one attorney and one legal secretary in FY96 to assume additional legal work currently purchased from private legal counsel by state agencies. Spending authority is provided in FY97 for one additional attorney in the event there is sufficient legal work that would otherwise go to outside counsel at higher cost.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference CopyRequested by Rep. Quilici
For the Free Conference Committee*Failed*Prepared by L. Thorson
April 6, 1995

1. Page D-4, line 2.

Strike: "1,024,073" "1,032,737" (General Fund)

Insert: "1,075,479" "1,084,324" (General Fund)

2. Page D-5, following line 3.

Insert: "If Senate Bill No. 316 is not passed and approved, general fund money in item 12 is reduced by \$51,406 in fiscal year 1996 and \$51,587 in fiscal year 1997."

LFA will adjust totals.

Explanation of amendment:

Senate Bill 316 provides for the use of a preliminary alcohol screening test for a person suspected of driving under the influence. This bill requires the Department of Justice to train peace officers in the use of the field alcohol analyzers, calibrate the instruments with annual certification, repair the instruments, and testify in court. General fund of \$51,406 in FY96 and \$51,587 in FY97 would support one FTE and related operating expenses in the Forensic Science Division.

Bill Status: 4/3 (S) 3rd reading House amen. concur

{Office of Legislative Fiscal Analyst

444-2986}

DEPARTMENT OF JUSTICE

Senate Bill 316: Preliminary Alcohol Screening

*relating to
Exhibit 67
amendment*Background

Senate Bill 316 requires the Department of Justice to certify the instruments used for the implementation of the preliminary alcohol screening and the certification of the peace officer who is conducting this screening.

Department of Justice Responsibilities

This legislation would require the Forensic Science Division to:

- Certify, through laboratory calibration, each instrument purchased by a law enforcement agency prior to it being used in the field.
- Provide training to law enforcement officers in the use of these instruments, certify these officers after training is completed, and maintain these training records for court challenges.
- Repair all machines and re-certify them following repairs.
- Annually certify each instrument.
- Respond to court challenges of this instrument as an expert witness.

The cost of the hand held breathalyzers are fairly inexpensive. There will likely be a large number of them purchased by law enforcement - - requiring extensive certification and training.

Current staff at the Forensic Science Division cannot keep up with the present caseload due to substantial increases over the last two years. This additional workload could not be assumed. One FTE is requested to provide the certification and training requirements of this legislation.

FY96FY97

General Fund	\$51,406	\$51,587
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Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995

SENATE FINANCE AND CLAIMS
FUND NO. 69
DATE 4/7/95
BILL NO. HB 2

failed

1. Page D-4, following line 4.

Insert: "b. SB 316 -- Certify Field Alcohol Analyzers

51,406

51,587"

[FY96 and FY97 general fund]

The LFA will adjust totals.

2. Page D-5, following line 3.

Insert: "Item 12b is contingent on passage and approval of House Bill No. 316."

Explanation:

SB 316 provides for the use of a preliminary alcohol screening test for a person suspected of driving under the influence. This bill requires the Department of Justice to train peace officers in the use of the field alcohol analyzers, calibrate the instruments with annual certification, repair the instruments, and testify in court. Funding of \$51,406 in FY96 and \$51,587 in FY97 will support 1.00 FTE and related operating expenses in the Forensic Science Division.

The Senate has concurred with the House of Representatives amendments as of April 3, 1995.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 70
DATE 4/7/95
BILL NO. HB2

failed

** Amendment later
carried at \$300,000
each biennium*

1. Page D-4, following line 4.

Insert: "b. HB 551 -- DNA Testing (Restricted)

306,180 173,858" [FY96 and FY97 general fund]

(The LFA will recompute totals.)

Explanation:

HB 551 requires certain sexual and violent offenders to provide DNA samples, establishes a DNA identification index and testing requirements for the forensic DNA laboratory. The Forensic Science Division in the Department of Justice will need to add 2.00 FTE forensic scientists, expand its leased space at St. Patrick's Hospital in Missoula, and expend approximately \$112,500 in FY96 to remodel the additional lab space. This amendment provides \$480,038 general fund for the biennium.

HB 551 has been enrolled as Chapter No. 251.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by OBPP

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 71

DATE 4/7/95

BILL NO. HB 2

1. Page D-7, line 20. (Narrative N/A)
Strike: "37,156,853" "38,186,410" General Fund FY96 and FY97
Insert: "37,178,553" "38,187,410" General Fund FY96 and FY97

2. Page D-8.

Following: line 8

Insert: "If House Bill No. 214 is not passed and approved, item 2 is decreased by \$21,700 in general fund money in fiscal year 1996 and \$1,000 in general fund money in fiscal year 1997."

LFA will adjust totals

Department of Corrections and Human Services

This amendment provides general fund of \$22,700 over the biennium to implement House Bill 214. HB 214 revises the laws relating to registration of sexual and violent offenders.

This amendment also provides contingency language to remove the funds if House Bill 214 is not passed and approved.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 72
DATE 4/7/95
BILL NO. HB 2

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by the Office of Budget and Program Planning
For the Free Conference Committee
April 6, 1995

failed

1. Page D-7, following line 20.

Insert: "a. Swan River Correctional Training Center Security Staff
225,666 general fund fiscal 1996
251,249" general fund fiscal 1997

LFA will amend the totals.

This amendment adds 5.0 FTE and \$476,915 general fund over the biennium for the Swan River Correctional Treatment Center. The amendment would allow SRCTC to operate with enhanced security and no trusties at the 60 trainee level.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by L. Smith



1. Page D-7, line 22. (Narrative N/A)

Strike: "36,144,453" "36,680,132" General Fund FY96 and FY97

Insert: "36,254,453" "36,790,132" General Fund FY96 and FY97

LFA will adjust totals

Department of Corrections and Human Services - Mental Health Program

This amendment provides \$110,000 general fund each year for housing assistance to adults with mental illness who are in community programs. (total of \$220,000 over the biennium)

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 74
DATE 4/7/95
BILL NO. HB 2

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by L. Smith
March 30, 1995

failed

1. Page D-7, line 22.	(Narrative N/A)		
Strike: "36,144,453"	"36,680,132"	General Fund	FY96 & FY97
Insert: "36,350,703"	"37,436,382"	General Fund	FY96 & FY97

LFA will adjust totals

Department of Corrections and Human Services - Mental Health Program

This amendments provides general fund of \$206,250 in fiscal 1996 and \$756,250 in fiscal 1997 to provide crisis intervention programs. These intervention programs would be phased in through the biennium and would establish 3 community based residential programs for short-term crisis management for adults with serious mental illnesses. (total of \$962,500 over the biennium)

{Office of Legislative Fiscal Analyst

444-2986}

EXHIBIT NO. 75

DATE 4/7/95

BILL NO. HB 2

Amendments to House Bill No. 2
Reference Copy

Requested by Representative Quilici
For the Free Conference Committee

Prepared by OBPP



1. Page D-7, line 22.

Strike: "36,144,453"	"36,680,132"	General Fund FY96 and FY97
Insert: "41,076,011"	"41,746,156"	General Fund FY96 and FY97

LFA will adjust totals

Department of Corrections and Human Services - Mental Health Program

This amendment adds general fund of \$4,931,558 in fiscal 1996 and \$5,066,024 in fiscal 1997 to provide present law and new proposal adjustments requested by the executive for the MRM program. This amendment provides funding for community based services for seriously emotionally disturbed (SED) youth, 2.0 FTE for utilization review and administration of the MRM program, and general fund match for youth residential treatment services.

This amendment adds general fund of \$9,997,582 and 2.0 FTE over the biennium.

{Office of Legislative Fiscal Analyst

444-2986}

EXHIBIT NO. 26

DATE 4/7/95

BILL NO. 2132

failed

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Swysgood
For the Free Conference Committee

Prepared by L. Smith

1. Page D-7, line 22.

Strike: "36,144,453" "36,680,132" General Fund FY96 and FY97

Insert: "38,644,453" "39,180,132" General Fund FY96 and FY97

LFA will adjust totals

Department of Corrections and Human Services - Mental Health Program

This amendment adds \$2,500,000 of general fund each year for the MRM program. The department will determine the allocation of these funds within the MRM program, however, they may be used for: 1) community based services for seriously emotionally disturbed (SED) youth; 2) 2.0 FTE for utilization review and administration of the MRM program; and 3) general fund match for youth residential treatment services.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Representative Bergsagel
For the Free Conference Committee

Prepared by L. Smith

carried

1. Page D-7, line 22.

Strike: "36,144,453"	"36,680,132"	General Fund FY96 and FY97
Insert: "38,144,453"	"38,680,132"	General Fund FY96 and FY97

LFA will adjust totals

Department of Corrections and Human Services - Mental Health Program

This amendment adds \$2,000,000 of general fund each year for the MRM program. Approval of this amendment would fund present law at about \$300,000 less than the Executive originally requested. The department will determine the allocation of these funds within the MRM program, however, they may be used for: 1) community based services for seriously emotionally disturbed (SED) youth; 2) 2.0 FTE for utilization review and administration of the MRM program; and 3) general fund match for youth residential treatment services.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 28
DATE 4/7/95
BILL NO. NB2

Carriel

Amendment to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by the Office of Budget and Program Planning
April 6, 1995

1. Page D-7, following line 22.
Insert: "a. SB 223 -- Managed Care Authority
20,773,720" [state special revenue FY97]
2. Page D-8, following line 10.
Insert: "Funds in item 3a are contingent upon the passage and approval of
Senate Bill No. 223."

The LFA will adjust totals.

Explanation:

As provided in SB223, a federal waiver will be granted to Montana by the federal Health Care Financing Administration (HCFA) to implement managed care mental health services. Upon approval of the waiver, Medicaid federal funds will become available for reimbursement for services provided at Montana State Hospital and the Center for the Aged.

In the event this legislation is passed and the waiver is received, Department of Corrections and Human Services will need \$20,773,720 in state special revenue spending authority in FY97 in order to receive payments from the managed care contractor.

A conference committee is being appointed as of April 6, 1995.

EXHIBIT NO. 79

DATE 4/7/95

BILL NO. 2162

Carried

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Swysgood
For the Free Conference Committee

Prepared by Roger Lloyd
April 7, 1995

1. Page D-7, line 22.		
Strike: "36,144,453"	"36,680,132"	[General fund, fiscal 1996 & 1997]
Insert: "36,644,453"	"37,180,132"	[General fund, fiscal 1996 & 1997]

This amendment adds \$500,000 general fund each year for the MRM program in the Mental Health Program in the Department of Corrections and Human Services.

Amendments to House Bill No. 2
Reference Copy as Amended

For the HB2 Free Conference Committee

Prepared by Skip Culver
April 7, 1995*carried*

1. Page E-1, line 4.
Strike: "592,021" "592,909"
Insert: "622,021" "657,909"

2. Page E-3.
Following: line 24
Insert: "If House Bill No. 561 is not passed and approved, the state special revenue in item 1 is reduced by \$30,000 in fiscal year 1996 and \$65,000 in fiscal year 1997."

Explanation: House Bill 561 increases the fee for motorcycle registration and dedicates the additional revenue for motorcycle safety programs administered by the Office of Public Instruction. This amendment appropriates \$30,000 of the new revenue to OPI in fiscal 1996 and \$65,000 in fiscal 1997. There are no FTE in this amendment. HB 561 has passed 2nd reading in the Senate.

Done

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 81
DATE 4/7/95
BILL NO. 7102

Amendments to House Bill No.
Reference Copy As Amended

Requested by Representative Zook
For the House Bill No. 2 Free Conference Committee

Prepared by Skip Culver
April 6, 1995

carried

1. Page E-1, line 6.
Strike: "4,680,108" "4,344,719"
Insert: "4,390,776" "4,011,988"

2. Page E-3, line 2.
Strike: "5,931,307"
Insert: "0"

3. Page E-4.
Following: line 9
Insert: "Funds appropriated to the office of public instruction for the 1997 biennium may not be expended for purposes of the goals "2000" program."

Explanation: This amendment removes Goals "2000" from the OPI budget. Removed are \$622,063 federal funds and 2.0 FTE from administration and \$5,931,307 from the Distribution to Schools Program. Language prohibits OPI from using any appropriated funds for "Goals 2000" during the 1997 biennium.

Amendments to House Bill No. 2
Reference Bill as Amended Copy

Requested by Senator Jacobson
For House Bill No. 2 Free Conference Committee

Failed

Prepared by Skip Culver
April 6, 1995

1. Page E-1, line 6.
Strike: "4,344,719"
Insert: "4,829,300"

Explanation: This amendment adds the following biennial general fund amounts into the Administration program of OPI: 1) \$374,581 for basic education - this funds 4 FTE curriculum specialist positions (math, science, language and library); and 2) \$110,000 for a bus safety FTE to administer the school transportation safety program.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995

Failed

1. Page E-5, line 23.

Strike: "83,179,688"	"84,089,980"	"84,887,696"
"88,694,797"		
Insert: "90,929,688"	"91,491,001"	"92,637,696"
"97,175,801"		

2. Page E-7, lines 10 through 12.

Strike: lines 10 through 12 in their entirety.

This amendment increases the General fund appropriated to the Montana University system 11 educational units and the Office of the Commissioner of Higher Education (except Community Colleges) by \$15.5 million. It increases the tuition appropriated to the level of the Governor's original budget plus the tuition needed to fund the UTU type agreements for campuses that were not included in the original budget and minor corrections for a total increase of \$7,401,021 in FY96 and \$8,481,004 in FY97.

This amendment also deletes language that provided supplemental authority language for \$15 million if the system limited tuition to \$141,758,309.

Amendments to House Bill No. 2
Reference Copy as amended

For the Conference Committee

Carried

April 7, 1995

1. Page E-5, line 23.

Strike: "83,179,688" "84,089,980" "84,887,696" "88,694,797"
Insert: "87,179,688" "90,850,730" "88,887,696" "97,814,189"

2. Page E-7, lines 10 through 12.

Strike: Lines 10 through 12 in their entirety

Insert: "The Montana university system shall limit resident students in the six units and the colleges of technology based on expenditure of general fund money and millage of at least \$4,040 per resident student FTE for each year of the biennium. Of the total number of student FTE at the six units and colleges of technology, at least 78% must be qualified Montana residents and up to 22% may be qualified nonresident students. Nonresident student FTE in excess of the number enrolled in FY95 will not be admitted to Montana state university-Bozeman or the university of Montana-Missoula if that enrollment result in displacement of qualified resident students.

If resident or nonresident FTE enrollments exceed the limit above, the general fund appropriation is reduced by the average tuition per resident or nonresident FTE student multiplied by the number of resident or nonresident student FTE in excess of the limit. To the extent that total resident tuition revenue increases as a result of tuition rates in excess of the rates presented to the board of regents at its March 1995 meeting, a reduction in the general fund appropriation is required.

It is the intent of the legislature that the board of regents adjust admission standards to admit the most qualified students."

EXPLANATION: This amendment increases the general fund and tuition appropriations to the MUS as follows:

	FY96	FY97
General fund	\$4,000,000	\$4,000,000
Tuition	\$6,760,750	\$9,119,392

The tuition increases reflect the maximum number of resident students, the projected number of non-resident students and the tuition rates as submitted to the Board of Regents in March of 1995.

The amendment deletes language that allows the MUS to request a \$15 million supplemental if they meet certain requirements.

The amendment also restricts resident students to the number of students that can be funded at \$4,040 state support per student. The number of resident students funded by this amendment depends on the allocation that the Board of Regents gives to the 11 educational units from this lump sum appropriation versus the Office of the Commissioner of Higher Education (OCHE) including the WICHE/WAMI and work study programs. If the Regents appropriate the entire \$4 million per year increase to the 11 educational units, the reduction in the number of students from the projections will be 1,140 per year. If the Regents return the OCHE to the level recommended by the Governor (add \$500,000 per year), then the reduction in the number of resident students from the projections will be 1,264 per year.

The amendment also requires a reversion of general fund if tuition rates exceed the resident tuition rates presented to the Board of Regents at their March 1995 meeting.

This amendment restricts nonresident students to 22% of total enrollment and limits the number of nonresidents at MSU-Bozeman and UM-Missoula to the number of nonresident students in FY95. If the nonresident enrollment exceeds this level the general fund appropriation is reduced.

*carried*Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995

1. Page E-5, line 23.

Strike: "83,179,688"

"84,089,980"

Insert: "82,587,688"

"84,681,980"

2. Page E-6, line 24.

Strike: "\$13,497,000"

Insert: "\$14,089,000"

3. Page E-6, line 25.

Strike: "\$13,497,000"

Insert: "\$14,089,000"

4. Page E-7, line 2.

Strike: "\$13,497,000"

Insert: "\$14,089,000"

5. Page E-7, line 10.

Following: line 9

Insert: "If Senate Bill No. 412 is not passed and approved, in item 1 general fund money is increased by \$592,000 and state special revenue is decreased by a like amount in fiscal year 1996."

This amendment recognizes the passage of SB412 by increasing the FY96 6 mill levy revenue appropriation by \$592,000 and reducing the general fund appropriation by a similar amount. SB412 has passed the Senate and been heard in the House taxation committee.

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995*carried*

1. Page E-5, line 23.

Strike: "83,179,688"

"84,887,696"

"88,694,797"

Insert: "83,117,598"

"85,849,578"

"87,670,797"

2. Page E-6, line 17.

Strike: "and \$1,024,000 in fiscal year 1997"

3. Page E-6, lines 19 and 20.

Strike: "and \$1,024,000 in fiscal year 1997"

4. Page E-6, line 21.

Strike: "and \$1,024,000 in fiscal year 1997"

Explanation:

This amendment reduces the general fund by \$62,090 in FY96 and \$62,118 in FY97 due to the elimination of the requirement that the Colleges of Technology provide worker's compensation insurance for students.

The amendment also reduces \$1,024,000 in FY97 state special authority as a result of "de-earmarking" the 1.5 mill county mill levy for colleges of technology and placing that revenue in the general fund effective in FY97. The amendment also increases general fund authority by the same amount.

SB156 has passed both houses and has been signed by the Governor.

Amendments to House Bill No. 2
Reference Reading Copy

For the Free Conference Committee

Prepared by Taryn Purdy
April 6, 1995

Carrie

1. Page BP-3, following line 17.

Insert: "**NEW SECTION.** Section 11. Instructions for coordination of reorganization appropriations. When preparing the appropriations report for the 1997 biennium, the legislative fiscal analyst shall reflect the passage of Senate Bill No. 4, Senate Bill No. 234, Senate Bill No. 345, Senate Bill No. 361, House Bill No. 280, and House Bill No. ~~552~~, if these measures have been passed and approved."
563

Renumber: subsequent sections.

This amendment allow the Legislative Fiscal Analyst to reflect all reorganizations in the appropriations report.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Reading Copy

For the Free Conference Committee

Prepared by LFA Staff
April 6, 1995

carried

1. Page A-5, line 23.

Strike: "19,295" "4,765" "19,415" "4,805" State special and proprietary FY96 and FY97
Insert: "24,060" "24,220" State special revenue FY96 and FY97

2. Page A-6, following line 17.

Insert: "The amendments made to state special revenue and proprietary funds in item 1 are contingent on passage and approval of House Bill No. 563.

If House Bill No. ⁵⁶³~~552~~ is passed and approved:

- (1) items 4 and 4a are void; and
- (2) the provisions of [section 18(2)] apply."

3. Page E-10, following line 19.

Section 18

Insert: "(2) House Bill No. ⁵⁶³~~552~~; the following money is appropriated for the respective fiscal years:

DEPARTMENT OF ADMINISTRATION

10. Warrant Writing and Bad Debt Management (10)"

"941,532" "943,676" Proprietary revenue FY 96 and FY 97

"a. Legislative Audit (Restricted/Biennial)"

"27,534" Proprietary revenue FY 96

"If House Bill No. 552 is not passed and approved, proprietary revenue in item 10 must be decreased by \$741,278 in fiscal year 1996 and \$744,922 in fiscal year 1997, general fund money must be increased by \$140,843 in fiscal year 1996 and \$141,535 in fiscal year 1997, and state special revenue must be increased by \$600,435 in fiscal year 1996 and fiscal year 1997.

If House Bill No. 552 is not passed and approved, proprietary revenue in item 10a must be reduced by \$25,483 in fiscal year 1996 and state special revenue must be increased by the same amount."

This amendment implements the provisions of HB563 by moving the warrant writing and bad debt management functions from the State Auditor's Office to the Department of Administration effective July 1, 1995. The amendment reduces the amount of budget authority by \$400 in fiscal 1996 and \$41,700 in fiscal 1997 for the relocation costs and the reduction of 1.0 FTE shown in the fiscal note. The amendment reallocates the portion of funding provided by the bad debt division account for support of the central information systems specialist in the central management program (\$4,765 in fiscal 1996 and \$4,805 in fiscal 1997) to state special revenue. This amendment also implements the provisions of HB552, which changes the funding for the warrant writing fees from state special revenue to proprietary revenue.

The Governor signed HB563 on April 1, 1995. HB552 has been concurred in by the Senate Finance and Claims Committee.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Reading Copy

For the Free Conference Committee

Prepared by LFA Staff
April 6, 1995

carried

1. Page C-15, line 20.

Following: "codes,"

Insert: "and"

2. Page C-15, line 21.

Following: "licensing"

Strike: ", and milk control"

3. Page C-15, following line 21.

Insert: "The amendments made to text in lines 20 and 21 on page C-15 (reference copy) are contingent on passage and approval of House Bill No. 280. If House Bill No. 280 is passed and approved:

- (1) item 3 is void and subsequent subsections are renumbered;
- (2) item references in the text are adjusted accordingly; and
- (3) the provisions of [section 18(3)] apply."

4. Page E-10, following line 19.

Section 18

Insert: "(3) House Bill No. 280, the following money is appropriated for the respective fiscal years:

DEPARTMENT OF LIVESTOCK

8. Milk Control Bureau (37)"

"234,908" "236,467" state special revenue FY96 and FY97

"a. Legislative Audit (Restricted/Biennial)

"544" state special revenue FY96

This amendment implements House Bill 280 by transferring the Milk Control Bureau, related appropriations, and 5.00 FTE from the Department of Commerce to the Department of Livestock.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Reading Copy

For the Free Conference Committee

Prepared by LFA Staff
April 6, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 90
DATE 4/7/95
BILL NO. NB2

carried

1. Page D-2, following line 11.

Insert: "If Senate Bill No. 361 is passed and approved:

- (1) item 1 is void; and
- (2) the provisions of [section 18(1)] apply."

2. Page E-10, line 15.

Strike: "STATE FUNDING"

Insert: "SECTION 15"

3. Page E-10, following line 19.

Insert: "NEW SECTION. Section 18. Appropriations related to miscellaneous reorganizations. Contingent upon passage and approval of:

- (1) Senate Bill No. 361, the following money is appropriated for the respective fiscal years:

DEPARTMENT OF TRANSPORTATION

9. Highway Traffic Safety (36)"

"250,000" "86,000" "4,510,578" (Gen. fund, state special, federal FY96)

"250,000" "85,879" "4,512,456" (Gen. fund, state special, federal FY97)

This amendment implements the provisions of SB361 by moving the highway traffic safety program from the Department of Justice to the Department of Transportation. The highway traffic safety division will become part of the administrative structure of the Department of Transportation.

As of March 31, 1995, SB361 is scheduled for 3rd reading in the Senate.

{Office of Legislative Fiscal Analyst

444-2986}

EXHIBIT NO. 92

DATE 4/7/95

BILL NO. 262

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by Lisa Mader
April 7, 1995

carried

1. Page B-15, following line 2.

Insert: "If both Senate Bill No. 234 and Senate Bill No. 345 are passed and approved, items 1 through 12 and accompanying language are void."

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Reading Copy

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 93

DATE 4/7/95

BILL NO. 234

For the Conference Committee

Prepared by Lisa Mader
April 6, 1995

carried

1. Page B-13, line 4.
Following: "DEPARTMENT OF"
Strike: "HEALTH AND ENVIRONMENTAL SCIENCES"
Insert: "PUBLIC HEALTH"

2. Page B-13, line 6.
Strike: "100,000" "100,000" "525,729"
Insert: "346,272" "348,019"

3. Page B-13, line 8.
Strike: "1,606,788" "145,000" "1,470,535" "145,000" "1,472,427"
Insert: "484,487" "489,644"

4. Page B-13, line 10.
Strike: "69,388"
Insert: "18,161"

5. Page B-15, following line 2.
Insert: "The amendments made to the department name, the state special revenue funds, and the proprietary funds under items 1, 2, and 2a are contingent on passage and approval of Senate Bill No. 234

If Senate Bill No. 234 is passed and approved:
(1) items 3, 4, 5, 10, and 12 are void and subsequent items are renumbered;
(2) lines 3 through 13 and lines 17 and 18 on page B-15 and line 25 on page B-16 through line 2 on page B-16 (reference copy) are void;

(3) item references in text are adjusted accordingly; and
(4) the provisions of [section 16] apply."

6. Page C-7, following line 13.

Insert: "If Senate Bill No. 234 is passed and approved, items 1 through 4 and accompanying text are void and the provisions of [section 16] apply."

7. Page C-9, following line 23.

Insert: "If Senate Bill No. 234 is passed and approved, items 1 through 6 and accompanying text are void and the provisions of [section 16] apply."

8. Page E-10, line 15.

Strike: "STATE FUNDING"

Insert: "SECTION 15"

9. Page E-10, following line 19.

Insert: "NEW SECTION. Section 16. Appropriations related to reorganization -- natural resources. Contingent on passage and approval of Senate Bill No. 234, the following money is appropriated for the respective years:

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION (5706)

1.	Centralized Services (21)								
	535,149	628,021	19,937	1,183,107	571,457	625,866	14,703		1,212,026
	a.	Legislative Audit (Restricted/Biennial)							
	51,233			51,233					
	b.	Missouri River Lawsuit (Restricted/Biennial)							
	15,000			15,000					
	c.	NMFS Lawsuit (Restricted/Biennial)							
	25,000			25,000					
2.	Oil and Gas Conservation (22)								
	832,909			832,909		835,657			835,657
	a.	Underground Injection Control (Restricted)							
	225,000			225,000		225,000			225,000
3.	Conservation and Resource Development Division (23)								
	1,370,296		72,400	1,442,696		1,375,582	72,400		1,447,982

Up to \$20,000 each year of funds received from the bonds required by 37-43-306 are appropriated to the department for the purpose of performing remedial action on water wells, providing compensation for damages caused by water well violations, or paying administration costs incurred by the board of water well contractors.

During the 1997 biennium, up to \$550,000 of funds currently in or to be deposited in the Broadwater replacement and renewal account are appropriated to the department for repairing or replacing equipment at the Broadwater hydropower facility or to service the Broadwater hydropower bond debt if revenue deposited in the debt service account is insufficient for this purpose.

During the 1997 biennium, up to \$20,000 of interest earned on the Broadwater users account is appropriated to the department for the purpose of repair, improvement or rehabilitation of the Broadwater-Missouri diversion project.

Up to \$150,000 each year of funds received in accordance with 85-3-213 are appropriated to the department for the purpose of carrying out the review and administration of weather modification applications, permits, and licenses.

During the 1997 biennium, up to \$1 million of funds received by the department from arbitration, litigation awards, or settlements, including funds from the escrow account currently established in an escrow agreement among Voith hydro, inc., the department, and norwest bank, Helena, pursuant to agreement 1189.1 Broadwater power project, are authorized to be spent to pay costs, including the bond debt associated with the Broadwater power project.

The department is appropriated up to \$700,000 per year from the account established in 76-14-112 for rangeland loans during the 1997 biennium.

All funds deposited in the state special revenue account established in 76-15-530 are appropriated to the department for distribution as grants to conservation districts in an amount of up to \$100,000 per year for the 1997 biennium.

All funds held in the state special revenue account in accordance with 76-16-106(2) are appropriated to the department for administration of grazing district activities in an amount of up to \$15,000 per year for the 1997 biennium.

The department is appropriated up to \$400,000 over the biennium from the state special revenue account established in 85-1-604 for the purchase of prior liens on property held as loan security as required by 85-1-618.

The board of oil and gas conservation is appropriated \$110,000 of federal revenue funds each fiscal year of the 1997 biennium, contingent upon receiving federal funds from the environmental protection agency for the underground injection control program.

The board of oil and gas regulation is appropriated from the oil and gas ERA account \$56,336 in fiscal year 1996 and \$56,541 in fiscal year 1997 in the event that primacy is achieved for the underground injection control program. If primacy is achieved, the board of oil and gas regulation is authorized to request funding for the personal services costs of an underground injection control program manager as a present law adjustment in the 1999 biennium.

Federal fire reimbursement funds are those funds received for expenses incurred from loaning department personnel to federal agencies to assist in fire suppression activities. Only those federal funds received as reimbursement of expenses credited against the department's state forestry operational budget are considered federal fire reimbursement funds. All other federal funds received must be deposited into the general fund. The department shall report federal fire reimbursement expenditures on state accounting records, and the records must be separate from current level operations.

Item 8 includes reductions of 9.08 FTE and \$85,258 in general fund money and \$215,134 in state special revenue money in fiscal year 1997 to implement the FTE and personal services savings due to the reorganization of the natural resource agencies. The executive branch shall allocate these reductions among programs in the newly organized departments of environmental quality and natural resources and conservation.

DEPARTMENT OF ENVIRONMENTAL QUALITY (5301)

1.	Director's Office (01)	100,000	176,834	276,834	100,000	177,710	277,710
2.	Central Services (02)	1,751,788	986,098	2,737,886	1,781,012	982,073	2,763,085
	a. Legislative Audit (Restricted/Biennial)	51,177					
3.	Air Quality (03)	358,352	2,004,939	1,074,749	361,544	2,230,339	862,732
	a. Radon Contract (Restricted)	25,000			25,000		25,000
	b. Radon Control (OTO)	87,457				112,457	112,457
4.	Environmental Remediation (04)	1,826,567	2,369,023	4,195,590	1,829,081	2,090,750	3,919,831
5.	Water Quality (05)	2,550,331	3,269,622	5,819,953	2,572,339	3,239,880	5,812,219
6.	Petroleum Tank Release Compensation Board (11)	1,346,851			1,354,393		1,354,393
7.	Waste Management (12)	151,997	2,883,491	531,734	155,782	2,972,022	483,244
8.	Centralized Services (21)	498,313	22,000	91,715	517,540	16,500	64,855
9.	Energy Division (26)	592,140	495,259	864,275	592,072	456,868	887,688
10.	Central Management Program (31)	132,790			132,790	126,647	126,647
11.	Reclamation Program (33)	287,660	1,153,791	5,704,938	282,478	1,141,778	5,725,482
	a. State Library Transfer						7,149,738

	5,000	15,000	20,000	5,000	15,000	20,000
b.	Hard Rock (Biennial)					
	50,000					
c.	Bond Forfeitures (Biennial)					
	100,000					
d.	Environmental Analysis (Biennial)					
	550,000					
e.	Weed Control (Restricted)					
220	174		394	220	174	394

[The LFA will recompute totals]

Funds approved in item 3a may be used only to contract with the Montana bureau of mines and geology for radon in water testing and GIS mapping.

Included in the environmental remediation division funding is \$446,016 in fiscal year 1996 and \$454,576 in fiscal year 1997 of federal funds and \$94,583 of state special revenue funds each fiscal year for leaking underground storage tank activities. Sufficient authority is available for \$100,000 in consultant and professional services each fiscal year of the 1997 biennium. The department is appropriated up to \$847,737 in fiscal year 1996 and \$846,866 in fiscal year 1997 of additional federal revenue for leaking underground storage tank consultant and professional services if the revenue becomes available.

Included in the water quality division funding is \$721,963 in fiscal year 1996 and \$724,835 in fiscal year 1997 of federal nonpoint source pollution prevention funds (NPS funds). The department is appropriated up to \$3 million of additional NPS funds during the 1997 biennium for the purpose of contracting with conservation districts if the funds become available.

Included in the water quality division funding is sufficient authority to contract \$664,755 each fiscal year with nonprofit entities for water quality management activities. At least 60% of this annual amount must be contracted to conservation districts. No more than 10% of this annual amount may be spent on studies.

Included in the air quality division funding is authority to add no more than 5.0 FTE in fiscal year 1996 and fiscal year 1997, to be funded with state special revenue funds. At least 3.0 FTE of the additional 5.0 FTE will perform permitting activities each year of the biennium.

Contingent on passage and approval of a bill to statutorily eliminate the junk vehicle program, item 7 is reduced by \$1,073,688 in state special revenue in fiscal year 1996 and by \$1,088,584 in state special revenue in fiscal year 1997. Contingent on passage and approval of [this act], all fund balances remaining in the junk vehicle disposal state special revenue account as of July 1, 1995, minus any outstanding obligations, must be deposited in the general fund.

Included in the centralized services program funding is \$38,500 of indirect funds from MFS/MEPA fees. If MFS/MEPA activities generate more than \$38,500 of indirect funds over the biennium, the additional indirect funds must be deposited in the general fund. The department may transfer appropriation authority in item 11a between the state special revenue fund and the federal special revenue fund as long as the totals are not exceeded."

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reading Copy

For the Conference Committee

Prepared by Lisa Mader
April 5, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 94
DATE 4/7/95
BILL NO. 262

*carried as
amended*

1. Page B-6, following line 7.
Insert: "If Senate Bill No. 345 is passed and approved, items 1 through 13 and accompanying text are void and the provisions of [section 17] apply."
2. Page B-11, following line 3.
Insert: "If Senate Bill No. 345 is passed and approved, items 1 through 4 and accompanying text are void and the provisions of [section 17] apply."
3. Page B-13, line 6.
Strike: "23,283"
Insert: "523,106" "23,284" "525,729" (general fund, proprietary)
"176,834" "177,710" (proprietary)
4. Page B-13, line 8.
Strike: "1,606,788" "1,470,535" "1,636,012" "145,000" "1,472,427" (state special revenue, federal, proprietary)
Insert: "1,751,788" "986,098" "1,781,012" "982,783" (state special fiscal 1996, proprietary)
5. Page B-13, line 10.
Strike: "69,338"
Insert: "51,177"
6. Page B-15, following line 2.
Insert: "The amendments made to general fund, state special revenue, federal revenue, and proprietary amounts in items 1, 2, and 2a are contingent on passage and approval of Senate Bill No. 345."

If Senate Bill No. 345 is passed and approved:

- (1) items 6, 7, 8, and 9 are void and subsequent items are renumbered;
- (2) lines 14 through 16 and lines 23 and 24 on page B-15 and line 3 on page B-16 through line 3 on page B-17 (reference copy) are void;
- (3) item references in the text are adjusted accordingly; and
- (4) the provisions of [section 17] apply."

7. Page D-7, line 15.
Strike: "3,087,603" "115,956" "52,290" "3,099,460" "116,751" "52,578"
(General Fund, State Special, Proprietary - FY96 and FY97)
Insert: "2,104,003" "52,290" "2,119,834" "52,578"
(General Fund, Proprietary - FY96 and FY97)

8. Page D-7, line 17.
Strike: "120,556" "14,476" "1,567"
Insert: "48,632" "1,781"
(General Fund, State Special, Federal Special - FY96)

9. Page D-8, following line 5.
Insert: "The amendments made to general fund, state special revenue, and federal special revenue amounts in items 1 and 1a are contingent on passage and approval of Senate Bill No. 345.

If Senate Bill No. 345 is passed and approved:
(1) items 3, 4, and 5 are void;
(2) lines 9 through 12 and lines 15 through 21 on page D-8 (reference copy) are void;
(3) references in text are adjusted accordingly; and
(4) the provisions of [section 17] apply."

10. Page E-10, line 15.
Strike: "STATE FUNDING"
Insert: "SECTION 15"

11. Page E-10, following line 19.

Insert: "NEW SECTION. Section 17. Appropriations related to reorganization -- human services. Contingent on passage and approval of Senate Bill No. 345, the following money is appropriated for the respective years:

	27,132,771	4,340,309	70,000	24,093,494	28,503,803
DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES (6901)					
Family Assistance (01)					
1. 3,661,702	137,500	23,333,569	70,000	24,093,494	28,503,803
a. JOBS Benefits	235,119	604,593	235,119	604,593	939,712
100,000	939,712	100,000			
b. AFDC Benefits					
14,214,373	1,389,581	35,981,460	2,535,905	36,893,510	53,447,818
Eligibility Determination Program (03)	2,736,364	2,833,040	2,766,831	2,863,977	5,630,808
Director's Office (04)					
219,993	68,964	337,985	69,269	339,483	629,721
Child Support Enforcement (05)					
782,273	2,396,525	6,242,092	2,408,457	6,717,324	10,138,816
State-Assumed County Administration (06)					
3,349,458	3,430,542		3,405,485	3,486,910	6,892,395
a. County Pilot Project (Restricted/OTO)	70,000	70,000			70,000
Medical Assistance (07)					
77,091,371	15,839,808	253,018,859	14,093,669	265,118,544	363,941,567
Contract/Develop RHRV's System (Biennial)					
50,000	100,000				
b. Pediatric Dental Consultant/Orthodontia Consultant	1,000	500		500	1,000
500	1,300,000				
c. Local Health Care Providers (Biennial)					
149,811	495,080	286,812		638,388	925,200
Hospital Rate Increase					
478,762	1,582,160	916,839		2,040,706	2,957,545
Nursing Home Rate Increase					
257,304	850,310	287,952		640,926	928,878
Dental Rate Increase -- Children's Services (Restricted)	676,058	734,716		734,716	734,716
TDD Program (08)					
4,566,038	13,905,774	4,194,720	1,487,311	7,399,011	13,081,042
Operational and Technology Division (09)					
84,007	181,049				
a. Legislative Audit (Restricted/Biennial)					
100,000	400,000	100,000		300,000	400,000
b. Welfare Fraud Transfer					
2,379,870	11,499,200	2,457,621	192,087	9,076,037	11,725,745
Vocational Rehabilitation Program (10)					
Disability Determination Program (11)	3,227,187			3,319,142	3,319,142
Visual Services Program (13)					
332,916	1,502,350	338,050		1,184,463	1,522,513
Developmental Disabilities Program (14)					
18,583,975	43,726,788	18,972,013	25,430,452	44,402,465	44,402,465
a. Personal Care in Group Homes	2,315,900	2,299,475		2,299,475	2,299,475
Increased Federal Authority					
1,000,000	1,000,000			1,000,000	1,000,000
b. Provider Rate Increase					
750,858	1,182,766	1,527,488		873,960	2,401,448
Developmental Disabilities Advisory Council (15)	420,475	420,475		420,382	420,382

EXH. 94 4-7-95 HB 2

The legislature intends that expenditures for all provider rate increases approved by the legislature be limited to the dollar amounts appropriated rather than the percentage increase on which the original estimates may have been based. The department will be in compliance with this provision if:

- (1) it estimates total cost for each medicaid service category in June prior to the beginning of each fiscal year of the 1997 biennium; and
- (2) the percentage increase or base adjustments approved by the department are limited to the dollar amount appropriated for each provider rate increase.

The AFDC payment level for the 1997 biennium must be established at no less than 40.5% of the federal poverty index. The department shall require that JOBS participants who leave the program because of employment be tracked up to 1 year after their termination with the JOBS program as a condition of letting JOBS contracts. Exemptions from this requirement include JOBS participants who are no longer Montana residents or JOBS participants who cannot be reached despite good faith efforts. The department shall report to the 55th legislature regarding the employment and earning status of former JOBS participants served during the 1997 biennium.

Contingent on passage and approval of Senate Bill No. 209, the family assistance program shall notify the regional administration program that children in a household are at risk when that household receives a sanction that includes reduction of the adult portion of the AFDC grant.

Funds in item 1a must be used for a teen parent program. The department may use general fund money in item 1a for a teen parent program for teen parents who are not AFDC eligible and for teen parents who are AFDC eligible but younger than 15 years of age.

The department is authorized to retain 7.5% of the federal community services block grant and pass through the remaining 92.5% to the human resource development councils (HRDCs). If during fiscal year 1996 or fiscal year 1997 the block grant falls below the federal fiscal year 1990 grant level, the department shall retain only 5% of the grant amount and pass through the remaining 95% to the HRDCs.

The state share of AFDC-related support collections and all AFDC and non-AFDC federal incentive payments and program-collected fees must be deposited in the state special revenue account from which the state share of the administrative and operational costs of the child support enforcement program must be paid. The department shall transfer to the general fund from the child support enforcement account any cash balance in excess of \$350,000.

The department is appropriated funds for a pilot project in Deer Lodge County. The pilot project may include work, job training, subsistence payments, and preventive health programs for low-income people. The use of appropriated funds in item 5a is contingent on Deer Lodge County levying 12 mills for its poor fund for public assistance, protective services, and other benefits for low-income people.

The department shall implement 53-6-101(10) if medicaid expenditures exceed appropriations in [this act] in either year of the biennium.

The department shall perform a statistically valid survey of dentists to determine usual and customary charges for children's dental services during fiscal year 1996. The department shall compute the 1999 biennium cost of establishing medicaid reimbursement for children's dental services at 80% of usual and customary charges based on the survey results. The executive

budget must publish by fiscal year the 1999 biennium cost to fund medicaid reimbursement for children's dental services at 80% of survey rates.

The legislature intends that \$72,076,489 of the amount in fiscal year 1996 and \$74,847,286 of the amount in fiscal year 1997 in item 6 are appropriated for hospital medicaid benefits.

Funds in item 6b must be used to contract for orthodontia consultation and pediatric dental consultation for medicaid dental claims, medicaid policy development, and representation of the department in fair hearings.

Funds in item 6f may be used only for rate increases for children's dental services. Funds in item 6f may not be transferred to other uses in the department or to another department.

If Senate Bill No. 236 is passed and approved and if the department collects estate recoveries and other savings because of Senate Bill No. 236 in excess of \$600,000 in fiscal year 1996 or \$600,000 in fiscal year 1997, up to \$1 million of general fund money and matching federal funds of those excess savings are appropriated each year for independent living and community-based medicaid services.

Item 8 includes efficiencies and savings of 25 FTE, \$412,500 in general fund money, and \$412,500 in federal special revenue in fiscal year 1997 based on passage and approval of Senate Bill No. 345, which reorganizes human services and public health agencies. The executive branch can allocate these reductions among programs in the department of public health and human services. If Senate Bill No. 345 is not passed and approved, the appropriation in item 8 is increased by 25 FTE, \$412,500 in general fund money, and \$412,500 in federal special revenue in fiscal year 1997.

If Senate Bill No. 345 is passed and approved, the department shall solicit proposals to establish a local structure to administer and coordinate human services programs. To the extent feasible and permitted by federal law, the proposal must include administration of all of the programs transferred to the department of public health and human services. The department shall accept one or more proposals as a demonstration project, with an anticipated beginning date of July 1, 1996. Funding for the demonstration project must be taken from appropriations authorized in [this act]. If Senate Bill No. 345 is passed and approved, the department shall create an advisory committee to assist in the preparation of a report to the 55th legislature on the feasibility of expanding the demonstration proposal to establish local administration and coordination of human services programs. The report must contain a preliminary evaluation of the demonstration project described above.

Funds for item 8b are to fund welfare fraud investigation. The department of justice may hire FTE rather than contract for services if the department certifies to the office of budget and program planning that FTE are more cost-effective than contracted services.

If the department considers contracting for operation of the TEAMS or SEARCHS computer applications on a privately owned and operated mainframe or midrange computer or if the department plans to purchase a midrange computer for the operation of these systems, the department shall submit to the office of budget and program planning and to the legislative finance committee a comparison of the cost of operating the system on the state mainframe computer managed by the department of administration or on a midrange computer owned by the department. The department of administration shall estimate rate changes that would occur because of removal of TEAMS or SEARCHS from the state mainframe. If the office of budget and program planning determines that statewide cost savings are greater than the private contract cost savings or savings because of the purchase of a departmental midrange computer, the department shall operate TEAMS or SEARCHS on the state mainframe computer if continued operation of TEAMS or SEARCHS on the state mainframe does not conflict with federal regulations.

Provider rate increases funded in item 12c must be allocated between general operating information, increases at... vage increases for the lowest wage, direct-care line workers of developmental disabilities providers. No less than \$375,429 of general fund money and \$215,954 of federal special revenue in fiscal year 1996 and \$758,100 of general fund money and \$433,751 of federal special revenue in fiscal year 1997 must be granted with no specific expense allocation, and the remainder of the rate increase must be allocated to salaries for the lowest-wage, direct-care line workers.

The department may pursue funding of any existing eligible state general-funded services under the federal ICF/MR program if the federal government fails to approve adequate medicaid waiver funding under the home- and community-based waiver program.

It is the intent of the legislature that in fiscal year 1996 and fiscal year 1997, any unexpended portion of the department's general fund appropriation, up to \$500,000 for the biennium, may be awarded by the department for the purposes of providing primary and preventive health care benefits to children who are uninsured and not eligible for medicaid benefits. To qualify, the family income may be no greater than 185% of the federal poverty level. The department may contract with public or private entities for the administration and provision of these services. These funds may be allocated only to those programs that have established a statewide network of medical providers who have agreed to accept reimbursement at a lower rate than would normally be charged for their services.

The department shall prepare a unified budget for the interagency coordinating council on prevention of child abuse and neglect. The unified budget must identify services funded, expenditures by service in fiscal year 1996, and preliminary amounts budgeted for the 1999 biennium by service and fund type from the department of public health and human services, office of public instruction, board of crime control, and department of labor and industry. A preliminary budget must be presented to the joint oversight committee on children and families, the legislative finance committee, and the office of budget and program planning by September 1, 1996. The unified budget must be published in the governor's budget request to the 55th legislature.

The department may add FTE instead of contracting for services if it certifies to the office of budget and program planning that FTE are more cost-effective than contracting. FTE added through this language may not be included in the 1999 biennium base budget.

The department shall notify the parents, legal guardians, or caretakers of the children of male and female prisoners in the state of Montana of the state services available to children and families. Services provided by the department and the department of corrections and human services must be listed and explained. Notification may be waived if the children of prisoners do not reside in Montana.

Funds in item 14b may not be included in the fiscal year 1996 base budget.

Funds in item 15a may be used only for new social worker positions with duties related to child or elder abuse and neglect. The department shall establish an accounting center and a budget center to track expenditures for and the number of abuse and neglect workers separate from other department FTE. The department shall report abuse and neglect FTE and related expenditures separate from other budget functions in its budget request to the 55th legislature.

The legislature has no evidence that the Montana youth alternatives program funded in item 16 is more effective in treating juvenile offenders than the Mountain View school program.

Funds in item 16a must be spent on secure care for female offenders and treatment programs for sexual offenders. The department may not transfer funds in item 16a to other uses or to other programs or departments. The department shall provide

to the 55th legislature the following information about expenditures funded from item 16a: the number of children served, the average cost per child, services provided, the treatment outcomes, and the current placement of children served.

Funds in item 16b may not be used for any purpose other than maintenance and repair of Pine Hills school. The department must obtain the approval of the engineering and architecture division of the department of administration before proceeding with repairs funded from item 16b.

Funds in item 16c may be used only for a vocational agricultural program at Pine Hills school.

The department shall present a report to the 55th legislature confirming the outcome of the partnership project. The report must include the number of families and children served and the types of services funded and must verify the impact on the growth in the foster care caseload, if any. The report must explicitly identify fiscal year 1996 expenditures by fund type, service, and county location, compared to the estimated expenditures by fund type and service for the 1999 biennium.

Contingent on passage and approval of Senate Bill No. 83, state special revenue funds in item 17 are reduced by \$35,406 in fiscal year 1996 and \$34,409 in fiscal year 1997 and the general fund amount is increased by a like amount.

Funds in item 17a may not be included in the base budget for the 1999 biennium.

The department shall prepare a report for the 55th legislature on the activities and accomplishments of the local citizen review boards pilot program in item 17b.

Item 17c is to develop family support services for children at risk of abuse or neglect and for children who have been referred for abuse or neglect and to develop community-based services for children placed in or who are at risk of being placed in juvenile corrections facilities. The development of additional services is contingent on recovery of federal funds through department refinancing initiatives and the collection of contributions from parents of children. Services must be developed within appropriation limitations in [this act], and the department may not expand partnership services so that foster care general fund requirements are greater than appropriations in [this act].

Funds in item 17e may be used only to fund child care benefit costs for families who are at risk of becoming eligible for AFDC. Funds in item 17e may not be used for any other purpose, transferred to any other use in the department, or transferred to another department.

If House Bill No. 93 is not passed and approved, item 19 is decreased by \$105,534 in general fund money in fiscal year 1996 and \$114,202 in general fund money in fiscal year 1997.

If the Eastmont human services center does not remain in operation at current capacity, item 21 is decreased by \$22,865 in general fund money in fiscal year 1996 and \$22,944 in general fund money in fiscal year 1997 to fund 1.0 FTE in the Eastmont vocational program.

The department is directed to develop and purchase mental health services for children and adolescents that minimize the necessity of residential placements and that control the expenditures for residential care.

All services under the managing resources Montana (MRM) program must be purchased based on an RFP process that provides for effective services at the lowest possible cost. The department shall develop measures of program effectiveness and require contractors selected under the RFP process to provide the information necessary to determine the effectiveness of services. The department may not contract with any service provider that has been found, through a court of law, to have, through fraud or falsification of documents, attempted to receive public funds to which the provider was not entitled.

The funds in item 24a are contingent on passage and approval of Senate Bill No. 416.

General fund money in item 24b may be used only to contract for assistance to local health care providers in obtaining Medicaid reimbursement and to assist communities in implementing local health care services.

The funds in item 24c are appropriated with the requirement that the development and operation of the tumor registry must be coordinated with all other medical data bases operated by the state so that the sharing of information is facilitated and the duplication of effort is reduced.

During the 1997 biennium, the department shall:

(1) by July 1, 1996, develop and implement a consolidated contract for all health care grants;

(2) by October 1, 1995, revise and update the maternal and child health (MCH) rules to reflect the current block grant legislation with the amendments to the Federal Omnibus Budget Reconciliation Act of 1989. The rules must address the local match requirement. The department shall also establish a core set of MCH services. The department shall ensure that MCH block grant funds are not used for noncore services unless each core service is ensured or unless the entity receiving the grant has demonstrated through a formal needs assessment process that the core service not being provided is not needed. The rules must address Medicaid billing and reimbursement and must contain a provision that all MCH block grant money be spent on MCH services and that it not be used to supplant local funds.

(3) explore all opportunities for maximizing Medicaid revenue, including requiring local health units to bill Medicaid for reimbursable services and using available general fund and state special revenue appropriations to match Medicaid funds for state-level activities. If necessary, the department of public health and human services shall assist local health units in maximizing Medicaid revenue. By October 1, 1995, department rules must require that MCH block grant funds be provided only if an effective method of maximizing Medicaid revenue has been established by the receiving entity; however, this requirement does not apply if an entity has determined and demonstrated that billing Medicaid is not cost-effective.

(4) use priority setting in the disbursement of MCH block grant funds. By October 1, 1995, rules and formulas for distribution of funds to local entities must be revised to give the opportunity to help those counties, regions, or communities with the least resources, largest proportions of underserved families, and most serious maternal and child health problems, as identified by objective health indicators and community needs assessments. The MIAMI project and other public health programs must be operated in a similar manner.

(5) by October 1, 1995, require local health agencies to assume more responsibility for outreach and education for services to clients of such related state programs as passport; family support programs; and early periodic screening, diagnosis, and treatment (EPSDT);

(6) by October 1, 1995, ensure that the majority of local health care agencies bill Medicaid for the provision of immunizations and well child visits/EPST; and

(7) on July 1, 1995, and every 6 months thereafter, file status reports with the members of the human services subcommittee on appropriations and with the legislative fiscal analyst regarding the six requirements provided above. At a minimum, the reports must address:

(a) progress in implementing these requirements;

(b) the amount of additional Medicaid money the department has been able to access and an explanation of how and where that money is being used; and

(c) an explanation of the progress that the department expects to achieve during the next 6-month and 12-month periods."

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Reading Copy

For the Free Conference Committee

Prepared by Taryn Purdy
April 6, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 95

DATE 4/7/95

BILL NO. 7462

Carried

1. Page A-13, line 8.

Strike: "with funds appropriated in item 5c."

2. Page A-13, line 9.

Strike: "The appropriation in item 7c for"

Insert: "Funding to support"

3. Page A-13, lines 13 and 14.

Strike: Line 13 in its entirety through "biennium." on line 14

4. Page A-13, line 15.

Following: "achievement of"

Strike: "these"

Insert: "the central mail program"

5. Page A-13, line 15.

Following: "targets,"

Insert: "as outlined in the legislative appropriations report for the 1997 biennium,"

6. Page A-14, following line 5.

Insert: "The amendments to text in lines 8, 9, 13, 14, and 15 on page A-13 (reference copy) are contingent on passage and approval of House Bill No. 576."

7. Page E-10, following line 19.

Strike: NEW SECTION. Section 19. Adjustments to proprietary appropriations -- HB 576.
If House Bill No. 576 is passed and approved, proprietary funds in the following departments and items in [section 15] are void:

Secretary of State

Item 1

Item 1a

Office of the State Auditor

Item 4

Department of Transportation

Item 4

Item 5

Item 7

Department of Revenue

Item 3

Department of Administration

Item 1 97,074 Fiscal 1996 and 97,617 Fiscal 1997

Item 3

Item 3a

Item 4 through Item 4c

Item 5 through Item 5d

Item 6

Item 6a
 Item 7
 Item 7a through 7c
 Item 8
 Item 8a
 Department of Labor and Industry
 Item 2 159,964 Fiscal 1996 and 164,315 Fiscal 1997
 Item 2a
 Item 3
 Department of Health and Environmental Sciences
 Item 1
 Item 2
 Department of Fish, Wildlife, and Parks
 Item 1
 Item 2
 Item 6
 Item 6d
 Item 6e
 Department of State Lands
 Item 1
 Department of Agriculture
 Item 2
 Department of Commerce
 Item 4
 Item 4a
 Item 8
 Item 8a
 Item 9
 Item 9a
 Item 12
 Item 12a
 Item 14
 Item 14a
 Item 15
 Item 15a
 Item 16
 Item 16a
 Item 18
 Item 18b
 Item 18c
 Department of Justice
 Item 2
 Department of Corrections and Human Services
 Item 2 5,434,128 fiscal 1996 and 6,252,358 Fiscal 1997
 Office of Public Instruction
 Item 1
 Montana University System
 Item 1"

This amendment implements the provisions of House Bill 576 by eliminating from House Bill 2 those appropriations of proprietary funds. House Bill 576 means that these funds will no longer have to be appropriated by the legislature. The total proprietary funds reduced is approximately \$106 million each year.

Appropriations Removed due to House Bill 576

Prepared by: LFA Staff
April 3, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 96

DATE 4/7/95

BILL NO. 282

Agency/Program	Function	Appropriation Fiscal 1996	Appropriation Fiscal 1997	FTE Fiscal 1996	FTE Fiscal 1997
Fish, Wildlife & Parks Admin. & Finance					
CV01002 vehicles	Buy, maintain & operate vehicle fleet	1,569,172	1,379,050	1.90	1.90
CV01003 warehouse	Department surplus property sales	130,084	130,055	0.16	0.16
CV01004 dup. center	Provides duplicating services	45,027	45,114	0.75	0.75
CV92013	Fund inflation costs of vehicles, additional aircraft maintenance	135,216	156,631		
CV92500	Personal services reductions—vacancy savings	(24,173)	(24,504)		
Field Services					
CV00001 default	Maintain and operate aircraft fleet	149,108	139,108		
CV92002 FS equip.	Purchase aircraft navigational system	2,000	0		
CV92099	Aircraft maintenance	28,000	44,000		
Parks					
CV06002 snowmobile	Purchase snowgrooming equipment	438,576	0		
CV06891 cap. grnds.	Maintain capitol grounds and snow removal	271,787	271,821	2.32	2.32
CV92016	Capitol grounds—purchase deck mower	4,000	0		
CV92500	Personal services reductions—vacancy savings	(8,547)	(8,585)		
Commerce					
Professional Occupational Licensing					
CV39040 admin	Provides assistance to POL Boards	1,204,744	1,199,830	29.50	29.50
CV92039	Prof/Occup. Licensing	16,858	16,910	0.75	0.75
CV92500	Personal services reductions—vacancy savings	(8,431)	(8,800)		
Local Government Audit & Systems Bureau					
CV62003	Provides audit assistance to local governments	482,243	484,167	15.00	15.00
CV62006	Provides audit systems assistance to local governments	58,964	65,000	6.00	6.00
CV62200	Provides audit review assistance to local governments	219,016	220,899	4.00	4.00
CV92062	Operating expense reduction	(11,917)	(11,917)		
CV92500	Personal services reductions	(470,329)	(472,253)	(15.00)	(15.00)
Local Government Assistance Admin.					
CV00001 default	Provide admin. to Community Development and Local Govt Services pgms	129,609	129,542	2.50	2.50
Health Facilities					
CV00001 default	Bonding to finance health facilities	171,500	154,412	1.00	1.00
Board of Housing					
CV00001	Bonding to finance housing	1,381,312	1,291,021	14.00	14.00
CV92500	Personal services reductions—vacancy savings	(2,681)	(2,798)		
Board of Investments					
CV00001	Investment of state funds	1,840,717	1,752,147	28.00	28.00
CV92075	Additional staffing	85,565	85,565	1	1
CV92500	Personal services reductions—vacancy savings	(5,361)	(5,596)		
Montana State Lottery					
CV00001 default	Operate the Montana lottery games	7,035,255	7,002,735	35.00	35.00
CV92077	Tri—west Lotto dues	60,000	60,000		
CV92500	Personal services reductions—vacancy savings	(6,702)	(6,996)		
Director/Management Services					
CV08110 Mgn. ser.	Provide administration assistance to all department programs	541,987	541,494	13.84	13.84
CV08190 dir. office	Provide administration assistance to all department programs	281,202	282,611	5.50	5.50
CV92003	Oracle database programming	63,038	0		

CV92081	Management Services equipment	28,800		
CV92003	Equipment conversion to LANS	(4,134)		
CV92500	Personal services reductions - vacancy savings			
State Lands				
Central Management				
CV01010	Aviation operations for Forestry Div, Reclamation Div, and wildfires	507,732	512,780	5.80
CV92001	Aircraft main tenance	25,500	91,136	
CV92500	Personal services reductions - vacancy savings	(28,330)	(28,587)	
Agriculture				
Agricultural Sciences				
CV31300	Alfalfa leaf cutter bee advisory cotfchil	5,604	5,666	
Montana University System				
MUS Group Insurance				
CV510205	Health insurance program for university system	18,730,859	19,500,640	3.65
Labor & Industry				
MCIS - UID				
CV00203	Career Info Services	62,951	58,137	2.00
CV91202		97,351	106,178	
Com. Office/CSD				
CV00001	Central Agency Support Functions	1,708,822	1,704,790	43.00
CV92500		(229,798)	(230,605)	(6.00)
Health & Environmental Sciences				
Director/Legal				
CV10011	Management and Legal Services within Dept.	546,125	548,928	10.00
CV92500		(23,019)	(23,199)	
Central Services				
CV20021	Central Support Services within Dept.	176,713	183,438	2.00
CV20022		1,032,691	958,889	22.50
CV20026		377,393	378,270	6.00
CV92500		(46,924)	(48,170)	
Secretary of State				
Business/Gov't Services				
Records Mgmt				
	files corporate/lien documents, sells information to public & gov't including ARM microfilms and stores state agency records	1,467,750	1,432,194	31.00
		490,114	468,497	9.80
Department of Revenue				
Liquor Division				
	liquor administration	261,849	262,932	2.00
Department of Administration				
Accg/Management Support				
Procurement & Printing				
	legal unit - provides legal services to other agency programs	97,074	97,617	1.83
	provides printing/publication svcs to state agencies	5,653,509	5,916,140	30.36
	purchases supplies for state agencies and sells surplus property	4,245,426	4,284,720	17.35
	buys fuel and natural gas for institutions and university units	230,351	242,212	0.00
	provides computer, phone, video svcs to state government agencies	18,611,045	18,010,555	121.64
	maintains capitol complex through rent payments from state agencies	4,344,537	3,706,127	19.00
	provides mail processing and deadhead mail svcs for state agencies	3,090,994	3,164,588	13.83
State Personnel Division				
	provides payroll services to state agencies	658,672	455,661	5.50

training benefits				3.16	3.16
Risk Mgmt/Tort Defense	provides training to state agencies and the public	220,090	220,365	9.26	9.26
	provides insurance coverage and tort defense services to state agencies	601,850	604,679	12.00	12.00
		3,080,638	3,221,015		
Department of Corrections and Human Services					
Corrections					
CV02236	WCC Industries - data processing for Highway Patrol	1,102	1,102	0.00	0.00
CV02261	Ranch & Dairy	2,077,606	2,112,226	12.75	12.75
CV02262	Prison Industries	1,679,425	1,721,306	9.25	9.25
CV92030	High Side Laundry	446,028	521,028	8.00	8.00
CV92043	Additional Industry Authority	1,038,767	1,753,896	4.00	4.00
CV92044	Corrections New Equipment	81,200	37,800	0.00	0.00
CV92144	Replace Crane/Truck/Tractor	110,000	105,000	0.00	0.00

*Amounts appropriated in various agency budgets to purchase furniture and ranch and dairy products are double appropriated.

Office of Public Instruction		1,078,553	1,083,886	19.55	19.55
CV060611	Centralized Services				

Dept of Transportation		1,180,082	1,273,180	5.00	5.00
CV070001	Motor Pool				
CV080001	Equipment Program	14,904,087	15,644,257	122.00	122.00
CV040500	Aeronautics program	81,727	81,672	1.39	1.39

State Auditor		210,681	207,178	6.00	6.00
Fiscal Control and Management	Collect & record bad debts for state	758,301	777,762	8.00	8.00
CV00010	Switch warrant writer from gen. fund to proprietary	9,977	9,626	0.00	0.00
CV92012*	Assist counties in collecting delinquent pers. prop. taxes	(8,376)	(8,424)	0.00	0.00
CV92013*	Person services reduction				
CV92500					

Justice		652,004	654,440	13.50	13.50
Agency Legal Services	Provide legal counsel for other state agencies	(26,922)	(27,125)	0.00	0.00
CV00001	Personal services reduction				
CV92500					

		<u>106,198,727</u>	<u>106,689,551</u>	<u>717.34</u>	<u>721.34</u>
--	--	--------------------	--------------------	---------------	---------------

*Contingent on signing of cat & dog that has passed both houses.

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Swysgood
For the Free Conference Committee

Prepared by Terri Perrigo
April 5, 1995

Carried

1. Page A-3.

Following: line 20.

Insert: "a. SB 387 -- Water Adjudication Advisory Committee (Restricted/OTO)
5,000" (state special revenue 1996) "5,000" (state special revenue 1997)

LFA will amend totals.

2. Page A-3.

Following: line 25.

Insert: "The appropriation in item 5a is contingent upon passage and approval of
both Senate Bill No. 387 and House Bill No. 176."

This amendment adds state special revenue of \$5,000 per year to the Water Courts in Judiciary for the water adjudication advisory committee established in Senate Bill 387. According to the bill, that committee shall provide recommendations to the water court, the supreme court, the department of natural resources and conservation and the legislature on methods to improve and expedite the water adjudication process.

Funding for the committee is from the \$5 user surcharge on court action(s) authorized in House Bill 176. Consequently, language is included in the amendment that makes the appropriation contingent upon passage and approval of that bill in addition to Senate Bill 387. As of 4/4/95, Senate Bill 387 had passed both houses as amended, while House Bill 176 had been returned from enrolling.

*carried*Amendments to House Bill No. 2
Reference CopyRequested by Representative Bergsagel
For the Free Conference CommitteePrepared by Mary Bryson
April 5, 1995

1. Page A-1, line 5.

Strike: "1,396,073" "1,411,236" (general fund, fiscal years 1996 & 1997)

Insert: "1,403,449" "1,417,199" (general fund, fiscal years 1996 & 1997)

2. Page A-1, following line 9.

Insert: "If Senate Bill No. 398 is not passed and approved, general fund money in item 1 will be decreased by \$7,376 in fiscal year 1996 and \$5,963 in fiscal year 1997."

LFA will adjust totals.

Explanation of Amendment:

This amendment implements provisions of SB 398 amendments, which in the House increased the size of the Legislative Audit Committee by four legislators. This amendment adds general fund of \$13,339 for the biennium. Personal services costs of \$2,576 in FY96 and \$1,963 in FY97 are for legislator salaries for committee meetings. Operating expenses of \$4,800 in FY96 and \$4,000 in FY97 are for legislator travel to each committee meeting.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995

Failed

1. Page A-6, following line 5.

Insert: "b. Medicaid Managed Care - SB 388 (OTO)
6,000" [FY96 general fund]

2. Page A-6, following line 19.

Insert: "Item 2b is contingent upon passage and approval of Senate Bill No. 388."

LFA will adjust totals.

Explanation:

Senate Bill No. 388 provides for an integrated Medicaid managed care program. The State Auditor is required to file rules concerning implementation of this bill. It is estimated that the insurance commissioner (State Auditor) will write and adopt 100 pages of administrative rules and will hold one public hearing. The cost in FY96 only is \$6,000.

Senate Bill No. 388 was passed on third reading in the Senate on April 5, 1995.

Amendments to House Bill No. 2
Reference CopyENRIT NO. 100
DATE 4/7/93For the Free Conference Committee BILL NO. HB 2Prepared by OBPP
April 6, 1995*Carried*

1. Page A-9, following line 18.

Insert:	"a.	HB 293	--	EDI/EFT	Ongoing	Costs
		28,403		[FY96	general	fund]
		23,239		[FY96	state	special revenue]
		28,447		[FY97	general	fund]
		23,274"		[FY97	state	special revenue]
	"b.	HB 293	--	EDI/EFT	Programming	(OTO)
		30,897		[FY96	general	fund]
		25,279		[FY96	state	special revenue]
		21,480		[FY97	general	fund]
		17,574"		[FY97	state	special revenue]

LFA will amend totals.

2. Page A-10, following line 13.

Insert: "Items 4a and 4b are contingent upon passage and approval of House Bill No. 293."

Explanation:

This amendment adds 2.0 FTE and \$198,593 over the biennium to the Income Tax Division of the Department of Revenue to implement House Bill No. 293. Funding is 55 percent general fund (\$109,227) and 45 percent state special revenue derived from old fund liability tax collections (\$89,366).

HB 293 would increase business tax filings by revising the threshold for biweekly filing of income tax withholding and old fund liability taxes consistent with IRS requirements. In order to process a major increase in tax filings, the department proposes to implement greater use of electronic filing in lieu of adding FTE to process paper filings.

In addition, Senate amendments would require the payment of interest for any refunds processed after 45 days of filing. Based on the department's processing timeframes for the past three years, an estimated \$280,000 in interest would be paid. The department has determined that it can significantly reduce interest costs if at least 15% of filers would file returns electronically.

Of the 2.0 FTE added through this amendment, 1.00 FTE will be ongoing to coordinate and assist businesses in filing their returns electronically. The other 1.00 FTE would be added for the 1997 biennium only for programming and one-time equipment purchases.

As of April 5, 1995, House Bill No. 293 was passed out of Senate Taxation.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by OBPP
April 6, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 101

DATE 4/7/95

BILL NO. HB 2

Failed

1. Page A-9, following line 22.
Insert: "a. SB 198 -- Agricultural Land Valuation
Advisory Board (Restricted/OTO) 50,000" [FY96
general fund]

LFA will amend totals.

2. Page A-10, following line 13.
Insert: "Item 6a is contingent upon passage and
approval of Senate Bill No. 198."

Explanation:

This amendment adds a one-time only general fund appropriation of \$50,000 in fiscal year 1996 to the Property Valuation Division of the Department of Revenue to implement Senate Bill No. 198.

Senate Bill No. 198 would establish an advisory committee to study methods for using soil capability for the valuation of agricultural land. The advisory committee is anticipated to meet and complete its work in fiscal year 1996. The department estimates the following costs: committee member expenses (\$15,000); assistance from university faculty (\$22,500); consultants (\$10,000); and miscellaneous expenses (\$2,500).

As of April 5, 1995, the Senate did not concur with House amendments to Senate Bill No. 198.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by OBPP
April 6, 1995*Failed*

1. Page A-12, following line 12.
Insert: "e. HB 268 -- GABA Employer Contributions
(Restricted/OTO)

420,180	[FY96 general fund]
391,130	[FY96 other funds]
507,654	[FY97 general fund]
396,851"	[FY97 other funds]

** later carried
at about
\$29,000 figure*

LFA will amend totals.

2. Page A-14, following line 5.
Insert: "Item 7e is contingent on passage and approval of House Bill No. 268 and is to be allocated by the office of budget and program planning to agencies for increases in employer contributions to public pension funds to fund the guaranteed annual benefit adjustment (GABA). Amounts may be adjusted among fund types, excluding the general fund, which may not be adjusted."

3. Page A-14, following line 10.
Insert: "b. HB 268 -- Guaranteed Annual Benefit Adjustment (OTO)
76,500" [FY96 other funds]

LFA will amend totals.

4. Page A-14, following line 13.
Insert: "Item 1b is contingent on passage and approval of House Bill No. 268."

5. Page A-14, following line 18.
Insert: "b. HB 268 -- Guaranteed Annual Benefit Adjustment
34,364 [FY96 other funds]
34,475" [FY97 other funds]

"c. HB 268 -- Guaranteed Annual Benefit Adjustment (OTO)
150,117 [FY96 other funds]
7,500" [FY97 other funds]

LFA will amend totals.

6. Page A-14, following line 21.
Insert: "Items 1b and 1c are contingent on passage and approval of House Bill No. 268."

Explanation:

This amendment implements the guaranteed annual benefit adjustment (GABA) for retirees included in House Bill No. 268. The amendment adds a total of 1.0 FTE and \$2,018,771 over the biennium (of which \$927,834 is general fund) to three agencies:

(1) the State Personnel Division in the Department of Administration, which would be increased by \$1,715,815 over the biennium (of which \$927,834 is general fund) to be allocated by OBPP for increases to state agency contributions to PERS and TRS;

(2) the Teachers Retirement System (TRS), which would be increased by other funds of \$222,256 over the biennium to fund 1.0 FTE and postage costs (which are ongoing) and other one time only costs associated with implementing the bill; and

(3) the Public Employees Retirement System (PERS), which would be increased by other funds of \$76,500 over the biennium for one time only costs associated with implementing the bill.

As of April 5, 1995, House Bill No. 268 is scheduled for second reading in the Senate.

{Office of Legislative Fiscal Analyst

444-2986}

Explanation of Changes between House and Senate Versions of HB 268

*Handout
 from
 Dan Gengler,
 OBP*

	1997 Biennium General Fund (in \$ millions)		
	(Current Fiscal Note) <u>House Version</u>	<u>Senate Version</u>	<u>Difference</u>
House Bill 2	0.828	0.927	0.099
Statutory	<u>4.134</u>	<u>3.939</u>	<u>-0.195</u>
Total	4.962	4.866	-0.096

SENATE JOURNAL
EXHIBIT NO. 104
DATE 4/7/95
BILL NO. HB 2

Carried

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

Prepared by OBPP
April 6, 1995

1. Page B-14, following line 12.

Insert: "b. SB 292 -- Right To Know Information

37,134 36,334" [general fund FY96 & FY97]

2. Page B-15, following line 24.

Insert: "Item 7b is contingent on passage and approval of Senate Bill No. 292."

The LFA will adjust totals.

This amendment will add general fund of \$37,134 in FY96 and \$36,334 in FY97 to pay for the Department of Health and Environmental Sciences costs associated with performing its duties as required under Senate Bill No. 292.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy*carried*

For the Conference Committee

Prepared by OBPP
April 6, 1995

1. Page D-3, following line 7.

Insert: "c. HB 345 -- DUI Equipment (Restricted)

18,750

25,000"

[FY96 and FY97 general fund]

The LFA will adjust totals.

2. Page D-4, following line 21.

Insert: "Item 5c is contingent on passage and approval of House Bill No. 345."

Explanation:

House Bill No. 345 imposes a \$15 surcharge on persons convicted of driving under the influence (DUI). Funds collected from the surcharge are to be used to purchase and maintain law enforcement equipment or emergency rescue equipment used in investigation of alcohol-related offenses. The department's anticipated share of this surcharge is \$18,750 in FY96 (the effective date is October 1, 1995) and \$25,000 in FY97 based on the number of DUI arrests made annually by the Montana Highway Patrol.

The bill is awaiting executive action in the Senate Judiciary Committee as of April 5, 1995.

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 106
DATE 4/7/95
BILL NO. NB2

Amendments to House Bill No. 2
Reference Copy

Requested by Sen. Aklestad
For the Free Conference Committee

Prepared by L. Thorson
April 7, 1995

carried

** later rescinded*

1. Page A-1, line 23.

Strike: "70,947" "70,947" (general fund)
Insert: "90,947" "90,947" (general fund)

2. Page A-2, following line 11.

Insert: "PNWER 40,000"

LFA will adjust totals.

Explanation of Amendment:

This amendment adds \$40,000 general fund for the biennium to Interim Studies and Conferences in the Legislative Council. These funds will allow the state's involvement in the Pacific Northwest Economic Region Conference

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy
For the Conference Committee

Prepared by OBPP
April 6, 1995

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 107
DATE 4/7/95
BILL NO. HB 2

carried

*at \$100,000
each year
of biennium
and 2 FTE*

1. Page A-5, following line 17.

Insert: "b. Ethics Administration - SB136

188,009 152,435" [General Fund FY96 and FY97]

"c. Ethics Commission - SB136

8,200 8,200" [General Fund FY96 and FY97]

2. Page A-5, following line 20.

Insert: "Items 1b and 1c are contingent upon passage and approval of Senate Bill No. 136."

3. Page A-12, following line 12.

Insert: "e. Employee Ethics Rulemaking and Brochure - SB 136 (OTO)"

"4,015" [General Fund FY96]

4. Page A-14, following line 5.

Insert: "Item 7e is contingent upon passage and approval of Senate Bill No. 136."

LFA will adjust totals

Explanation:

This amendment implements the provisions of Senate Bill No. 136 by revising laws concerning ethics. The amendment adds \$188,009 in FY96 and \$152,435 in FY97 and 4.00 FTE to the Commissioner of Political Practices to establish an ethics administration unit to receive, investigate, and resolve complaints against legislators, public employees, and public officers. It also adds \$8,200 each year for travel expense reimbursement for members of the Ethics Commission that will be administratively attached to the Commissioner of Political Practices. The amendment provides \$4,015 in FY96 to the Department of Administration for rule making and brochure production concerning standards of conduct.

As of April 4, 1995, SB 136 is awaiting action in the Senate Rules Committee.

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by the Office of Budget and Program Planning
For the Free Conference Committee
April 6, 1995

carried

1. Page D-7, following line 20.

Insert: "a. HB 357 -- Commission on Sentencing (Restricted).
97,869 general fund fiscal 1996
99,368" general fund fiscal 1997

2. Page D-8, following line 8.

Insert: "Funds in item 2a are contingent on passage and approval of House
Bill No. 357."

LFA will amend the totals.

This amendment adds \$197,287 general fund over the biennium to implement House Bill 357. HB 357 creates a commission on sentencing to study sentencing practices and guidelines and the effects of sentences. This amendment also adds contingency language to remove the funding if HB 357 is not passed and approved.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 109
DATE 4/11/95
BILL NO. HB2

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Aklestad
For the Free Conference Committee

Carried

Prepared by Lisa Smith
April 11, 1995

1. Page D-7, line 22.		
Strike: "36,144,453"	"36,680,132"	[General fund, fiscal 1996 & 1997]
Insert: "36,644,453"	"37,180,132"	[General fund, fiscal 1996 & 1997]

This amendment adds \$500,000 general fund each year for the MRM program in the Mental Health Program in the Department of Corrections and Human Services.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Reading Copy

For the Free Conference Committee

Prepared by Taryn Purdy

April 10, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 110

DATE 4/11/95

BILL NO. HB 2

I. Move to reconsider action implementing the guaranteed annual benefit adjustment.

	<u>FY 1996</u> <u>Gen Fund</u>	<u>FY 1997</u> <u>Gen Fund</u>	<u>FY 1996</u> <u>Other</u>	<u>FY 1997</u> <u>Other</u>
Administration	370,680	458,154	391,130	396,851
PERS			76,500	-0-
TRS			184,481	41,976
Biennial totals:	\$ 828,834	General Fund		
	1,090,938	Other Funds		

II. Move to not concur.

{Office of Legislative Fiscal Analyst

444-2986}

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 111
DATE 4/11/95
BILL NO. NB 2

Amendments to House Bill No. 2
Reference Copy as amended

Requested by Senator Swysgood
For the Conference Committee

carried

Prepared by Sandy Whitney
April 11, 1995

1. Page E-5, line 23.

Strike: "83,179,688" "84,089,980" "84,887,696" "88,694,797"
Insert: "85,179,688" "84,944,350" "86,887,696" "89,594,212"

Explanation: This amendment increases the general fund and tuition appropriations to the MUS as follows:

	<u>FY96</u>	<u>FY97</u>
General Fund	\$2,000,000	\$2,000,000
Tuition	854,370	899,415

{Office of Legislative Fiscal Analyst

444-2986}

EXHIBIT NO. 112

DATE 4/11/95

BILL NO. NB 3

Amendments to House Bill No. 2
Reference Reading Copy

For the Conference Committee

Prepared by Lisa Mader
April 6, 1995

failed

1. Page E-1, line 4. (Narr. N/A)

Strike: "2,892,760" "2,266,743"

Insert: "3,077,903" "2,451,886"

LFA will adjust totals.

EXPLANATION: This amendment restores the appropriation for Basic Education curriculum specialists (5.0 FTE) to the fiscal 1995 levels with no increase by adding \$185,143 of general fund each year.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy as amended

For the Conference Committee

Prepared by Office of Budget and Program Planning
April 11, 1995

Carried

** 4/12/95
later rescinded
amendment*

1. Page E-1, line 4.

Strike: "2,892,760" "2,266,743"

Insert: "2,837,760" "2,211,743"

2. Page E-1, Line 17.

Following: Line 16

Insert: "f. School bus safety"

"55,000" (FY96 General Fund) "55,000" (FY97 General Fund)

Description

This amendment designates \$55,000 per year of the Office of Public Instruction's general fund appropriation for school bus safety. No change in total amount appropriated.

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 114
DATE 4/11/95
BILL NO. 202

Amendments to House Bill No. 2
Reference Reading Copy

Requested by Representative Bergsagel
For the Free Conference Committee

Carried

Prepared by Greg Petesch
April 11, 1995

1. Page A-1.

Following: line 9

Insert: "The legislative audit committee is authorized to accept and expend private and nonstate funds to contract for an independent study of the conversion of the Montana medicaid program provided for in Title 53, chapter 6, to private insurance policies or coverage by health service corporations or health maintenance organizations."

Carried

Amendment to House Bill No. 2
Reference Bill As Amended (Salmon)

For the Free Conference Committee
Prepared by OBPP
April 11, 1995

Carried

- | | | | | |
|----|---------------------|------------|---------------------------------------|--|
| 1. | Page A-4, line 7. | | | |
| | Strike: "2,125,000" | 2,125,000" | [Federal special revenue FY96 & FY97] | |
| | Insert: "2,000,000" | 2,000,000" | [Federal special revenue FY96 & FY97] | |
| 2. | Page B-13, line 21. | | | |
| | Strike: "2,550,331" | 2,572,339" | [State special revenue FY96 & FY97] | |
| | Insert: "2,675,331" | 2,697,339" | [State special revenue FY96 & FY97] | |

Carried

The LFA will adjust totals.

Explanation:

This amendment reduces federal spending authority in the Governor's office by \$125,000 each year of the biennium. The state special revenue authority in the Water Quality Division of the Department of Health and Environmental Sciences is increased by the same amount each year of the biennium.

Amendments to House Bill No. 2
Reference Bill as Amended

Requested by Senator Swysgood
For the Free Conference Committee

Prepared by Lois Steinbeck
April 11, 1995

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 116

DATE 4/11/95

BILL NO. HB2

Carried

1. Page B-9, line 7.
Strike: "1,781,701" "2,688,078"
Insert: "1,741,630" "2,647,562"

2. Page B-9, line 9.
Strike: "121,707"
Insert: "91,212"

3. Page B-9, line 13.
Strike: "6,811,582" "6,841,432"
Insert: "6,828,793" "6,859,373"

4. Page D-7, line 15.
Strike: "3,087,603" "3,099,460"
Insert: "3,110,463" "3,122,035"

5. Page D-7, line 17.
Strike: "120,556"
Insert: "151,051"

LFA will amend the totals.

This amendment moves 1.0 FTE and \$75,930 general fund over the biennium from the Department of Family Services to the Department of Corrections and Human Services. This amendment is necessary due to the reorganization of human services (SB 345) that moves juvenile corrections functions from DFS to DCHS. This amendment was not made during the last free conference committee because amendments to SB 345 that moved juvenile corrections to DCHS were made the same day that the free conference committee passed the reorganization amendments for HB 2.

EXHIBIT NO. 117DATE 4/11/95BILL NO. RB 2

Amendments to House Bill No. 2
Reference Bill as Amended Copy

Carried

For House Bill 2 Free Conference Committee

Prepared by Skip Culver
April 11, 1995

1. Page A-7.

Following: line 18

Insert: "e. Claggett Hill Project (Restricted/OTO) 350,000"
(state special 1997)

2. Page A-8

Following: line 23

Insert: "Item 2e is for survey, preliminary design, and staking work, to be performed by or at the direction of Fergus County, on the Claggett hill (old stage road) project. The legislature intends that this work be completed no later than October 31, 1995."

{Office of Legislative Fiscal Analyst

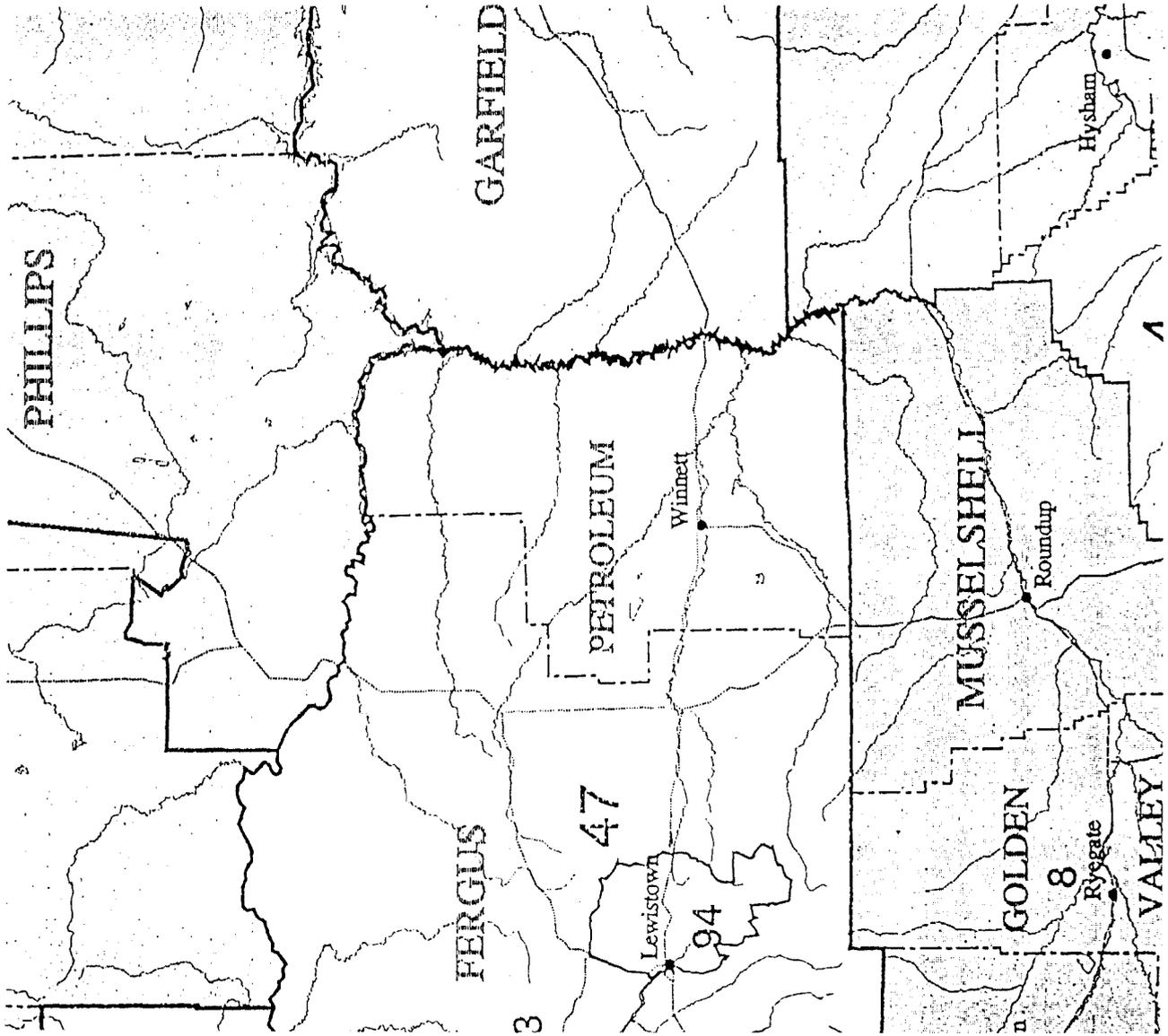
444-2986}

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 118

DATE 4/11/95

BILL NO. HB 2



Amendments to House Bill No. 2
Reference Copy

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 119

DATE 4/12/95

BILL NO. HB2

For the Free Conference Committee

carried

Prepared by L. Thorson
April 6, 1995

1. Page A-1, line 23.

Strike: "70,947" "70,947" (general fund)

Insert: "90,947" "90,947" (general fund)

2. Page A-2, following line 11.

Insert: "NCSL 40,000"

LFA will adjust totals.

Explanation of Amendment:

Legislative Council - This amendment adds \$40,000 general fund for the biennium for National Conference of State Legislatures dues.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Conference Committee

*carried*Prepared by OBPP
April 12, 1995

1. Page A-4, line 3.

Strike: "975,273"	"137,914"	"958,542"	"138,244"	[GF and SSR]
Insert: "1,041,271"	"187,914"	"1,024,549"	"188,244"	[GF and SSR]

The LFA will adjust totals.

Explanation: This amendment restores funding for the Montana Consensus Council in the Governor's Office, increasing general fund by \$65,998 in FY 96 and \$66,007 in FY 97. State Special revenue increases by \$50,000 each year for private contributions and miscellaneous revenue generated by council services. The funds will support 1.75 FTE and necessary operating expenses.

2. Page D-7, following line 20.

Insert: "b. Swan River Correctional Treatment Center Security Staff	225,666	249,334"	[general fund FY 96 and FY 97]
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The LFA will adjust totals.

Explanation: This amendment adds general fund of \$225,666 in FY 96 and \$249,334 in FY 97 to Swan River Correctional Treatment Center. This includes the addition of 5.00 FTE to allow the center to operate with enhanced security and no trustees at the 60 trainee level.

3. Page E-5, line 7.

Strike: "1,454,364"	"357,688"	"1,440,683"	"357,529"	[GF and SSR]
Insert: "1,529,364"	"282,688"	"1,515,683"	"282,529"	[GF and SSR]

The LFA will adjust totals.

Explanation: This amendment adds \$75,000 general fund each year to the Montana School for the Deaf and Blind for the outreach services of the school, which already are partially funded. The amendment also decreases state special revenue authority by a like amount each year since the fees will not be charged to local school districts in this amount.

4. Page E-5, line 23.

Strike: "83,179,688" "84,089,980" "84,887,696" "88,694,797" [GF and SSR]
Insert: "88,804,688" "96,796,169" "90,512,696" "102,851,539" [GF and SSR]

The LFA will adjust totals.

5. Page E-7, lines 10 through 12.

Strike: lines 10 through 12 in their entirety

Insert: "It is the intent of the legislature that the Montana university system student FTE at the six units and colleges of technology be comprised of at least 78% qualified resident students. Not more than 22% of student FTE may be qualified nonresident students."

Explanation: This amendment requires reconsideration and rejection of the prior Free Conference Committee amendments. The general fund in this amendment is reduced from the previous amendments by \$375,000 per year. The tuition in this amendment is above the previous amendments by \$9.2 million over the biennium. Like the previous amendments this amendment deletes language in the reference bill that allows for a \$15 million general fund supplemental. This amendment deletes restrictive language added in previous amendments, except for the intent language above. General fund increases by \$5,625,000 in FY 96 and \$5,625,000 in FY 97; tuition increases by \$12,706,189 in FY 96 and \$14,156,742 in FY 97.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

Requested by Senator Jacobson
For the Free Conference Committee

failed

Prepared by Sandy Whitney
April 12, 1995

1. Page E-7, line 10.

Following: line 9

Insert: "The Montana university system shall limit resident students in the six units and the colleges of technology based on expenditure of general fund money and millage of at least \$4,040 per resident student FTE in fiscal year 1997."

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Bill as Amended Copy

EMEND NO. 122DATE 4/12/95BILL NO. NB2*carried*

For the Free Conference Committee

Prepared by Skip Culver
April 12, 1995

Move to reconsider action on amendment to line item
\$55,000 general fund for school bus safety .

Move to reject amendment which line items school bus
safety.

Move the following amendment:

1. Page D-2.
Following: line 11

Insert: "It is the intent of the legislature that the
school bus safety services, formerly provided by the
office of public instruction, be provided by the
highway traffic safety division during the 1997
biennium."

Explanation: This amendment transfers the responsibility of
the school bus safety program from the Office of Public
Instruction to the Highway traffic Safety Division.

{Office of Legislative Fiscal Analyst

444-2986}

EXHIBIT NO. 123Amendments to House Bill No. 2
Reference Bill as Amended CopyDATE 4/12/95BILL NO. HB 2Requested by Senator Jacobson
For the Free Conference Committee*failed*Prepared by Skip Culver
April 11, 1995

1. Page E-1, line 13.
Strike: "Vocational Education --"

Explanation: This amendment will allow OPI to use the appropriation for termination payouts (item 1d) for any employee who retires or terminates their employment. As House Bill 2 presently reads, item 1d can be only be used for termination payouts of the vocational education staff. The appropriation remains restricted for purposes termination payments.

{Office of Legislative Fiscal Analyst

444-2986}

Amendments to House Bill No. 2
Reference Copy

For the Free Conference Committee

Prepared by Mark Lee
April 6, 1995

Carried

1. Page C-6, line 6.

Strike: "287,660"	"1,153,791"	"282,478"	"1,141,778"
Insert: "410,825"	"1,030,626"	"405,643"	"1,018,613"

2. Page C-8, line 25

Strike: "1,033,462"	"650,021"	"1,088,997"	"642,366"
Insert: "1,154,563"	"528,920"	"1,210,098"	"521,265"

3. Page C-9, line 12.

Strike: "1,370,296"	"1,375,582"		
Insert: "1,257,273"	"1,262,559"		
Insert: "113,023"	(general fund in fiscal 1996)		
Insert: "113,023"	(general fund in fiscal 1997)		

4. Page C-9, line 14.

Strike: "2,589,966"	"2,989,602"	"2,582,873"	"2,482,824"
Insert: "2,934,229"	"2,645,339"	"2,927,136"	"2,138,561"

5. Page C-9, line 18.

Strike: "169,786"	"335,589"	"169,786"	"330,248"
Insert: "218,234"	"287,141"	"218,234"	"281,800"

The LFA will adjust totals.

6. Page C-9, following line 23.

Insert: "If House Bill No. 569 is passed and approved in a form that allocates metalliferous mines license tax receipts to the renewable resource grant and loan program state special revenue account or to the reclamation and development grants program state special revenue account, or both, then the general fund money in item 4 is reduced by the total amount of metal mines license tax receipts deposited in the two state special revenue accounts less any increase in the statutory appropriation from the renewable resource grant and loan program state special revenue account to Montana state university-northern and the state special revenue in item 4 is increased by a like amount."

The renewable resource grant and loan program account and the reclamation and development grants program account (state special revenue accounts receiving RIT interest and RIGWA tax proceeds) are over-appropriated by more than \$1.7 million for the biennium. This amendment uses \$750,000 of general fund each year (\$1.5 million over the biennium) to replace state special revenue in the Department of Natural Resources and Conservation (\$626,835 each

year) and the Department of State Lands (\$123,165 each year). HB 569 allocates a portion of metal mines tax receipts to these two accounts and increases the amount of statutory appropriations to MSU-Northern from the renewable resource grant and loan program account, which has a net effect of decreasing the over-appropriation by 0.4 million during the biennium. The language reduces the amount of general fund back-fill in the event HB 569 passes.

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444-2986}