MINUTES OF THE MEETING FINANCE AND CLAIMS COMMITTEE MONTANA STATE SENATE

April 11, 1983

The 20th meeting of the Senate Finance and Claims Committee met on the above date in Room 108 of the State Capitol. Senator Himsl called the meeting to order at 9:00 a.m.

ROLL CALL: All members were present.

Senator Himsl said that we have 42 bills to act on before tomorrow night. Thirty bills to hear and act on before tomorrow night. I would ask for as brief as possible testimony and keep extraneous questions down. There are three things we can do. Pass, table or kill them. I would ask your cooperation to be as quick and brief as possible. This committee has had a lot of experinece in these matters and we do not have to be educated. I would also call your attention to the bills listed on the board. We will meet again at 2 p.m. today. We will recess and caucus and then go back into session. There is a possibility we may meet again tonight at 7:30 p.m. That depends on the situation.

CONSIDERATION OF HOUSE BILL 405: Rep. Holliday, chief sponsor of the bill, District 46, said this is an act to establish a central access point for health information serving all of Montana. This service would be utilized more by people in the rural area because of the lack of information in those areas. More school nurses, etc. This way they could call a toll free number. \$197,000 request for the biennium to the Department of Health and make available by contract to private non-profit organizations.

SHEILA SCHRUER, Five Valleys Health, passed out the fact sheet, Exhibit 1, attached. She said they had 5,000 calls in 1982, primarily the users are mothers with young children and senior citizens.

DR. PAUL EVANS, private physician, said this would give accurate health information that Montana physicians now provide. It would provide information but not try to diagnose ailments. Unfortunately, many of us in the rural areas just don't have the time to provide this service.

CHESTER ?: (I did not understand this man's last name and he did not sign the Vistor Register.) He said we heard about this net work and we have used it to have patients check and to give the information to the patients. I have spoken to several along the Highline. We cannot afford to provide the resources for these services.

YVONNE BRADFORD, Public Health Nurse, Missoula, said since health education is the national part of the Health Departments roll, this information is necessary. This would help the Public Health Nurses and supplement the work we are doing. It would be a cost saving service to the health organization team.

DR. DRYNAN, Director of the Public Health Department, said we support the concept of this bill as to aggregating and collecting the information to the people and to the people taking care of the people. It is an aid to the better care and education of health care.

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STACEY FLAHERTY, Women's Lobby Group, said we support the bill. It is pretty important to rural mothers. It frees up time for public health nurses to devote to direct care.

D. MILES, Polson, said he would strongly urge passage of this bill. A good deal of Lake County is devoted to the Flathead Indian Reservation. The tribes have availed themselves of this information since it began. Now any white woman married to an Indian has been dropped from the rolls. We have a high number of unemployed at Lake County and the self-education material that the Five Valley Organization offers to the people means they at least have some self-education material they can utilize.

MORGAN T. E. REIF, Director, Ravalli County Disaster Emergency Services, said we have realized the full benefit of this service. Prior to 1982 only one unit had been set up and the Five Valley Health Care was instrumental in helping us set up one in Missoula.

There were no further proponents who spoke and Senator Himsl asked if there were any opponents.

CHAD SMITH, Montana Hospital Association, said the reason they oppose the bill is that it is a duplication of services. The service, as designed in this bill, is already being adequately offered. The greatest concern is to obtain the services at the lowest possible cost. The basic means of receiving information will be through the physicians. If he can't handle it, he will transfer to someone who knows how to treat you. this bill you see the outline. It will present to lay persons and health care people, etc., the information, and we say it is best if they contact their physician. You can obtain this information through the local hospital, Health Care Delivery Systems, the hospitals have an elaborate system where they handle this information. They can provide someone with the basic information on how to obtain health care. This appropriates the money to the Health Department but does not allow the Department to expand the system. Page 3, line 6. The money just goes through the Health Department to a non-profit corporation and they have no control over it. If appropriated to the Board of Health, they should be spending it.

JERRY LEONDORF, Montana Medical Association, said they oppose it on the basis of priority. We feel since money is there, it should be appropriated to an area where they get direct patient care.

BILL LEARY, President of the Montana Hospital Association, said we are opposed to much of what the bill stands for. I am sure they could get the same information from the State Department of Health. There was talk that in some rural areas they don't have it. There are in-house services that are linked to a medical library. One is at the Columbus Hospital at Great Falls.

There were no further opponents to House Bill 505 and Senator Himsl asked if there were questions from the committee.

SEN. VAN VALKENBURG: Dr. Evans, could you respond to the fact that the Medical Association and the Hospital Association has spoken to?

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DR. EVANS: Part of the thrust of this bill is to give information to consumers. A large portion is for maintenance and preventative care. If we can prevent it, that is where the biggest cost will be. 2. This information is made available to physicians. The information made available to physicians is for diagnosis and treatment. If I call, I can get detailed and technical information. I can possibly give to my patients some of this information. I need the kind of information that I can give out to my patients.

SEN. HIMSL: In regard to the remarks to make a competative health system, I concur in the first. If the consumer is more informed, he can make a decision as to when he has to see a physician. You maximize that we must keep the consumer aware.

SEN. STORY: Would the state have to pick up the tab because on the phone someone called and talked about gallstones and they were actually about to have a heart attack. I don't know if the state should be liable on it or not.

YVONNE BRADFORD: That area was researched by County Attorneys and others. We do not give information that is of a diagnostic nature on the phone. Most issues deal with stress. We do not get questions or answer them on diagnostics. We say go to the doctor.

REP. HOLLIDAY to close: These are support letters on loan from Rep. Bardnaouve. It is unfortunate that the monies must compete for valuable health dollars.

Senator Himsl delcared the hearing closed on House Bill 405.

CONSIDERATION OF HOUSE BILL 385: Rep. Quilici was the chief sponsor of the bill but Sen. Haffey spoke on the bill.

SEN. HAFFEY: We talked about this thoroughly when we talked about the Game Warden's reclassification. The words are about the same thing. The dollars are on the bill to carry out the paying of what the reclassification has concluded to be appropriated.

TOM SCHNEIDER, Executive Director PERS, said this was the appeal that actually was heard and the decision made on. There was \$171,000 in General Fund money along with the earmarked. The requirement contribution comes out of driver's license fees that are deposited in the General Fund.

There were no further proponents, no opponents, and Senator Himsl asked if there were questions from the committee.

SEN. AKLESTAD: Does this go further than the Board of Personnel Appeals?

TOM SCHNEIDER: There was no effort to go to the District Court or further. Evidently, a decision was made to accept the decision on both of the personell appeals.

SEN. AKLESTAD: Could I ask why it did not go any further?

SEN. SMITH: This was discussed at our Legislative Finance Committee meeting last fall and we did ask one of the Attorney General's staff to appear and let us know why this amount of money was being asked for. It was brought out, that the Attorney General's office did not appeal it, they supported it. It would appear it is the last time we will be caught in this kind of a bind.

TOM SCHNEIDER: I would reiterate that House Bill took away the right to do this again. The law specifically will not let it happen again. The consideration may have been the reason that it would have been over \$2 million.

SEN. SMITH: Any reclassification has been brought to the budget office that sets the salaries for state government.

SEN. HIMSL: The reason it was not carried on was they thought they would lose it and it would cost more to carry it on.

TOM SCHNEIDER: A very solid report. The District Court has refused to get involved perse, unless an error that was something that was overlooked and an error.

SEN. HIMSL: More the other way?

TOM SCHNEIDER: Yes.

SEN. HIMSL: Better to settle this way?

TOM SCHNEIDER: Yes.

Senator Himsl declared the hearing closed on House Bill 285.

CONSIDERATION OF HOUSE BILL 435: Rep. Bardanouve explained this bill as a supplement for federal and earmarked revolving funds. This bill will cover the current proposed budget amendments. Rep. Bardanouve ran through the bill explaining where it would give the agencies the authority to spend the money.

There were no further proponents and Senator Himsl asked if there were questions from the committee.

SEN. HIMSL: You listed the education program and service program and on our bill those have been struck.

REP. BARDANOUVE: My apologies, I was reading off the House preparation sheet to save time. This would be page 5, lines 1, 2 and 3.

SEN. THOMAS: The language is already in the House Bill 500 of last year. It has been done and it was not necessary to put it back in the budget.

There were no further proponents, no opponents, and Senator Himsl asked if there were questions from the committee.

SEN. DOVER: On page 4, line 17, the Board of Examiners and Brian McCullagh, Department of Commerce, would like to address this.

BRIAN McCULLAGH: This year there are 10 private physicians under investigation. In the past, we have used an additional 4 and 2 have to proceed with the investigations. The problem is the additional spending authority. The amendment would be on page 4, line 18 after line 17 you would insert the words "Board of Medical Examiners, \$14,347, earmarked revenue."

SEN. SMITH: Do they have enough in the account to cover this?

REP. BARDANOUVE: Yes.

SEN. HIMSL: Any problem?

REP. BARDANOUVE: No.

SEN. VAN VALKENBURG: Curt, do all these expenditures need the provisions in the statute?

CURT NICHOLS (LFA): We have reviewed all but the last one.

REP. BARDANOUVE: LFA reviewed and all are duly qualified.

SEN. THOMAS: Due to the anticipated funds for wardens going into pension funds, do you think they might be a little over zealous in issuing citations? There are a lot of programs, etc. If you go and kill someone, the penalty is less than to kill a game animal.

JIM FLYNN, Director of Fish, Wildlife and Parks, stated we have stepped up the current violations. We stepped them up because of the comments by the supporting people that this is what they want to see. A good portion of this money has come from the last legislature that increased this amount of fines.

SEN. THOMAS: Some of the criticism of people going out for Sunday rides is the Fish and Game have road blocks and people going out for a ride have been searched. They felt wardens were a little zealous in procedure.

JIM FLYNN: We try to avoid these situations.

SEN. BOYLAN: Do we hire 4 highway patrolmen to squeal on us if we exceed the speed limit?

REP. BARDANOUVE: Except for the Senators here, most of us should obey the law. The federal law says if we are too far out of line we can lose our federal funds. They make spot checks on the number of people speeding and how many arrests in proportion.

SEN. SMITH: Most of the complaints were in reduced arrests made and not enough enforcement in Fish and Game.

SEN. DOVER: On this over \$300,000 for emergency division for energy surveys etc. for BPA, is this a duplication? Are we getting some place or pumping money into so many studies?

REP. BARDANOUVE: Under the laws passed which changes the whole operation of BPA, there was an arrangement made that they can have a review and plow a percentage of the revenue back to energy. This was passed 2 years ago.

SEN. HIMSL: Rep. Bardanouve, do you have closing remarks?

REP. BARDANOUVE: No.

SEN. HIMSL: Then I will declare the hearing closed on House Bill 435. I understand there may be some urgency on this bill.

DISPOSITION OF HOUSE BILL 435: Senator Dover moved the amendment, voted and passed.

SEN. DOVER moved the bill as amended. Voted and passed unanimous of those in attendance. Senator Smith to carry the bill.

The committee had a 10 minute recess, THEN reconvened.

CONSIDERATION OF HOUSE BILL 613: Rep. Lory said this is the subdivision review. The service is provided by the subdivision bureau. They ran out of money and came in for a supplemental. We want to try to stabilize the the subdivision bureau and make it self supporting. In the long run, this should wash. If it does cost money, we can review it at the end of the biennium. I would request this committee put in the sum passed in 447 and amend in the 613 amendments. \$211,648 for 84; \$225,537 for 85. The committee can then amend it. House Bill 613 was written before House Bill 447 was acted upon. There is a legal mandate to review and a mandated time for review and the long review means realtors are paying interes Therefore, the subdivision has to operate.

DR. DRYNAN, Director of the Health Department, said the subcommittee did appropriate the amount of dollars that Rep. Lory alluded to. \$54,000 supplemental for the remainder of 83 to continue the operational functions within the Water Quality Bureau. We put it there to go with a base number of FTE's, 3 engineers and a secretary. We assign some of the subdivision review to federal dollars. At least the portion that reviews the safe drinking water. We would not be looking at additional FTE in peak periods and have the net number to do the base operation. At the present time, we have continued to use water quality FTE. We are trying to get the review to do the functions of July 1. Now only \$9,600 in the earmarked account. We are operating the subdivisions 2.6 FTE to try to generate enough earmarked revenue. We must repay by June 30 the balance of the General Fund. In addition to using the rest of the earmarked balance to repay the General Fund, we have to generate \$54,000 in earmarked funds. It must have a balance of \$30 to \$35,000 to continue the function. looks like now we will not have it. April is usually a heavy month and still not a normal number of reviews. Approximately \$21,000, we would then have to repay the \$54,000 and the balance would revert and we would have to begin July 1 with a zero balance. We are looking at a repeat of

what we had to do in November. Our balances in subdivision review. I would anticipate in General Fund will be paid for money fund but not to continue the operation.

DENNIS REHBERG, Montana Association of Realtors: I am in support of the bill. We have a situation now with a subdivision law and now that is unmanaged, burdensome and a problem. One thing basic. The subdivision agency went broke because it spent more money than it had. Lot reviews were down and they did not adjust quickly enough. On House Bill 613, if we pass a law, make sure the program itself is stable.

There were no further proponents, no opponents and the Chairman asked if there were questions from the committee.

SEN. AKLESTAD: If we pass this, what happens to House Bill 118? Is there some other provision in it?

REP. LORY: 3 If there is, I am not aware of it.

SEN. AKLESTAD: Why this bill? Page 2, line 11. That is where the amount was needed in House Bill 118.

REP. LORY: "It will have to be modified in 118.

SEN. AKLESTAD: This bill will actually put the subdivision at \$40 for the next 2 years. \$10 more?

REP. LORY: This has nothing to do with the fee. That is changed in 118.

SEN. HIMSL: This funds it from the General Fund and the collection of fees. Does this go into the General Fund to stabilize it?

SEN. REGAN: If we go ahead and amend the bill with the amendments of 211 and then the subdivision goes to \$50 a lot, then is that the catch and if not at \$50 there will be a short fall?

REP. LORY: The original bill was at \$50.

SEN. KEATING: What is the effect on House Bill 447? This would change it so that the General Fund will have to be changed there. If 447 is amended, do you need this one?

REP. LORY: "If it was changed and reverted, it would do the same thing.

DR. DRYNAN: One problem I see, it is important the committee remember that part of these funds are to pay the counties out of if they continue to do this, it would reduce the need for General Fund money.

SEN. REGAN: How much is earmarked?

DR. DRYNAN: \$9,600.

SEN REGAN: If an appropriation, any more new in earmarked?

DR. DRYNAN: We have continued to pay the counties out of the earmarked funds. The counties are paid every month out of the earmarked fund and before done.

SEN. REGAN: If we appropriate General Fund money to the work and the money is expended by your department, they will have to take the \$65,000 out of the General Fund appropriation or you will not have the money. Only \$9,000 that is earmarked.

DR. DRYNAN: If appropriated General Fund to operation, you can reduce that amount as long as we can continue to pay the counties out of earmarked fund.

SEN. REGAN: Do you intend to take this money and put it in an earmarked account?

DR. DRYNAN: If the function is general funded by the subdivisions in the Water Quality Bureau which is earmarked, the state would have to replace the amount taken from the Water Quality. If counties are paid out of earmarked fund first and the remainder put back into the plan.

SEN. HIMSL: If appropriated to the General Fund, you would not have the earmarked fund. The total amount appropriated to the earmarked, could collect fees from the developers and put it back into the General Fund and the General Fund could pay the counties that portion that they are doing for you.

DR. DRYNAN: The total amount it will pay it out and the General Fund money will total earmarked. We will reduce the earmarked by that amount, etc.

SEN. AKLESTAD: This said \$9,000 left. We just bought a supplemental.

DR. DRYNAN: We are operating on the earmarked water quality money now.

SEN. AKLESTAD: \$63,000 to run you between now and July 1. \$63,000 if you add it all together.

DR. DRYNAN: \$63,000 makes the replacement.

SEN. HIMSL: If we appropriate the supplemental, why the replacement?

DR. DRYNAN: This is also to establish a balance by June 30.

SEN. AKLESTAD: The balance reverts.

DR. DRYNAN: If I generate it, it has to be refunded.

SEN. AKLESTAD: The wash is that we will guarantee \$54,000.

DR. DRYNAN: Yes.

SEN. AKLESTAD: The \$54,000 is a guarantee to the department so that in case they do not generate the funds. If 118 generates \$200,000 each year, how do we handle the remaining money in this bill?

SEN. HIMSL: This bill simply makes an appropriation from the General Fund for this amount of money and they will collect from various developers these fees and it will come into the General Fund. Moreor less is the gamble you make.

SEN. AKLESTAD: You are continuing them at not quite \$50 a lot. Maybe \$47.

DR. DRYNAN: It was projected at a minimum number of lots heard through now. If more it would be more. Over the long run it would wash.

SEN. HAMMOND: No incentive to get the subdivision review done faster.

DR. DRYNAN: By law, completed in 60 days. On major and minor subdivision reviews.

SEN. SMITH: Would you oppose the language in the bill that the general appropriation will not exceed the fees collected? This is open ended. There is no insurance the fees will compensate.

SEN. VAN VALKENBURG: That defeats the whole purpose of the bill. It is to guarnatee the whole continuity of the subdivision money.

REP. LORY: In closing, said it will probably have to be modified, not revert, the rest go into the General Fund. We will try to stabilize it. The subdivision has the job and this should help.

SEN. DOVER: Is someone going to get the amendment?

REP. LORY: I will make them up for you and get them to you.

Senator Himsl declared the hearing closed on House Bill 613.

CONSIDERATION OF HOUSE BILL 759: Rep. Menahan, chief sponsor of the bill, said basically the purpose of this bill is the influx in the number of patients and not hired enough help. This gives them the chance if the daily population increased they could put on additional people. happening is a real increase in the strangulation attempts. A person attempts strangulation daily in the cell and we do not know what the cause It is also a singular effort just sitting on appropriations and seeing what we are being sued for. Is it not necessary to have enough to handle the people in the institution. Carroll South used some money to pay back an obligation to the Workman's Compensation Fund. 390 people funding for 315. If the population goes up, they will come in for a supplemental. want it to be set. We will not come in for a supplemental and more money and have patients become injured at the institutions. The last was from Missoula. The person who tried was from eastern Montana. The other was on the forensic unit. If the strangulation attempt had been successful, what would our liability have been? This is a problem. In Denver, Friday, they said they handled all the mental health by crisis. In 75 we handled the institutions by crisis.

SEN. HAFFEY spoke as a proponent of the bill.

There were no further proponents or no opponents and no questions from the committee. Senator Himsl declared the hearing on House Bill 759 closed.

CONSIDERATION OF HOUSE BILL 315: Rep. Fabrega, House District 44, Great Falls, said the bill, as originally introduced, would empower the Department of Commerce to identify the abandoned rails in the state and right of way and to submit to the 49th Legislature the estimated cost of acquisi-I have here a revised copy. Since the bill began to make its way, a number of abandonments have been identified and the bill has been changed. Geraldine and several other abandonments have come to light. an abandonment were within 10 miles of a rail line, it should be considered. Under the Staggers Act, the railroad can offer to turn it over to the state. I understand that for \$1 they would give the Geraldine line to the state. The main purpose of the bill would be to empower the department to negotiate and acquire some of the branch lines that are being proposed for abandonment and at the same time the amendments would transfer to the local authority the rights and ability to maintain transportation. state becomes the mechanism of transfer and while the state might hold title to it they would not operate it but turn it over to a local authority. Rep. Fabrega turned over some proposed amendments, attached to the minutes.

VIGGO ANDERSEN, Director MGGA and president of MCFRA, said he was a proponent of the bill, his testimony is attached to the minutes. (Exhibit No. 1, House Bill 815.)

TERRY MURPHY, President, Montana Farmers' Union and board member of the Montana Freight Rate Association, said we whink the bill is important and the amendments as well. What is critical is to get some authority to act. The Geraldine abandonment: is what just came up and is the thing that caused us to change this bill. At Three Forks or Miles City, the main line is out and it is truck service. Only about 1 1/4 miles away is the BN which is connected. If they were still in place we could use it as a spur.

LOIS TONNE, WIFE, said some commerce plans line proposals. A combination is the best method of stabilizing rates. The highways were not built to handle the loads. Set restrictions are being placed on them which will prevent the transports from loading up to the legal wheat limit. It is becoming increasingly difficult to find transportation to haul. Current cost now is nearly 1/3 of the total that they receive. There are many miles of right-of-way not on the map but are under study for abandonment.

BILL FOGARTY, Department of Commerce, said this would allow the state to work into the chosen abandonments in case it could be used for local. The state would hold only the right-of-way and local areas would have the responsibility to fund the rail. The rails have some additional expenses in shipping and failure to support business that grew up around it. In some cases, we feel it would be more advantageous to the state to maintain the branch lines.

JAMES T. MULAR, BRAC, UTU, BNWE, said he would give some background on the Geraldine abandonment. His testimony is attached. (Exhibit No. 2, HB 815)

SEN. SMITH: I would like to remove myself and speak as a proponent of House Bill 815. He said without this type of legislation, many of the lines will be abandoned. I thought we should do something about the lines that are abandoned. If the 140 miles of line in our area is taken out, I am sure you will recognize what will happen to the highway system. It will not allow the state to get into the transportation business. We would discuss this after originally agreed upon. We should be taking care of those in place. I removed the word "shall" and I think it should be "may" so that we are not dictating it. \$78,000. I told them I was sure if they talk about the abandoned ones, I felt this so important that we should put in the \$64,000 in this particular appropriation. The money can be used for any of those lines that are to be researched in regard to abandonment.

REP. ROBERT BACHINI, District 99, said he concurred in what was said.

SEN. TVEIT said he would remove himself from the committee for the purpose of testifying for the bill. About 45 miles in our area is up for abandonment and the roads in this area are already bad.

SEN. HAMMOND: I would like to go on record as supporting this bill. Some of the lines scheduled for abandonment are in the Turner-Hoagland plains.

SEN. DOVER: I would also go on record as in favor of the bill.

There were no further proponents, no opponents and questions were asked from the committee.

SEN. HIMSL: I wonder if not a technical problem with the title proposing to do one thing and this completely changes the intent of the bill.

SEN. SMITH: The original bill said abandonment.

SEN. HIMSL: This plan for acquisition of abandonment. This bill is entirely different. Has it been cleared?

SEN. ETCHART: We had a bill in the Highway Department where the amendments changed the title and Sen. Hager sent it to the rules committee and they approved it.

SEN. HIMSL: Have you checked it? It changes the whole thing. I was asking for information.

SEN. AKLESTAD: I have a question of audit. How are you going to operate it. Atter getting the abandoned line, will you try to get someone to purchase it like a local association and give them the right to operate it over the line and then BN or whatever comes in and picks up the cars. Do you think BN will come in and pick up your cars or do they come in and pick up their own cars?

REP. FABREGA: That is what was stated in the meeting. They would do

a taxi service type of thing, but not an owner operator.

SEN. AKLESTAD: Not just a shot in the dark for that group to come in to maintain the bed?

REP. FABREGA: A possibility. That would all have to be checked, and also the cost on the highways weighed.

SEN. AKLESTAD: What is the state's liability after purchasing this road bed?

REP. FABREGA: Once it is turned over to an operator?

SEN. AKLESTAD: Before we turn it over. Then we have to purchase liability for this?

REP. FABREGA: I would assume so.

SEN. SMITH: You are getting way ahead. All we are doing here is to go in and see if it is profitable. Four years ago there was a bill in here to get the state into the railroad business. I was vigorously opposed.

SEN. AKLESTAD: If you pick this one up for a buck, I would still like to know what the liability is.

SEN. SMITH: The intent of the bill is to find out.

SEN. REGAN: I would like to address a question to Mr. Delano. Is the company being so generous? To follow this up, I am just a city gal and not hauling grain anywhere. If we are to purchase the line in question for \$1, how much would it cost to build the right-of-way up to snuff to maintain and roll grain on it.

MR. DELANO: \$19.5 million to bring the trestles and railroad up to snuff to run trains over it.

SEN. REGAN: \$19.5 million for about 17 miles. I have one more question. Would the company be willing to allow us to purchase that if they were aware we were going to take the tracks up and keep it for something else?

MR. DeLANO: The salvage value of the track would be considerable. If the state were going to salvage the track the B. N. would want to do that.

SEN. SMITH: This is to be taken into consideration with the price tag on the highway.

SEN. OCHSNER: How much to keep your road bed in shape?

MR. DELANO: I don't know. \$19.5 million to build it up but I do not know what the maintenance would be.

LOIS TONNE: There would be very little maintenance for 20 years after it was brought up to snuff.

SEN. HIMSL: Where do you get that information?

LOIS TONNE: The studies of the Department of Commerce.

(AN UNIDENTIFIED GENTLEMEN): The B.N. has recently done work on the Fairfield line. They told us fairly well maintenance free for that period of time.

SEN. HIMSL: I live near a railroad and they are doing something with it all the time.

SAME MAN: You are probably on a high intensity line.

SEN. HIMSL: It is not a high intensity line. I think I would want more information. Over 3,000 ties per mile. If you divide 20 by 16 dollars a tie, that is the price. If doing it every year instead of letting it run down, you would have considerable maintenance.

SEN. KEATING: If a private group had this right of way, are there federal specifications for track safety before B.N. could run their equipment on the line?

MR. DELANO: Yes. FDA track inspectors.

SEN. KEATING: If not up to snuff, you could not contract. How much for a deserted engine?

MR. DeLANO: About one-fourth million dollars.

SEN. HIMSL: Don't the rail lease the diesels?

MR. DELANO: The B. N. does both. They have an order to purchase a lot of them but do lease a lot.

REP. FABREGA in closing said the problem of this potential abandonment changes the bill. If both the Senate and House pass on something and no one challanges it for 2 years, it is our line. The bill has introduced the purposed services to allow the Department of Commerce to prepare a plan. The Department of Commerce has said why not. The bill failed to have any authority to do anything. I agree that theseother abandonments will create problems in other areas. The liability as Sen. Aklestad mentioned, how many miles and what is the exposure. If you enter into alternate operations, that is one reason we don't want the state to enter into it. Simply owning the collector until someone can operate it—that does not put us into any greater exposure. I hope you can work out the bill. I will leave some information including a map with the chairman. (Exhibit No. 3, HB 815)

Senator Himsl announced the hearing for House Bill 815 was closed and the committee would reconvene at 2 p.m.

The committee reconvened at 2:11 p.m. for the purpose of hearing further bills.

CONSIDERATION OF HOUSE BILL 800: Rep. Vincent said Senator Himsl has asked that the bills be brief. This bill is a Montana State Conservation Youth Corps bill. He turned in testimony, Exhibits 1,2,3 and 4. He said this bill passed the Labor Committee and Dave Rockwell would be available if the committee had questions for him.

There were no further proponents, no opponents and Senator Himsl asked if there were questions from the committee.

SEN. BOYLAN: Why can't we work something in the industries at the prison and put a lot of them to work? There is main security and 8,000 acres of mill and timber and a lot of things done in this area and cut down on the cost of the prison.

REP. VINCENT: That type of program would not qualify under the provisions of this act and the federal account it is tied into.

SEN. DOVER: Why on federal minimum wage and not state minimum wage?

REP. VINCENT: That is a requirement of the federal law.

SEN. OCHSNER: I came up with 477 people at \$1672 a year. How do you keep them on here and pay a minimum wage?

REP. VINCENT: The approximate \$1,600 figure developed at federal level.

DAVID ROCKWELL: Most of the youth employed for a 10 week period. We used a federal estimate for that time.

SEN. KEATING: How do you pay for this?

REP. VINCENT: There are many millions of dollars of federal money that may be coming in. It is 15% state and 85% federal match. For a \$25,000 state out lay. we would receive \$441,000 in federal for a total of \$466,000.

SEN. KEATING: Soft match?

REP. VINCENT: Yes

SEN. KEATING: Minimum wage is covered but what about workman's comp?

REP. VINCENT: We have not been asked that question and I am not sure on it.

SEN. KEATING: Could we encourage this to be a small camp and get the parents to pay for some of this?

SEN. STORY: How do you get some federal funds to match this?

REP. VINCENT: There are certain groups that "may" put up some money for a match. I don't know how likely that some private group would do it. Without the bill there would be no chance of it.

SEN. DOVER: This money the state would put in. That would go out for wages?

REP. VINCENT: Not entirely. The Department of Labor would supervise.

SEN. DOVER: You will have a terrific overhead, won't you?

REP. VINCENT: The supervisor's work will be somewhat above that. There will be someone in the Department of Labor at least on a one-half time basis to put it together. \$1600 for an individual.

SEN. DOVER: What are you allowing on your overhead costs?

REP. VINCENT: We are assuming we would have to work with the money that is there. We want to make sure as much money as possible gets out to the field. The Department of Labor says no problem if someone to get the responsibility is there.

SEN. DOVER: There is a terrific responsibility here. Workman's comp?

SEN. AKLESTAD: This would be administrated instead of legislated plus on page 9, line 22 and 23 it appears here that if we pass this legislation there is going to be a director appointed by the Governor within 30 days whether any money or not.

REP. VINCENT: No. The hiring would be addressed and contingent upon the American Conservation Act being passed.

SEN. DOVER: Are they required to have an equal number of males and females?

REP. VINCENT: Qualifications as under Reagan in California. The ability to work hard and follow instructions. California it is one-third male and two-thirds female.

SEN. AKLESTAD: On qualifications?

REP. VINCENT: I don't know what qualifications. In California, it is signing a committment.

SEN. AKLESTAD: This is under leader conditions. Not the group.

REP. VINCENT: We have already amended the bill to no age limit under this bill. We have amended the bill so that a person knowledgeable in academic work, etc. could be a leader.

REP. VINCENT in closing said he would be more than happy to address any need for changes in here. There is a change necessary if a problem with Workman's Compensation as Sen. Aklestad said. An amendment to go along with a \$2 amount. This is based on the flow of hard work even at \$2 we can anticipate in the program.

Senator Himsl declared the hearing on House Bill 800 closed.

CONSIDERATION OF HOUSE BILL 108: Rep. Manuel, chief sponsor of the bill, said this went through the Natural Resources and the House floor with no opposition. RIT (Resource Indemnity Trust Account) funds are short this year and \$242,000 left. An amendment was passed out here to use up the \$25,000. (Exhibit 1, if turned in will be attached)

JOHN ANDREWS, Muddy Creek Project, spoke in favor of the bill. He handed out a fact sheet, listed as Exhibit 2, House Bill 108.

KEN KELLY, Montana Water Development Association spoke in favor of the bill and his testimony is attached. (Exhibit 3, House Bill 108)

JO BRUNNER, WIFE, asked the committee to give the bill a do pass.

ROY KONEN, Muddy Creed Project, said it did help us on the \$3500 limit when leveling 40 to 50 acres of our land on 1/2 mile of cement ditch to be \$3500. We are paying over 85% of the cost now. With the help, we could get more of the work done and put people to work. I have already leveled some land and 75 to 80% savings on water and time. The main thing to do is to save water.

STEVE MEYER, Montana Association of Conservation Districts said you will hear other bills starting this morning. We realize some problems with RIT. What the amendments would do is prioritize the monies left here. We are asking you to set priorities so that something can be done.

JESS MILBURN, Flood District, Great Falls, said \$7 million in channel change, levees, and dikes. The most of this project can be expedited. They have been studied for years. This is going to have to be done sooner or later.

LOUIE SETTEN, Muddy Creek Project, said there are so many people concerned with this that you would have to get a huge room if they all came.

There were no further proponents, no opponents and Senator Himsl asked if questions from the committee.

SEN. THOMAS: How exactly are you going to stop this?

JOHN ANDREWS: By stopping the discharge into Muddy Creek.

SEN. VVEIT: Does enough flow back from irrigation projects?

JOHN ANDREWS: Yes.

SEN. TVEIT: Sprinklers or what?

JOHN ANDREWS: 85% of the area is under flood. We are promoting some of the first automatic flood irrigating -- we are some of the first in the nation to help this.

SEN. OCHSNER: Leveling land and concrete ditches? Main ditch or lateral?

JOHN ANDREWS: I had all main ditch. On the irrigation project, all the families voted to spend \$3 million in irrigation projects where the seeps are the worst.

SEN. HIMSL: Why was this not included in 885 of the water projects set up by the DNR?

REP. MANUEL: This has a cap of \$125,000 RIT funds and this is a request for the \$25,000 until the next biennium when that fund can't be robbed yet.

SEN. HIMSL: The money is different.

REP. MANUEL: The \$242,000 is there. The amendment I handed out. The reason was to get it under here. I have no further closing remarks.

Senator Himsl closed the hearing on House Bill 108 and said we would convene again right after adjournment of the Senate. Rep. Menahan said his would not take over 5 minutes and Senator Himsl decided to try it.

CONSIDERATION OF HOUSE BILL 187: Rep. Menahan said this bill 217 from the previous session had home health care. \$250,000 from SRS. In the second page, it says this money will be appropriated if the bill in 898 does not come about. It is a contingency fund now. In case line 23, page 1, if the appropriation in 898 does not result in the \$300,000 for in-home services.

HENRY JORGENSON, President of Montana Retired Teachers Association (MRTA) said, I was on the committee for the Legacy Legislature and submitted this and asked it be submitted as an ex-officio member of the American Retired Persons Legislative Committee for the state of Montana. They all established home care as the top priority.

REP. MENAHAN in closing said you have to pass this if you don't get the money in 898.

Senator Himsl said the hearing on House Bill 187 would be closed and for the committee to come back promptly when the Senate session was over.

The meeting reconvened at 5:36 p.m.

CONSIDERATION OF HOUSE BILL NO. 847: Sen. Smith said he had some amendments on this bill that the Tax Appeals Board recommended. Instead of increasing insert "providing that" in the title.

SEN. STORY: The Appeals Board is all that is in the bill.

<u>DISPOSITION OF HOUSE BILL NO. 387: MOTION</u> by Sen Dover to adopt the amendment. Voted, passed. This would include the other amendments to make the change.

MOTION by Sen. Dover to move the bill be concurred in as amended. Voted, passed. Sen. Smith to give the amendments to the secretary.

CONSIDERATION OF HOUSE BILL NO. 364: Rep. Connelly said about 30 people came over and and we talked about what the timber industry needed and what the problems were. They said to extend the forestry program. A lot more should be done by research into such things as the pine beetle, etc. The extension program is in Bozeman now. The money runs out in July. The private landowners feel it should be continued. She told about the people who were going to come in who supported the bill.

There were no further proponents, no opponents and Sen. Himsl asked if there were questions from the committee.

SEN. DOVER: You said if you don't get funded this amount - if you don't get funded at all, do you want the program?

REP. CONNELLY: Yes. We could get money from private funds then.

SEN. DOVER: I raised the question to myself. Even with money from private sources, you still have to get an appropriation, don't you?

SEN. REGAN: The language on line 17 is why they want the bill. The Department "shall" provide and we are mandating that they do something. Next session they will point to the bill and say it is mandated and you have to fund it. The original language on the books now says the Department "may give". If we are to pass the bill without the appropriations we should be mandating that they "shall" do this by obligating to fund the mandate for the next time.

SEN. HIMSL: Why to state land? Forestry in Missoula, School of Forestry in Bozeman and then this is the State Foresters.

REP. CONNELLY: It is in Bozeman now. Gary Brown has been helping.

SEN. HIMSL: Would this mandate this?

REP. CONNELLY: They have already agreed.

SEN. AKLESTAD: We had a bill in before to study all bugs. All the

stuff they are studying and you feel you still need this?

SEN. HIMSL: The Lubrecht forest program?

REP. CONNELLY: They cooperate with that too.

Rep. Connelly, in closing, said the landowners did not want a lot of regulation but a lot of research, etc.

Sen. Himsl closed the hearing on HB 864.

CONSIDERATION OF HOUSE BILL NO. 153: Rep. Kitselman, chief sponsor of the bill said there were four key words; \$5,000 and 1 to 2. Resolution 16 passed the Montana Senior Legacy in 1982. This Resolution was priority number 5 in presentation to this legislature. This is for an appropriation based on matching funds - \$1 for every \$1 to fund the Legacy Legislature. It does afford the seniors to come and defend the laws that affect the senior citizens and sometimes other people. This covers an 11 county area and represents about 200 citizens. About \$51,000 was raised to support the 1982 Legacy Legislature. The seniors gave up their lunch money to raise this. It was a very concerted effort. Some seniors can afford better to fund this than others. It would provide a better and broader base.

JUDITH CARLSON, Department of Social and Rehabilitation Services, said I can represent 110 senior citizens in the state. We support the bill.

CHARLES BRIGGS, Governor's office, said he supports the bill. Information will be handed out from a senior citizen.

There were no further proponents, no opponents, and Sen. Himsl asked if there were questions from the committee.

SEN. AKLESTAD: It is probably a good cause but is it fair this group gets funding? Maybe the State should also pay for the teachers' convention or the farmers' convention?

REP. KITSELMAN: This comment came out in the other testimony. These people are all on fixed incomes and a lot of the legislation does affect the state aid. Before the break, we had home health care legislation. A lot of people cannot afford to come in. The first legislation was funded under federal funds. The people are trying to raise the funding. Originally it was a dollar to dollar match.

SEN. HIMSL: The ratio: this would amend from \$1 to \$2? Does it mean that \$5,000 has to be taken from the general fund for this?

REP. KITSELMAN: One dollar the senior would raise would be matched by \$2 from the state. The maximum we would have on this would be the \$5,000.

SEN. HIMSL: Someone had calculated this at \$2500.

REP. KITSELMAN: You have to raise that much.

SEN. HIMSL: Federal \$25,000?

REP. KITSELMAN: \$10,000.

SEN. HIMSL: What kind of legislature are they go have at \$5,000?

REP. KITSELMAN: This was the request. They don't want a handout, but simply some aid.

SEN. HAMMOND: How many senior citizens are there in Montana?

MR. BRIGGS: 119,000 by the calculations in the 1982 census.

SEN. HAMMOND. They sent how many up here?

MR. BRIGGS: Sixty-eight. They do this by an elected process in local areas much like the senate and representatives are chosen.

SEN. STORY: How many participated in the last election?

REP. KITSELMAN: About 2500 actually voted.

SEN. BOYLAN: CAn't we amend the bill so that a fee on each legislator would donate \$33.50 to sponsor the program? I don't think that would hurt any of us.

SEN. HAMMOND: Ten cents each of the 119,000 would get them up here. I would like to have figures on how much harder.

SEN. REGAN: I would like to see also the figures on senior citizens in the poverty class. I think it would be a lot because it demonstrates to us what they see as their most pressing needs. It is a good way for what they say is having a real input into the legal process. I don't think that is such a bad idea. By the same token I am looking at what Boys' State and Girls' State have.

SEN. HAMMOND. I would answer. Boys' State and Girls' State certainly don't have the where-with-all to create a situation where they will choose to be heard. I know there are a lot that are in the poverty class. A lot aren't and they can raise it themselves.

SEN. AKLESTAD: At 10¢ each they can raise \$11,900.

Helen Haegele spoke for HB 153 since she had come in late.

SEN. HIMSL: If no other questions or comments we will have Rep. Kitselman close.

REP. KITSELMAN: Some of the questions raised are very legitimate questions. I did keep a tremendous amount of people away. There was a very strong number of proponents of the Legacy Legislature and they have given upa lot of time and money. Some can afford to come here but the true representation is to be representation of all walks of life. People actually gave up the lunch money in the Billings

Senior Citizen Center to participate in this. They had to be 60 years of age or older. I think you will see their #1 priority was home health care. This was true in 1981 and again in 1983.

Sen. Himsl declared the hearing closed on HB 153, and said the committee would recess until 7:30 p.m.

The committee reconvened at 7:33 p.m.. Sen. Himsl apologized to the committee members for the rough schedule but said 45 bills had come oer in the last couple of days and we are operating on a very tight time frame.

CONSIDERATION OF HOUSE BILL NO. 793: Rep. Bertelsen, District #27, chief sponsor of HB 793 said this bill is an outgrowth of a number of very serious concerns for local government. They have found themselves in a tragic bind. In talking to these people before the interim and during the interim, it came to mind that they would like to help themselves. This is a package of options and I would like to have you consider it as a package. The first part allows the counties the option to establish an all purpose levy at 55 mills. would cover most of the options that the counties have now and it would take the place of the option on the mills at the present time up to 90 some mills. It curtails some of the taxes but gives them the options. A local government income tax not to exceed 20% of the state income tax liabilities, a motor vehicle license fee and a hotel or motel room tax. It is very important and necessary to maintain an operating levy for the counties. They could go in one year and if found unsatisfactory, they could withdraw. The motor vehicle tax fee would be up to 25% additional. It could not be used for all purposes of the counties but only for roads, streets, etc. third option is the hotel and motel tax. A primary advantage is it provides the state an option. The particular counties could choose the options that help them.

MIKE STEVENS, Montana Association of Counties, said this gives the counties what they need. The ability to raise new fund taxes. It would assist them to provide for the services for which the state provides. It compliments the bills you will hear later tonight—HB 600 and 418. It gives the counties additional dollars through the 55 mill process. We feel a responsibility to provide the dollars. We are not maintaining the property tax base. We feel this particular bill gives a mix of taxing abilities through the taxing option and other options to assist the counties.

REP. MARKS: I would hope you could support the concept of this bill and take it as a package. We have taken some opportunities away from the counties. It gives them a lot of opportunity in the area of management. There are people who will be opposed to certain elements of it but it is a provision that it has to be put on the referendum. It would give the counties something and the local government something and not spend so much time up here.

JOHN WILKINSON, Chairman, Board of County Commissioners of Lewis and Clark County, said our taxable valuations have gone up 14.8% and

tax reduction 47% since 1978. Between 1978 and 1982, the reliance on property tax \$1.78 million to over \$3 million. One of our concerns is that the 7 larger counties generate 60% of the income but about 30% of the state's valuation. It is not the complete answer but this would allow us more tools to work with.

GEORGE BOUSLIMAN, Urban Coalition, in full support of the bill. While we support the bill, we do not look at it as a substitute for the real money we need.

ANNE MARY DUSSAULT, Commissioner, Mi-soula, said as a Legislator having been on your side of the table before, pieces of this have come before the Legislature before in bits and pieces. We think Rep. Bertelsen has simply put before you what the local government needs. Missoula tax evaluations have declined this year. If left that way we will have to place a total burden on the taxpayers. We would like to give them some options. The real benefit in passing this piece of legislation is you will never have to listen to us on this piece of legislation again.

ALEC HANSON, Montana League of Cities and Towns, said it is operating in Montana now. Our system of financing local government is breaking down. The taxable valuation is falling off. When going down you have to raise taxes to just keep even. Economic problems in Montana. We lost the Milwaukee Railroad, etc. They were larger contributors to taxes in Montana. Another problem is the recent court decision that settled with the Burlington Northern Commission property and other court decisions. In 1981 the Legislature looked at the property tax and granted some advantages to certain classes of property. Those properties that were reduced in tax valuation, the obligation was shifted to residential property. The taxes essentially are going higher and higher. Montana is the highest in the entire intermountain region. This bill is absolutely necessary to build the tax system in the state.

There were no further proponents and Sen. Himsl asked if there were any opponents to HB 793.

PHIL STROPE, Montana Inkeepers' Association, said I am taken back by being in Finance and Claims and listening to proponents — to people — proposing taxes, addendum to make it into an appropriation bill so that it might be over here as late as the 70th day. I will address the subject as it impacts the lodging industry. We don't have a room tax in this state because Montana is not like many other states. Tourists spend about 15% to 20% of the tourist dollars in the lodging area. 20% in support type of things. About 1/3 of the dollars on travel and 1/3 on food. If you want to tax the tourist go to a general sales tax. It is not very popular, but it is a fact of life. You could probably pick out a dozen motels or hotels and ask the people there, do you want to put a tax on it. Inequality on taxation is when someone else pays. A number of persons (230) claim local government authority to impose a room tax. HB 729 would have repealed a statute in the law that states no city with selfgoverning powers could

impose a tax on goods or income. When we have a statute that permits taxes and creates them in the face of another statute that prohibits them - probably the room tax was an afterthought - it was probably added in great haste. On page 10, section 17, the missing parts will make the thing almost impossible. Any provision as to what to do with it. Finally, this would pit one county or one city against another which is a curious way to do business. I know what people think about in that community. If this passed, couldn't this be a dandy piece of legislation for Malta, Montana? If this passed, the thing the county should vote in up there is an income tax. Land and property is not as great a base as income tax. This could catch the school teachers, etc. Perhaps, in Missoula or Helena, where there are 2 dozen motels or hotels, they might vote in a 10% room tax. In the hearing in the House there was extensive testimony against this tax.

KEN HICKLE, Ponderosa Motel, Billings and Great Falls, spoke as an opponent to HB 793. He said in a convention of three or four days, they negotitate with the last dollar. Ten percent on hotel rooms will impact on the limit and they will go elsewhere or buy down. You pit that against people in other counties. We will tax; we might vote that on a countywide basis and on the people in the county we might pick up another 24\$ on personal property. It think it would just pit one group of people against another. Our largest cities have 9\$ of the people. I would hope you would refer this to the Rules Committee.

DENNIS BURR, Montana Taxpayers' Association, said there is a 55 mill proposed all purpose levy on property. We look on that as a pretty substantial taxing authority. Some counties levy more than 55 mills for the purposes in the bill, however, a good number don't. We did an average levy. We took the taxes levied for the purposes and added them up and divided by taxable valuation in the state and it came to 48.8 mills. That is some increase. In addition, the functions of government excluded and levied in addition, total another 24 mills. An increase could be up to 74 mills plus whatever levies this session passed. That is about \$50 million a year in property taxes. Income tax - any local tax is expensive. Finally, you are delegating state taxing authority to the local government. Federal statistics indicate a certain limit. If you want to pass a portion of that now at this time, the state should still have to operate under the arrangement of HB 600, which you will be hearing

BILL KUNEY, Colonial Inn, Helena, said he had many concerns. Located in Helena, we rely heavily on state business. The state per diem rate is \$24 a day. In order for me to maintain ny occupancy and appeal to the state employee I have had to cut my rates severely now. They should be much higher than they are. Our rate structure in Montana is about 1/3 or 1/2 of other states. This room tax, again, could severely jeopardize my type of business. Also, should the city pass the room tax and the county not pass in my area, there would be another competitive business that would be in the county and again jeopardize my business.

BOB DUDLEY, Village Red Lion, Missoula, and the Red Lion in Kalispell said he would concur in what had been said by Mr. Strope and the other opponents to HB 793.

There were no further opponents and Sen. Himsl asked if there were questions from the committee.

SEN. DOVER: This 55 mill all purpose levy is not above what they are now, is it?

REP. BERTELSEN: No. I have a list of about 25 that have at least that now. If they levy all, it would be about 75 mills. The high would be 91.75 now. Some counties have some things that others don't.

SEN. DOVER: On page 7, if a taxpayer lives in a county that does not impose a tax but earns income in one that does, he shall pay 1/2, etc. Who will take the responsibility on this?

REP. BERTELSEN: I discussed this with the Department of Revenue and they said there was no real difficulty.

SEN. DOVER: On page 9, "A governing body of a local government may impose a license fee of not more than 25%" etc. Then, on line 24 and 25, "the county may impose the fee" on only part of the county. Isn't this going to be a difficult thing? We see this in the State now where they cross county lines and it is hard to control. With city and county it could be very difficult. I think you will make it so many people live in the one that is the lower

REP. BERTELSEN: The taxpayer who votes on it would have to decide.

SEN. DOVER: Why the \$37,000 in the end here?

REP. BERTELSEN: The Department of Revenue came to us about this. There are certain people who testified who seem to have a habit of implying that in order to set up for this kind of income surtax it would be necessary for them to but in some computer information in their banks and handle it that way. After once in, the 1% should handle the money. That is why it is here.

SEN. BOYLAN: Didn't the court so rule that the city of West Yellow-stone could impose a tax?

MR. STROPE: Judge Boyd ruled the other way. He said it was invalidly imposed.

SEN. OCHSNER: One percent to the Department of Revenue?

REP. BERTELSEN: The money paid in regular income tax payments - 1% of this could be used to pay for the operation. That is not 1% of the percentage, only 1% of the total amount.

Rep. Bertelson, in closing said, that no one has ever proposed a

way to raise revenues that everyone would like. There is no tax that everyone would like to pay. I was offended by the inference that the 1% was put on as an afterthought. I had the bill in long before the 70th day. At the end there, it got a good hearing and the Department of Labor said they made a lot of inquiries and many co-nties said they wanted to put on the levy. In regard to the income tax and where you are living - probably, across Montana, the most conservative are the county commissioners. They could have levied up to 90 some mills and the average is 40 some. This is no different. It is just delegating a different method of raising The method of funding local government is falling to The Legislature has taken away taxing opportunities. The burden is on some citizens when levied by local government. Auditing records show we are paying only a small amount. We are asking them to go on a certain kind of accounting and pay for that. responsibility rests with us.

Sen. Himsl announced the hearing on HB 793 closed.

CONSIDERATION OF HOUSE BILL NO. 909: Rep. Marks, District 80, said he was one of the many sponsors of this bill. During the interim the select committee met to determine the longterm goals of the people we are concerned about in SRS. It would provide for an eight person committee selected the same way interim committees are selected by the speaker and the Committee on Committees. There is a small funding - an appropriation of \$15,000 to support the work of the committee. We would conduct a review of some of the inforation put together in regard to the SRS people and the services that they are getting in the state. During every session a plan emerges to want to close the Boulder River School and Hospital. One of the directives given to my committee was to try to make known the needs of BRSH and if it would meet the state institutions for funding. Many have asked why the emergencies? Why it cost so much to heat? Why the same size? I think it can be returned to the taxpayers many times over in terms of savings. I think there are many cost savings that can be made at Boulder by looking at the patients and the functions. I think every point in this bill is well taken.

DAVE GOSS, Warm Springs, Chairman of the Governor's Council on Management, said that they had many recommendations - the major one being to close the school. Also, the high cost of operation, the large campus and reduction of patients. I am concerned. The past years here have not been based on a long term plan. The Governor's Council did recommend a long range study, etc. This bill addresses only the developmentally disabled with Boulder. Page 2, section 2 lists other things other than Boulder. They would like to recommend amendments to the bill. There are technical changes involved. Page 5, line 3 - they do not feel that \$15,000 is enough to supply the information. They feel \$45,000 is closer.

DAVE EVANSON said he was present and would support the bill.

SEN. LANE said he would like to go on record as in favor of the bill.

There were no further proponents of HB 909 and Sen. Himsl asked if there were any opponents.

JOE ROBERTS, DD/PAC, said this issue does not suffer from a lack of studies. The alternative was the task force. DD/PAC - it was done this fall after the closure of Boulder being mentioned by the Governors' Council on Management. Reference was made to the Governors' Council study done on Boulder. This was a real extensive and expensive study. It heard all the variations from institutional care to community care and included a client summary by the Department of Institutions. They have information on every client at Boulder. There are six different categories. A professional staff study was also done. It has very detailed information. A study was also made by the last Legislature which is the same thing as in this bill. If I thought it would do any good to make another study - the basic issue has to be addressed by the administration and by the Legislature and until then I do not see that very much can be done here. Sens. Story and Mazurek are members of the Governors' study committee.

There were no further opponents to HB 909 and Sen. Himsl asked if there were questions from the committee.

SEN. LANE: What would you suggest for the Boulder School? Close the school and let the community fall apart too? Isn't that quite costly to us?

MR. ROBERTS: I have never taken a position that BRSH should be shut down. Look at the study DD/PAC did. Many of the alternatives included solutions for Boulder.

REP. MARKS: Has anybody ever made a study to improve it? A lot of studies have been done as to the people working there and nothing on why it costs so much to keep them there.

SEN. DOVER: Why was this a bill and not a joint resolution?

REP. MARKS: I thought about it but I wanted the study. I appreciate the concern about our position at Boulder. A few years ago a proposal came in for them to come into Boulder to build houses and trailers which they thought would cut down on turnover. We have cut down the turnover rate at BRSH. The staff is staying longer. I would hope this committee would pass this bill.

Sen. Himsl closed the hearing on HB 909.

CONSIDERATION OF HOUSE BILL NO. 600: Rep. McBride said, in the past, they have explained the bill and taken it in conjunction with HB 418, then had the testimony for both bills since it was mainly the same people and the testimony much the same. If you would like to handle it this way I think it would save quite a bit of time if they testify simultaneously.

Sen. Himsl said this would be fine.

REP. McBRIDE: This is the local government block grant program. It represents a lot of work. There are in the position where something has to be done. They do have some options. (1) cut budgets, services and employees is one option; (2) they are forced to raise more levies and in many cases help is needed not for the local government but for the taxpayers. They took some action last session that eroded the tax base even lower. One was a lower fee on licenses and equipment and also business inventory was removed or lowered. you combine these three actions with the other legislation passed since 1973 you can see an impact of over \$11 million to local govern-Other points in regard to local government revenue is the Burlington Northern and the 34% cases. When you look at this you can see the need for help to the local governments. Some of the mechanics of this bill are explained in the exhibits (attached). On the back of Exhibit #1 HB 600, HB 418 earmarked 33 1/3% severance tax. is the bill that Rep. Yardley will be talking about - the \$6 million that will be put in during this biennium for the general fund. compared to the \$12 million lost from legislative action - this is only \$6 million. This is, in fact, the obligation to reimburse the local governments for the motor vehicle reimbursement program. Local governments only wind up with about 8 instead of the whole thing. The other part is general service credits.

CONSIDERATION OF HOUSE BILL NO. 418: Rep. Yardley, District 74, said it does one specific thing. It earmarks some of the oil severance tax. On page 2, 1/3 of the oil severance tax will go into the local government block grant account. \$42 million is the amount it cannot exceed. In the next paragraph it indicates the counties that get it now will remain the same. The purpose is to set up, on a permanent basis, to provide funding for local governments and money to reimburse the counties, cities and schools for vehicle license fees. This would put the money into the earmarked account. This bill and HB 600 will have the additional \$6 million together.

GEORGE TURMAN, Lt. Governor, spoke in favor of the bill. He said as a lieutenant governor, he has been working with the local governments and this is a result of their proposals. He said he would like to make three points. (1) For the past year I have worked with representatives of local government to devise this package. The proposals in this bill consider the government management studies, the revenue considerations and documented the needs for additional revenue. (2) Builds upon the programs put in during the last legislature and (3) we have recognized in this process the dilemmas that face the state and have put in place a program that would allow local governments to make improvements in time. We have developed, together, a coherent form due as the property base of local government.

DARYL MEYRE, Cascade County, said he would support both bills which would bring in approximately \$12 million in revenue in the counties. Business inventory, livestock, equipment and irrigation sprinklers all eroded our tax base. One mill in Cascade used to bring in \$95,000 and now it is approximately \$82,000. The valuation of our mill is going down and we do need the help.

ARDIE AIKEN, Commissioner, Great Falls, said local governments have taken all measures to reduce their expenses. They have cut down on employees and it has reached the point of diminishing returns. We are now cut to the bone. We have had a decrease of 23% and another decrease of 17% in our tax revenues. The legal ceiling placed on us further hampers us. 80% of the people were opposed to further property taxes in a poll taken by the University. The revenues provide between 60 and 80% of the taxable income. Local governments must have alternative forms of taxation in order to provide the essential services we must provide

DENNIS BURR, Montana Taxpayers' Association, we we think the Legislature should be committed to replacing the motor vehicle fees. This seems to be between \$3-\$6 million dollars depending on who you listen to. The amount of money is small enough to allow you to monitor how the money is used for awhile. This is a better way than allowing additional local government taxing methods.

MIKE STEVENS, City of Missoula, said the same except the increase is 11% per year over the biennium. We do not have new money here; we lose money. Business inventories and rural areas will reduce some more. We are losing bank taxes, railroad taxes. The method of billing and the tax equity is earmarked. It keeps coming off the property tax. In 1981, \$50,000 from the banks was collected. This year they have a net loss in earnings and we have to refund money they baid some years ago. We will need to raise taxes 15% next year in order to maintain operating expenses at the same level and provide salary increases of 4%. We cut our staff nearly 10% last year. Property taxes are going to go through the roof this year when we take into consideration what the schools are doing, the local government is doing, etc.

GEORGE BOUSLIMAN, Urban Coalition, said we are not asking for the moon and stars. Just 1% of the State's budget in the next biennium.

SAM BOGUS, Director of Support Services for the City of Billings, said there are a lot of fellow cities that are hurt more than they are. We have been accused of doing a lot of things. Since 1978 we have reduced our city staff by 99 people, many of these people are coming out of primary services; fire, police, water and sewer, etc. Clearly, in this current budget, if we took all the property tax and levied it and appropriated it they would fall 10% short. New construction will account for \$2.8 million in taxable valuation. We lost the business inventory tax and it will cost us \$10 million of net loss. About 8.6% of our total taxable valuation. \$101 million 2 years ago, \$96 million this current year. If this 8.6 goes in, taxable valuation of \$89 million.

DAVE GOSS, Billings Chamber of Commerce. We look at finances and we are becoming increasingly concerned about the financial situation of local governments. The taxes will not meet the cost of local services. Montana is second to last and Utah is partly offset by a sales tax. Many of the expenses are being mandated by State government. There is

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no additional taxes assessed by the state to finance the mandates. I strongly support the concept of this proposal in these bills. The only concern that the proposal is the long range term of tying into the oil severance tax. It is debatable. If 20 years ago 23 had tied to metal mines tax you can see where we would be today. Perhaps you should look at how favorable it would be to tie into a non-renewable resource. We see two things; more tax or cut back on local government services. Either is unacceptable.

ALEC HANSON, Montana League of Cities and Towns, said this year \$6 million and will cover the ad valorem tax and provide \$1 million to higher cities and towns in Montana. The oil tax at 2% will give \$3-6 million a year to replace the business inventory tax. The banguet isn't large enough to cover the damage. You can see what happened in Anaconda and Deer Lodge on tax valuations. Billings was \$500,000 in business inventory taxes, rail tax case and court settlements. The value of the mill is the engine that drives our system and we have met the limit. These two bills will be a very good place to start to do something about it.

AL JOHNSON, City Manager, Great Falls, spoke as a proponent. His testimony is attached.

ANN MARY DUSSAULT, County Commissioner. Missoula County, said the Legislature two years ago did two things of particular interest to local government. They changed the motor vehicle licensing to a fee and removed the business inventory tax. The Legislature knew what it did. They did not want to pass it back to the local government. It is addressing this issue I would like to discuss. Your revenues have increased while the local government revenues have decreased. With this in mind, I would hope you would look at this bill. This is a carry over from two years ago to replace those revenues you took from the counties.

JOHN WILKINSON, County Commissioner, Lewis and Clark County, said they are very much in support of these two bills.

Sen. Himsl asked if there were opponents to these two House bills, 600 and 418. One gentleman spoke saying he had supported the bill that took away the inventory tax because it showed the businessman that his business was needed to support the communities. We expected to get something back in the communities and did not expect the State to supplant that.

SEN. KEATING: I oppose these measures and remove myself from the committee to do so. We have heard a lot of the "have not" counties crying for lack of funds. The State is that way. The revenue is not lost to the taxpayers in the community; this is where the money started - in the community. If he wants government services he can pay increased taxes. The license fee tax was the governor's bill. The oil severance tax was developed to carry the funds to the 2 1/2% money. The counties got the money in the amount of about \$15 million a year. They did not lose on the passage of the bill. The city of

reat Falls gave good testimony. The urban is paying a disproportionate amount. Only about 18 counties in the state that are major oil producing counties. That is 1/3 that are subject to the severance tax and none of those were testifying in favor of these bills. This is a disproportionment of taxes. We lower the taxes on ranchers, on consumers and tripled the taxes on oil. Oil is not a public natural resource. It is private property. It is real property owned by citizens of the state of Montana. Those people had their taxes tripled. There is not a large amount of voice in government. The tax was increased on their property so that we might decrease the taxes on someone else's property. I submit that is unfair. If you are going to apply taxes to the citizens of the state, why not a sales tax? Why not more income tax? Why pick on individual groups so you can have the votes from the majority?

SEN. TVEIT: He would also remove himself from the committee for the same purpose and the same testimony and also opposed the bills.

There were no further opponents to HB 600 and 418 and Sen. Himsl asked if there were any questions from the committee.

SEN. SMITH: Rep. McBride, on the list of 1973 household, inventory, etc., most of the people are from the cities. That is bunk. I don't know how you vote in the cities. Vehicles - aren't they just as obligated in the rural areas?

REP. MCBRIDE: We make this decision collectively as to where we place or charge the tax. The last legislature did do this and did recognize it would be a decrease and putting a recourse to local government to alleviate the tax. I realize you have unfortunately heard mostly from cities. As a result, you are not hearing much of the testimony that was heard. There were people from other counties. You have not heard people from oil counties nor have you heard opposition from them.

SEN. SMITH: All the other people deciding, I am sure they knew when figures were removed it would have an adverse effect on taxes. How many testified against it? I voted against it last year because I knew what we were getting ourselves into.

SEN. TVEIT: The vehicle tax should be reimbursed from a permanent source. This is a resource that will be depleted someday.

Rep. Yardley, in closing, said in respect to inventory tax, it is easy to repeal a tax and wait for two years. We used general fund before and there was no bill to do this this year. House bill 418 takes 1/3 of the current oil severance tax and puts it into a fund. The first thing it is used for is the vehicle fees. The gentleman from Billings said a portion of the general fund should be used.

In closing, Rep. McBride thanked the committee.

The hearing on House Bills 600 and 418 were closed and Sen. Himsl announced a 10 minute break and asked that people please return

promptly.

The committee reconvened at 9:43 o.m.

CONSIDERATION OF HOUSE BILL NO. 692: Rep. Bardanouve said that Sen. Turnage requested him to bring this bill in. He said this is the funding for the bill to fund the Flathead Basin Commission and is in the amount of \$45,000. It is a bill which will coordinate the Flathead Basin Research that has been going on for years in he North Fork of the Flathead to study the results of mining in Canada, Forest Service, Bureau of Indian Affairs, State Lands, Indians, National The bill will bring together agencies in one simple commission to coordinate plans and develop anything that protects the Flathead Basin. Montana Forestry supplies the place for meetings so there is no capital cost. Many members will be from state agencies, United States Forest Service, National Park Service, etc. These are people who would be paid anyway and will not have to be paid This will give a united coordinated plan for the Flathead Basin.

There were no further proponents, no opponents, and the Chairman asked if there were questions from the committee.

SEN. KEATING: There was some talk about some private funds coming back into this.

REP. BARDANOUVE: I can't verify if there will be.

SEN. KEATING: Will something replace this \$45,000 appropriation?

REP. BARDANOUVE: I don't know. I would have to check on that.

There were no further questions and Rep. Bardanouve said to consider the bill closed. Sen. Himsl closed the hearing on HB 692.

CONSIDERATION OF HOUSE BILL NO. 902: Rep. Bardanouve said this is the pay plan of the 1983-85 biennium. The bill covers about 9,000 employees; all members under the pay plan will get a \$10 a month raise the first year, \$80 a month insurance, \$90 the first year and the second year \$100. The first 6 weeks of 1984. That is general employee of Montana. About 9,000 of them. It will provide for step increases of 2% of pay. The table increases about 1 1/2%. That is about 3 1/2% plus insurance. The second page is the year of 1985 for the same employees and on the botton of the 2nd page and page 3. Teachers (65 of them), about a 3 1/2% across the board increase. first 2 pages are 12 in the teachers and 64 more. Some are 9 months and the rest are 12 months and those teachers are getting about 3 1/2% across the board plus insurance. There are about 65 institutional teachers. On page 7 are the liquor store employees. About \$200 an employee at the top of page 7 and by 1984-85 they will get a 3% across the board increase. No step increases in teachers or liquor stores. Teachers have an increase in teaching qualifications. Page 8, blue collar workers - that is about 3% wage increase plus

insurance and there are about 800 of them. On the top of page 9 that is 85 blue collar workers. The bottom of page 9 caused a lot of ruckus and it was removed. This flexibility clause would have enabled the departments to transfer funds around between years and I understand the finance committee has put some language back to give some flexibility to the program. If you see fit to out the language back in, HB 447 is the place it should be and the pay plan will then probably be workable with vacancy savings. on vacancy savings - \$720,000 on page 15. That was one reason the budget did not balance in. The lab, or committee, took it upon themselves to be the appropriation committee and there is a slight appropriation here of \$12 million. I asked the budget office where it came from and the LFA said they didn't know. The Labor Committee said they thought it might be enough money. The administration feels there is enough money in the agencies that you can transfer and pay for the pay plan with the \$725,000 which will come some of the small agencies.

DENNIS TAYLOR spoke as staff representative for the Department of Administration and said this is a modest pay proposal. We feel it needs one small amendment, and that is to reinstate the language taken out by the House Appropriations Committee. This is really not the year to find out what happens "if".

ROD SUNSTED, Chief negotiator, Labor Relations Bureau, said the higher paid members only receive a 1 1/2% increase. I believe the pay scale is modest and minimum. We can give this and still maintain good workers.

DAVE LEWIS, Office of Budget Program and Planning, said there was quite a bit of interest in this bill. In January we had the original pay plan and compared it to the budgets. Given an adequate level of funding and vacancy savings not being taken out of the budgets, we felt we could absorb the pay plan increases. At this point, with the 1% and the 1% decreases in our budgets and the reduction corresponding in our operating budgets - this is the type of money we were to use on the pay plan. What we had planned to do is now taken out and it will cost us about \$6.2 million. There will probably have to be some layoffs in force that will now be necessary but it will not be a major problem - about 3%. Terminations in the state - about 300 if we hold the office as a vacancy for an extra month we can save a lot toward the funding of the plan. We would not let anyone go but would prefer it being a holding process. Agencies will have to work very hard to save the first year enough the pay the next one.

BETSY PHILLIPS, MPEA, said Godfather bargaining is a good faith bargaining and we did bargain in good faith with Montana.

NANCY WALTER, the staff with Montana Education Association, said we are here to support the bill. We would like to offer an amendment. It is a substantive amendment. It calls for collective bargaining. The case seems to be: do we file you as unfair labor practices now or after the Legislature goes home? All the teachers are fighting

because they do not know what the employer has in mind as the outside limit - it is very difficult for those teachers to bargain in classic good faith. The difficulty exists and we think this would take care of the difficulty.

ERVING DAYTON, Commissioner of Higher Education, said we would like to reinstate the language excised by the Donaldson amendment. The flexibility is getting to the zero point. There is a problem of vacancy savings on the academic facilities. There are several students that have served. The faculty are all on an academic year contract. The remedy is keep the position open for a month. Are you going to close down classes for amonth to save or what? We already have taken a cut from 100% to 97% in the education area.

NADINE JENSON, Municipal Employees, said they would like the committee to reinstate the Donaldson amendment. There should not have to be lay-offs to cover this.

JIM McGARVEY, Montana Federation of Teachers, said they support the bill and the funding of the raises that were negotiated.

TOM SCHNEIDER, Executive Director, MPERS, said we support the bill and would like to see the Donaldson amendment put back in. We just don't feel we can emphasize too strongly the compromise that takes place at the bargaining table. We have still nearly all their contracts for the year. I am afraid if it gets amended as to the material in those agreements, they will be vacated and we will be back to zero. What does it really require (this is our main frustration) to fund this bill? I have been asked for the fitures by at least 20 people as to what we feel is necessary to put into this bill. Go back and take the \$48 million having a 9% pay increase and adjusting that to the pay granted each year and doing some calculations on current FTE and I come up with \$8.44 million without flexibility but not including the fu nding of the professors' salary which was done in House Bill 500 last time. That is the amount we asked for in the House.

DENNIS WAGNER, Montana student from Montana State University, said we feel a good pay program is needed to get good teachers.

SEN. MAZUREK, Helena, said the increase percentage is moderate. It should be funded fully. You have here some school teachers and local government. This is less than those. These have been negotiated. We require them to go through collective bargaining and we should keep their good faith. Whatever you do, put whatever you determine in a matrix and fund it. Otherwise we will run into unfair labor practices in the state. Put the matrix in the statute. I think you know you have taken money out of the budget and taken out the flexibility. We can't rip the money out and the flexibility too and leave the Governor fund it.

There were no opponents to the bill and Sen. Himsl asked if the committee had questions.

SEN. AKLESTAD: So that I am clear: 1984 and 1985 is 1 1/2% inflation each year?

REP. BARDANOUVE: Yes. Increase pay steps of 2% and matrix will be a 1 1/2% increase.

SEN. AKLESTAD: You get a step increase each year, \$10 insurance each year and the inflation factor?

REP. BARDANOUVE: Increase in pay of 1 1/2% each year.

SEN. AKLESTAD: We have the insurance covered. \$10 each year. One step each year. The other point; is it 1 1/2% each year?

REP. BARDANOUVE: Yes.

SEM. DOVER: You said some are 3% and some 3 1/4%. Is the difference because of the amount of step or the percentage?

REP. BARDANOUVE: Teachers, blue collar people and liquor store employees do not have steps.

SEN. DOVER: Mr. Lewis, about 3,000 employees that have dropped out for various reasons. How many are natural as opposed to cutting forces?

MR. LEWIS: I have a sheet that said 3,000 positions opened up.

SEN. REGAN: Is your assumption that \$6.2 million will fund the pay plan with using the vacancy savings plan on the 3,000 employees that is the past history? If I remember reading the papers, they were not all natural addressed atrition, some were mandated from the Governor.

MR. LEWIS: There were 3,592 positions terminated. 754 were reduction in force.

SEN. REGAN: Are you telling us tonight that if we adopt the pay plan as presented in 902 you will fund it with \$6.2 million and you want us to give you the amendment which allows the flexibility in language that it will not result in a further reduction of staff in order to fund it?

MR. LEWIS: No, I am not saying it. I am saying we would not expect any great amount of reductions in staff. There may indeed be arrangements that instead of giving from the pay plan pool we would simply not fund some.

SEN. REGAN: It is important to the person getting laid off. You must have some idea in your mind as to how many.

MR. LEWIS: We are looking at 3,000 terminations. If you hold that open for 3 months that is equivalent of 250 FmE. I don't have a number. I simply have no idea.

SEN. JACOBSON: What concerns me the most sitting on the subcommittee, we have looked at vacancy savings and said you saved the vacancy savings. When you enforce vacancy savings there is a multiplier effect. How can we evaluate that? What is real?

MR. LEWIS: You take it in the first year and fund it in the second year. We can then eliminate all the operating expense dollars and we can survive by not reducing the levels. I don't have a number in mind. I guess I am talking about perhaps 1% or so.

SEN. JACOBSON: How do we identify what we did and what is real? We said 6% vacancy savings and forced 3 or 4%. How can we evaluate it?

MR. LEWIS: You authorized a 12% pay increase and funded about 89% of it. In addition, you pull vacancy savings out of any of the vacancies. There is nothing different than in other years.

SEN. DOVER: On page 9, what part are you wanting to put back in?

MR. LEWIS: The original agency fees - programs between agencies.

SEN. DOVER: When you say programs, are you going to take operating expenses to pay this salary?

MR. LEWIS: Any money the agencies could save could be moved to cover shortages in the pay plan.

SEN. DOVER: You can take operating expenses, retrofit expenses, etc.?

MR. LEWIS: Anything that is not line itemed for a specific purpose. It is in my opinion we could move that money. Anything for general operation could be transferred to have the cost of the pay plan.

SEN. DOVER: Are you also going to be able to go from one agency to another?

MR. LEVIS: No, we should have to stay within the agency.

SEN. VAN VALKENBURG. If the language is put back in the bill allowing that flexibility, what would you estimate would be our reversions?

MR. LEWIS: \$6.9 million reversions to the general fund in past years. It depends on the cost of supplies, etc. What vacancy savings, etc.? It could reduce it below the \$6.9 million reversion.

SEN. VAN VALKENBURG: Potentially having to lay off 100-125 employees.

MR. LEWIS: The normal turnover if figured for three weeks is enough for 125 positions. If no turnover, we might have to lay off some.

SEN. VAN VALKENBURG: Commissioner Dayton, you indicated a need to work on an amendment on funding for instruction faculty. Do you have a dollar figure with which to amend the bill?

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SEN. HIMSL: Mr. Taylor, what you read on the breakdown, is that a synopsis of the blue bill or does it include the \$750,000 that is in there or the \$12 million.

MR. TAYLOR: I have summarized the four matrixes. You put in the section on comprehensive, you have in the flexibility and put back to the \$2 million and we are back to the original bill.

SEN. HIMSL: On page 16 it had \$750,000.

MR. TAYLOR: The bill anticipated not having the 1% reduction made by the House Committee and the House of Representatives 1%, and reduced by the committee again this week. When we are saying that is the total reduction made, then we need that.

SEN. HIMSL: The \$6.2 million does have to add in the \$750,000. That is not written in the blue bill; this is over as in the original bill.

SEN. REGAN: Because I still don't see how it works, the LFA always has a flexibility cut. Judy, do you agree with the OBPP that this pay plan can be funded by \$6.2 million and no significant reduction in staff? Are these the figures you agree on?

JUDY RIPPINGALE, Legislative Fiscal Analyst: In keeping with the normal pattern of staffing. These are not the norms we agree with. (1) That stating There are a number of different valuations. there are 39 would be fairly accurate except funding positions in 447. You funded those positions and they did become 85. Therefore, you do not have to fully fund the staff in 1984. We think the total cost of the pay plan is probably more like \$34.6 million and after funding a switch for highway patrolmen and that is no longer 60-40 but approximately a 589 would be our general fund portion of the pay plan cost. (2) The significant savings they have applied against the University System. Based upon the House in allocating vacancy savings with the University that they thought in vacancy savings for the University and the budget was not made on vacancy savings but a past figu-e vacancy savings was already out of it. Therefore, our number taking no vacancy savings out of the University is \$14.4 million of general fund. If you want to take the 3 1/2% as proposed by the executive branch, an additional \$8 million over and above 447.

SEN. VAN VALKENBURG: You don't get additional over 902 do you?

JUDY RIPPINGALE: No additional over what the agencies have in 447.

SEN. HAFFEY: The \$14.4 million and the language change.

JUDY RIPPINGALE: No, no language change.

SEN. HAFFEY: No language change? Vacancy savings and the University change and would result in no job lay offs and no extended time open for positions for normal turnover.

JUDY RIPPINGALE: It would transfer the pay plan and they could fund the pay plan.

SEN. HIMSL: Section 14. What figure would you put in there?

JUDY RIPPINGALE: \$14.4 million.

SEN. HIMSL: I don't think you want to put that in.

JUDY RIPPINGALE: \$14.4 unless you want to take vacancy savings against the University.

SEN. HIMSL: If this was felt, then why no awareness in the beginning?

JUDY RIPPINGALE: I don't think there are any fears as to how minimum that was. When we talk about where they started in fiscal '84, the subcommittee has started them where they ended in '83. That would not give them any additional steps and that would have to be funded - what they would get in '84.

SEN. HIMSL: The testimony says the \$6.2 million, with flexibility clause, would do the job. You are saying it would take no flexibility but \$14.4 million instead of \$6.2 million?

JUDY RIPPINGALE: Yes, because that assumes the agency savings for the University.

SEN. REGAM: I understand you to say that the \$6.2 million in here that you were not taking vacancy savings from the University system?

MR. LEWIS: The \$6.2 only takes us to where we were. They still need the vacancy savings at the University, and to fund the pay plan.

SEN. REGAN: Dave, would you agree with the \$14.4?

MR. LEWIS: I don't have the figures here.

SEM. REGAN: There is no one here from the University system?

MR. LEWIS: \$6.2 without. Judy, wouldn't a number assumption statewide on vacancy savings be about \$7-8 million?

JUDY RIPPINGALE: We did not take a 3 1/2% across the board. Using a combination of vacancy savings rate where the subcommittees acted. \$6.5 million have none of the vacancy savings. The \$4.6 shown on the board does not relate very much to this.

SEN. SMITH: When we went through our subcommittee worked on top of the page, 2% vacancy savings and 4 on another one. When you finished the vacancy savings in HB 447 did you take that into consideration?

JUDY RIPPINGALE: No. I have taken them out. The money is still in 447 for the vacancy savings there.

Rep. Bardanouve, in closing, said the testimony for the proponents was sort of luke warm. I believe the proposed amendment was the same

as that by Mr. Harrington. I believe they said the teachers were within the available bargaining. Teachers will be in competition with blue collars, etc. Every segment will be fighting for money. It was rejected in the House. I heard the University Presidents say they would prefer a flexibility clause to a vacancy savings.

Sen. Himsl announced the hearing on HB 902 closed.

CONSIDERATION OF HOUSE BILL 922: Sen. Thomas said he was to carry the bill in the Senate. Rep. Fabrega went home. He said this is an act to appropriate money to the Department of Revenue in the 34% case that the Department lost. In the ruling, the Department was ruled liable for the attorneys' fees of \$3800 and this was included and the 10% interest that goes through July 1.

There were no further proponents, no opponents and Sen. Himsl asked if there were questions from the committee

SEN. OCHSNER: What was the cause of this?

SEN. THOMAS: The 34% case that valued commission property higher than residential property. There were a number of commission landlords. They took the valuation to court and they lost. The principle judgment was against the Kropps. There were several other commission landlords also involved in the case.

SEN. OCHSNER: Commission property - what does Blue Cross have to do with it?

SEN. THOMAS: Selling of Blue Cross.

SEN. SMITH: They have several hundred cases like this. Is this just the beginning? I understand they were using the wrong manual.

SEN. THOMAS: This is simply the judge's order. I have difficulty with these things too.

Sen. Himsl announced the hearing on HB 922 closed.

DISPOSITION OF HOUSE BILL NO. 922: Motion by Sen. Regan that HB 922 Be Concurred in. Voted; Chairman unsure of the vote and asked for a Roll Call Vote. Voted and passed. Sen. Thomas to carry the bill.

CONSIDERATION OF HOUSE BILL NO. 924: Rep. Jan Brown said this was for legal fees in the case of Hovey vs Department of Revenue - legal fees, disbursements and costs against the Department. Judge Bennett ordered to pay the attorney fees on March 23. If not passed this time the interest will accumulate. The House amendment of the Whole was inadvertently left off the bill. It did pass the House and should be on the bill. You do not have to do anything with it except to be aware it is there.

There were no further proponents, no opponents and the Chairman

asked if there were questions from the committee. There were no questions from the committee and Sen. Himsl announced the hearing closed on HB 924.

DISPOSITION OF HOUSE BILL NO. 924: Motion by Sen. Regan to concur in HB 924.

SEN. SMITH: Are we going to bail them out of it all?

SFN. HIMSL: This is a court judgment against the State and we really have no choice.

SEN. KEATING: This situation was pointed out to the legal division as an interpretation of the rule. Any reasonable person would have ruled the person was eligible for a license. It was simply poor judgment.

QUESTION was called, voted, passed. Sen. Regan to carry the bill.

CONSIDERATION OF HOUSE BILL NO. 919: The chief sponsor. Rep. Peck, District #8, said this is a combination of a House bill and the Senate Education Committee exorcised several times and had 4% in the second year. Over \$7 million that was the original bill. informed it is \$14 million figure for 4 and 4. \$4 million the first year and \$10 million the second year. I would urge you to look at the deletion made in this bill. It calls for a report on cost effectiveness. I think this was a good proposal in the House. taken out in the full House due to time limitation. One other rumor that I plan to run. I will not and I am not trying to take a shot at the OPI. When we spend money, as we do in the school situation it would be worthy of your consideration. There was a lot of contention between the OPI and the Board of Public Education. say we cannot do it without more money. A copy in the OPI - in all offices. Many people out of the Office visit and you could use some of the cost effective methods. This has some cost savings development.

There were no further proponents, no opponents, and Sen. Himsl asked if there were questions from the committee.

SEN. REGAN: The \$14 million you indicate will be necessary for general fund and further completes a 4 and 4; is that correct?

REP. PECK: That is my understanding. Also on line 14, this takes into account the money pumped in by the Legislature 2 years ago. To carry over.

SEN. REGAN: \$9 million from SB 94 and HB 413.

SEN. KEATING: That is an adjustment on the windfall proceeds tax at the county level. It was a little over \$8 million.

SEN. HIMSL: This estimates 919 and SB 94 and HB 413 and the net of



the bill covers it?

REP. PECK: There have been a lot of figures around this bill, but the figure should be \$2 million.

SEN. HIMSL: This figure should be \$2 million instead of \$4 million? It was about \$1 million instead of \$2 million? You mean \$2 million for the year and \$4 million for the biennium?

REP. PECK: No, \$2 million for the biennium.

SEN. REGAN: \$1.5 million for the biennium.

SEN. HIMSL: The last one I have shows \$4.4 million.

SEN. HAFFEY: What he is talking about at 4 and 0 is the nest cost of the 4 and 0 incorporating those bills was to be \$4 million. Now the net cost of 4 and 4 to the counties - those would be \$14 million - \$4 million the first year and \$10 million the 2nd.

Sen. Himsl announced the hearing closed on HB 919.

Sen. Himsl said we would adjourn the meeting and would meet tomorrow (April 12) at 8 a.m.

EN. HIMSL, Chairman

ROLL CALL

FINANCE AND CLAIMS COMMITTEE

48th LEGISLATIVE SESSION - - 1983 Date 4-11-83

98.M.

NAME	PRESENT	ABSENT	EXCUSED
Senator Etchart, VC	V		
Senator Dover			
Senator Keating	V		
Senator Smith	V		
Senator Thomas			
Senator Van Valkenburg	V		
Senator Stimatz	/		
Senator Story	V		·
Senator Ochsner	V		
Senator Haffey	V		
Senator Jacobson	V		
Senator Regan	V		
Senator Lane	V		
Senator Aklestad	V		,
Senator Hammond			
Senator Tveit			
Senator Boylan	/		
Senator Himsl, Chairman	V		

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COMMITTEE ON	VISITORS' REGISTER	4/11	-11,30P
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DEPARTMENT OF STATE LANDS TESTIMONY ON HOUSE BILL 864

BEFORE THE SENATE FINANCE AND CLAIMS COMMITTEE

The Department of State Lands supports House Bill 864.

For almost 20 years the Department's Forestry Division has provided needed technical and practical advice on forestry related matters to Montana's farmers, ranchers, and forest landowners through its private forestry assistance programs. This is provided on a one to one basis through request.

The Department has provided this service because it recognizes the importance Montana's privately owned forests and watersheds have on the economy and well being of the state and because of the interest Montana's citizens have shown for this service.

Lacking throughout most of this period, however, has been the services of a Forestry Information Specialist, who, working in close cooperation with our Department's Service Foresters, the U.S. Forest Service, the Montana School of Forestry, and the Cooperative Extension Service, can develop and disseminate the needed educational materials, such as booklets, brochures, public service announcements, and newsletters, for the promotion of good forestry practices on private lands. This informational and educational effort will greatly assist the public in reaching our Service Foresters and receiving needed forestry advice.

The Department feels that forestry education is a much better approach to good forest management than regulation and hopes that through educational efforts such as this, a Forestry Practices Act will never be needed.

FORESTRY INFORMATION SPECIALIST

84-85 BIENNIUM BUDGET

<u>Item</u>	1984	<u>1985</u>
Personal Services 11 Salaries (15-2 & 15-3) 14 Benefits	22,965 3,445	24,620 3,693
TOTAL PERSONAL SERVICES	26,410	28,313
Operations		
21 Contracted Services 2102 Prof. & Conslt. (PSA's -3-) 2103 Data Processing (Mailing lists) 2110 Printing	3,000 500	3,000 500
Booklets 3 each year @ \$3,000 ea. Brochures 6 ea. year @ \$ 500 ea. Newsletter 6 ea. yr. @ \$ 33 ea. 2115 Photographic Services	9,000 3,000 5,000 500	9,000 3,000 5,000 500
2129 Film Developing Services 2135 Education & Training 2199 General	300 500 200	300 500 200
22 Supplies & Materials	1,000	1,000
23 Communications & Transportation 2304 Postage & Mailing (Newsletters)	3,000	3,000
24 Travel	1,500	1,500
25 Rent	0	0
26 Utilities	0	0
27 Repair & Maintenance	300	300
28 Other	500	500
TOTAL OPERATIONS	28,300	28,300*
31 Capitol Equipment (vehicle)	8,000	0
TOTAL OPERATING BUDGET	\$62,710	\$56,613

^{*1985} F.Y. operations not inflated from 1984 F.Y.

FORESTRY INFORMATION SPECIALIST

PROPOSED WORK PLAN

Program Allotment Priority		
50%		Educational Materials (Booklets, Brochures, ies, Slide-tapes, etc.)
	A)	Revise current forestry materials from other states to fit Montana.
	В)	Update Montana's current publications.
	C)	Develop needed new materials.
25%	Forestry	Newsletter
	Α) .	Prepare and distribute a regular forestry newsletter. (bi-monthly)
	В)	Develop and update mailing list of private forest landowners.
10%	Conduct	Information & Education Needs Assessment.
	A)	Landowner survey.
	В)	Review & coordinate with programs in other states.
10%	and Field	ate Educational Materials to Landowners d Foresters. (Booklets, brochures, movies, de-tape programs)
	La	andowner workshops.
5%	Media Re	leases on Current Forestry Issues.
	A)	Prepare
	В)	Disseminate to magazines, newspapers, TV, Radio.

Limon nothing HIV

HB 864

Testimony of Benjamin B. Stout, Dean, School of Forestry and Director, Montana Forest and Conservation Experiment Station, University of Montana, Missoula.

As dean and director of the School of Forestry and Montana Forest and Conservation Experiment Station, I can see the need for extension forestry in Montana. My name is Benjamin B. Stout.

Each of you who has been aided by a member of the extension staff know how profitability of your operation can be increased. We in the experiment station are developing new, better, more profitable ways of managing our forests. HB864 provides the mechanism to move these developments from the experimental forest to the farmers and ranchers. I support HB864.

We hope to put on many "show-me" days at Lubrecht Forest, but it is unlikely that we can reach all landowners desirous of information on forest management. The extension forester in the State Forester's Office would reach many of the 30,000 forest landowners.

We look forward to working closely with Gary Brown and his staff in this important work.

Mr. Chairman and Members of the Committee:

I support EB 187. My name is Henry Jorgensen. I am president of the Montana Retired Teachers Association with 1600 members, was a member of the Planning Committee for the Legacy Legislature, and am an empossible member of the American Association of Retired Persons Legislative Committee. I am a retired teacher and school administrator.

These organizations all have as their top legislative priority providing health care and home services that will enable people for whom adequate care can be provided in the home to avoid hospitalization and institutionalization.

I am very much aware of and can sympathize with members of this committee, who have a very difficult task of sifting through money requests, evaluating the needs of the state, and establishing priorities for appropriating limited funds.

I support the bill for two reasons:

- 1. The shyrocketing costs of hospital and nursing home care is providing a relentless drain on Hedicare and Medicaid funds as well as the patient who pays for the first day of hospital care which now averages over \$300. Hospitals and nursing homes are wonderful to have when needed. However, in many cases home health care offers a money saving alternative for many patients and for Medicare and Medicaid.
- 2. My second reason for supporting the bill is that people generally express a preference for the independence and familiarity of their home environment.

There are presently 20 agencies throughout the state that have been licensed to provide Lone health care services by the licensing division in the State Department of Health. These services are provided by professional personnel under the direction and supervision of a physician. In some areas of the state these agencies also provide sumiliary services such as homenalting and chore services which do not require professionals. In other areas these services are provided by separate agencies. The proposed legislation in HB 187 is to provide funding for these services since Hedicaid and Medicare funds cannot be used for that purpose although whether or not a person can be cared for in the home is often dependent on such funding. In HB 424 SRS is seeking permission in a limited number of cases to use Medicaid funds to provide these auxiliary services.

To demonstrate how the system operates I would like to cite how it works in the area comprised of Lewis & Clark, Broadwater, Meagher, Fark, and Jefferson counties served by West Mont and in Lewis & Clark County where the auxiliary home care services were taken over by the City county health department earlier in the year.

West Mont employs approximately 100 people on a full time or part time basis for the 5-county area and serves an average of 350 people a month. When it was providing homemaker and health aide services they constituted about 25 % of the home visits, 50 % were nursing visits, and 25% were other services including such things of physical, respiratory, occupational, and speech therapy. The agency also provides

18

medical equipment. Services for developmentally disabled in group homes are also provided by West Mont as well as by the city-county health department. The extensive home health care program of West Mont requires a budget of \$750,000 a year. Funding is derived from Medicare and Medicaid payments which follow strict eligibility guidelines, patient insurance, private payments on a sliding scale based on income, and charity contributions and miscellaneous income which in 1982 totaled \$23,000. In addition the agency received a portion of the \$250,000 appropriated two years ago for the biennium for auxiliary home care services. The end of thepast year produced a deficit of \$7,000 which together with charities received would have totaled \$30,000.

The Lewis & Clark city-county health department now provides the majorpart of the auxiliary homemaking and related services including services to retirement homes and developmentally disabled who have been transferred from Boulder to group homes. About three-fourths of its services are funded by the federal government and one-fourth by the state.

Census information indicates 5,900 people of the 130,000 over age 60 in the state reside in Lewis & Clark County. Of these 360 reside in subsidized housing. About 100 developmentally disabled persons reside in group homes or semi-independent living.

About 150 receive services from the health department "as needed".

Services provided by the health department under the health care auxiliary program include personal care, homemaking chore services, transportation, and information about available community services. Education is considered one of the most important services as it pertains to matrition, medication, knowledge and understanding about the individual's health problems, and information for family members on nursing care.

Both agencies have experienced a pinch in funding and have indicated that there is a great potential for expanding home health care service as its availability bacomes known and people become accustomed to it.

The extent of need for funding is difficult to ascertain. But there are three factors that have a bearing. The administrator in SRS for the program indicates that applications from area and local agencies in the present biennium have been more than triple the amount available.

Secondly, with such a new program the entent of services provided has lacked uniformity with some areas receiving limited or no services.

Thirdly, federal funding which has provided much of the support for human services is being shifted to the states to an extent that is unpredictable.

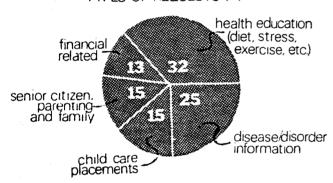
In conclusion, I would like to say that money appropriated for this program differs uniquely in that it is money spent to save money. Without it Medicare and Medicaid funds are seriously strained, welfare funds may be overtaned, and individuals may be deprived of essential health care services as private insurance costs become prohibitive.

SYNOPSIS OF H.B. 405

B-405

HB 405 will establish a central access point for health information, serving all Montana. The Health Information Center will provide updated consumeroriented information regarding specific diseases, disorders and health choices and will provide assistance in accessing the existing health care delivery system. HB 405 requests an appropriation from the legislature of \$252,500 for the biennium to be awarded to a non-profit corporation under contract to the Montana Department of Health & Environmental Sciences.

TYPES OF REQUESTS (%)



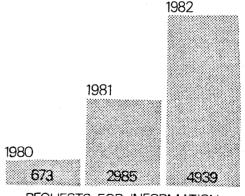
THE WORKING MODEL

A Health Information Center exists in a seven county area of Montana and is served by a toll-free line (1-800-332-5759). A professional staff provides consumer-oriented health information. The pie graph at left depicts the types of requests received. The majority of requests are personal concerns related to health problems and issues and requests for educational materials related to the leading causes of disease and disorder.

The bar graph at right depicts the growth of this regional center and illustrates that use of the Center has increased four-fold in three years.

THE NEED FOR A STATEWIDE CENTER

In the last 18 months, 650 calls were received from outside the service area, even though no advertising was conducted in those areas.



REQUESTS FOR INFORMATION

Evidence of the value of a statewide center has emerged from a recent, ongoing statewide health care survey conducted by Five Valleys Health Care, Inc. in cooperation with the State Department of Health & Environmental Sciences. To date, Hill, Liberty, Toole, Musselshell, Wheatland, Golden Valley, Richland, Roosevelt and Sheridan Counties have been surveyed. Of those surveyed, 89% indicated having health care related questions. Ready access to health care information through a statewide Health Information Center was supported by 77% of the respondents.

Calls from outside the seven-county area and results of the rural health survey indicate that pursuit of a statewide concept and the provision of a health care information resource is warranted and that such a center would be the appropriate resource to continue efforts to increase knowledge about less well-known health care services.

IS THERE A NEED FOR A STATEWIDE HEALTH INFORMATION CENTER?

The model currently in operation in a seven-county area of Montana received 4,939 requests for information in 1982. Since August 1982, 225 of these requests were from outside the seven-county area. Evidence of the value of a statewide center has been supported by a recent statewide survey conducted in nine counties, with 89% of the respondents indicating that they have health related questions. Ready access to health care information through a statewide center was supported by 77% of the respondents.

WHAT TYPES OF SERVICES WOULD A HEALTH INFORMATION CENTER PROVIDE?

- A toll-free telephone service would provide access to:
- a) consumer-oriented information on specific diseases, disorders and concerns;
- b) information on existing health care services;
- c) assistance in video-taping classes or guest speakers so that the presentations may be preserved for future use; and
- d) assistance to community groups, such as wanting to start a support group, wanting to start an infant car restraint program, wanting to develop community forums on health care issues, and other concerns.

WHO WOULD BENEFIT FROM A STATEWIDE HEALTH INFORMATION CENTER?

The most common users to date are mothers with young children and senior citizens. Distribution between male and female users is nearly equal. Typically, users are seeking to increase their own prevention knowledge and personal responsibility for good health. Because most of Montana is rural in nature, toll-free access to health information would provide an important service not presently available in rural communities.

WHY ISN'T THE STATE DOING THIS?

The State Department of Health & Environmental Sciences concurs with the need for such a service, is backing H.B. 405, and believes that the need can most appropriately be met through the proposed partnership between the SDH&ES and a private, non-profit corporation.

WOULD THE HEALTH INFORMATION CENTER BE A DUPLICATION OF EXISTING SERVICES?

- County Health Departments are direct service providers who recognize the importance of patient education and information along with direct care. In many instances, providing the necessary information would require research time on their part that would cut into time spent in direct patient care. By their referring such questions to the Health Information Center, County Health personnel could solicit the information that they believe their patients need.
- Hospitals do not have the resources to maintain updated consumer-oriented health information. Those with medical libraries have information directed toward patient care and treatment, not consumer information.
- Public libraries do not have the resources to answer specific questions on diseases and disorders.

PHYSICIANS SHOULD BE THE HEALTH EDUCATORS.

In some instances, this is true. In the majority of situations, physicians recognize that the lack of time and their own resources prevent this from occurring. Physicians would use the service to complement their practices because better access to health information for the patient reinforces the patient/physician relationship.

HOW CAN WE FUND AN INFORMATION PROGRAM WHEN DIRECT SERVICES ARE BEING CUT?

Health information will help people utilize scarce services more appropriately. Granted, direct services are vital, but so is access to good health information. Informed choice by consumers leads to a competitive health care system. In a time when the state and the nation are emphasizing the need to control health care costs, informed consumers become the most valuable resource in addressing this issue.

Prepared by: Five Valleys Health Care, Inc.

BOOKLETS (Continued)

- Talk Time: Support for People With Cancer and the People Who Care About them
- Readability Testing in Cancer Communications
- Science and Cancer
- Radiation Therapy and You
- Chemotherapy and You
- Diet and Nutrition A Resource for Parents of Children With Cancer
- Eating Hints Recipies and Tips for Better Nutrition during Cancer Treatment
- Nutrition for Patients Receiving Chemotherapy and Radiation Treatment
- A Teanagers Ostomy Guide
- Cancer Patients Survival Experience Trends in Survival 1960-63, 1970-73
- Does Everything Cause Cancer? A Food Safety Primer
- Medicine for the Layman Cancer Treatment
- Your Pap Test Understanding Abnormal Results
- The Leukemia Child
- If You've Thought About Breast Cancer
- Breast Lumps A Guide to Understanding Breast Problems and Breast Surgery

BIBLIOGRAPHIES

- Readings on Cancer
- Developing Patient Education Programs
- Cancer Screening and Diagnosis
- Nutrition and the Cancer Patient
- Cancer Treatment
- Coping with Cancer

NATIONAL CANCER INSTITUTE PAMPHLETS

- What You Need to Know About Cancers of the Bone
- What You Need to Know About Hodgkin's Disease
- What You Need to Know About Cancer of the Bladder
- What You Need to Know About Cancer of the Brain and Spinal Cord
- What You Need to Know About Dysplasia, Very Early Cancer and Invarine Cancer of the Cervix
- What You Need to Know About Cancer of the Breast
- What You Need to Know About Cancer of the Esophagus

COMMUNITY SERVICES AND INFORMATION AVAILABLE FOR CANCER PATIENTS AND THEIR FAMILIES

Prepared by Staff of Five Valleys Health Information Clearinghouse

DIRECT SERVICES

Missoula County Cancer Association: Financial assistance for drugs, transportation, prosthesis and equipment. Must be Missoula County resident.

Homechore services - Age requirement 60 plus. Missoula Senior Citizens Center: Provides workers in the home to do housework, yard maintenance. Donations requested.

Home Health Care: Nurses, physical therapists, speech therapists, occupational therapist, home health aides provide intermittent care in the home. Fee required; Medicare, Medicaid and some private insurances cover the home health services. Missoula City-County Health Department and Community Hospital have certified home health agencies.

Retired Senior Volunteers Program (RSVP): Short visitations made to people living along or restricted in the home.

Salvation Army: Provides a list of names of reliable workers for home assistance.

SUPPORT GROUPS

- Hospice of Missoula
- Ostomy Club
- Reach for Recovery Mastectomy Patients
- Widow's Support Group
- Compassionate Friends
- Bereaved Parents

INFORMATION RESOURCES

Cancer Information Center: Toll-free number for western U.S. patient education, regarding drugs, treatment, services. (Denver) 1-800-638-6070

American Cancer Society: Early detection, education, no smoking clinics.

Missoula City-County Library: Reading materials. 728-5900

Five Valleys Health Information Clearinghouse: 728-0976 or toll-free if you call from outside Missoula Valley, 1-800-332-5759. Up-to-date list of support groups, a large number of pamphlets and articles on cancer.

BOOKLETS (Available at Five Valleys Health Information Clearinghouse):

- Taking Time Support for people with cancer and the people who care about them.
- Students with Cancer: A Resource for the Educator
- Cancer Facts and Figures 1978-1982

NATIONAL CANCER INSTITUTE PAMPHLETS (Continued)

- What You Need to Know About Cancer of the Colom and Rectum
- What You Need to Know About Cancer of the Larynx
- What You Need to Know About Cancer of the Stomach
- What You Need to Know About Cancer of the Uterus
- What You Need to Know About Wilson's Tumor
- What You Need to Know About Adult Lukemia
- What You Need to Know About Childhood Lukemia
- What You Need to Know About Cancer of the Pancreas
- What You Need to Know About Cancer of the Skin
- What You Need to Know About Cancer of the Ovary
- What You Need to Know About Cancer of the Mouth
- What You Need to Know About Non-Hodgkin's Lymphoma
- What You Need to Know About Multiple Myeloma
- Progress Against Cancer of the Mouth
- Progress Against Leukemias, Lymphomas and Multiple Myeloma
- Progress Against Cancer of the Uterus
- Breast Cancer: We're Making Progress Everyday
- Breast Reconstruction Creating A New Breast Contour After Mastectomy
- Breast Exams What You Should Know
- If You've Had Breast Cancer
- Research Reports: Cancer of the Kidney

Lung Cancer

Colorectal Cancer

AMERICAN CANCER SOCIETY

- The Hopeful Side of Cancer
- We are the American Cancer Society
- What is Chemotherapy?
- For Men Only (Prostate)
- Nutrition for Chemotherapy and Radiation Patients (66 pp.)
- Cancer News Quarterly
- Cancer Facts for Men
- Cancer Facts for Women
- Answering Your Questions About Cancer

AMERICAN CANCER SOCIETY (Continued)

- Two Ways to Protect Yourself Against Colorectal Cancer
- About Cancer Risk Factors
- Fact on Oral Cancer
- The Hopeful Side of Cancer
- Facts on Stomach and Esophangeal Cancer
- Facts on Hodgkin's Disease
- Facts on Cancer Treatment
- Facts on Lung Cancer
- Facts on Bladder Cancer
- Facts on Bone Cancer
- Facts on Larynx Cancer
- Facts on Thyroid Cancer
- Facts on Skin Cancer
- Facts on Lymphomas and Myeloma Cancer
- Facts on Colorectal Cancer
- Facts on Childhood Cancer
- Facts on Leukemia
- Facts on Breast Cancer
- Facts on Cancer of the Brain
- Progress Against Cancer of the Bone

BOOKS

- Cancer Information A collection of Current Pamphlets
- Coping with Cancer A Resource for Health Professionals
- Getting Well Again
- The Breast Cancer Digest
- Cancer and Vitamin C
- Cancer Myths and Realities of Causes and Cures
- Cancer and Its Nutritional Therapies

No. calls received	County	Examples
72	Flathead	Information on Reyes Syndrome, information on herpes, information on scoliosis
4	Valley	Information on diabetes, fetal alcolhol syndrome
14	Toole	Information on rabies danger and vaccine, Reyes Syndrome, Wilson's Disease
6	Phillips	Information on Reyes Syndrome, information on scoliosis, information on Down Syndrome
22	Yellowstone	Information on Juvenile Diabetes, information on mental health center resources, information on cancer
23	Sheridan	Information on masectomy, on epilepsy, on siccus syndrome
52	Gallatin	Information on child development, on alcohol detox centers, on diabetes
6	Deer Lodge	Information on child immunization, information on first aide courses, on outpatient mental health counseling
36	Silverbow	Information on epilepsy, Section 8 housing for senior citizens, Parkinson's Disease, child care regulations, Care Unit Alcohol facility
5	Gallatin	Information on lower back pain, fetal alcohol syndrome
16	Cascade	Information on adoption regulations, information on films related to child abuse

•

529 Custer St Wolf Point, Mt 59201 March 10, 1983

Representative Francis Bardanouve House of Representatives Capitol Building Helena, Mt. 59601

Dear Mr. Bardanouve

Please support HB 405 re: the funding of a health imformation clearing house.

Such a facility is a real need in a state as rural as ours.

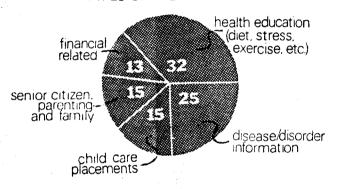
The state of

TO ESTABLISH A MONTANA HEALTH INFORMATION CENTER

SYNOPSIS OF H.B. 405

HB 405 will establish a central access point for health information, serving all Montana. The Health Information Center will provide updated consumeroriented information regarding specific diseases, disorders and health choices and will provide assistance in accessing the existing health care delivery system. HB 405 requests an appropriation from the legislature of \$252,500 for the biennium to be awarded to a non-profit corporation under contract to the Montana Department of Health & Environmental Sciences.

TYPES OF REQUESTS (%)



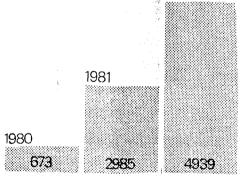
THE WORKING MODEL

A Health Information Center exists in a seven county area of Montana and is served by a toll-free line (1-800-332-5759). A professional staff provides consumer-oriented health information. The pie graph at left depicts the types of requests received. The majority of requests are personal concerns related to health problems and issues and requests for educational materials related to the leading causes of disease and disorder.

The bar graph at right depicts the growth of this regional center and illustrates that use of the Center has increased four-fold in three years.

THE NEED FOR A STATEWIDE CENTER

In the last 18 months, 650 calls were received from outside the service area, even though no advertising was conducted in those areas.



1982

REQUESTS FOR INFORMATION

Evidence of the value of a statewide center has emerged from a recent, ongoing statewide health care survey conducted by Five Valleys Health Care, Inc. in cooperation with the State Department of Health & Environmental Sciences. To date, Hill, Liberty, Toole, Musselshell, Wheatland, Golden Valley, Richland, Roosevelt and Sheridan Counties have been surveyed. Of those surveyed, 89% indicated having health care related questions. Ready access to health care information through a statewide Health Information Center was supported by 77% of the respondents.

Calls from outside the seven-county area and results of the rural health survey indicate that pursuit of a statewide concept and the provision of a health care information resource is warranted and that such a center would be the appropriate resource to continue efforts to increase knowledge about less well-known health care services.

3208 Nollie Missoula, Me. 5980/ March 5, 1913

Representative Francis Bardenouve Montona House of Representatives State Capetal Helena, Montana

Dear Siv:

We are writing to expect our support

of Nouse Bill 405 this bell recognized

the read for better health information.

A central health information center would

assure statewide across to surrent health
information, and would provide services

our and above those that are possible

by local libraries or health departments

Sincerely, Jim and Janice Negent

March 6, 1983 -Rep fravas Bordanouna Chairman House Copyrightion Committee Capital Station Letena, put 34620 Kep Bardenouse de unge you to support ABHOS.

to establish a montaine blooth Information

Batter. Afel This is a much needed Service for families in montana; particularly Those of us who have experienced The Trauma of having a family member become ill, and having The Gustrations of Looking in the Gallow pages for Kelp. There are about 300 Service agencies in Missaula and Mixerel Counties above. Oak this to all the other counties in the state, and it becomes over welelining for the general public to know a ho to call when in

as a member of a Support group for families and friends of the Mentally: 11, we have had a constant Complaint from frustrated members and friends Searching for the right Kind of Service. When a crisis occors, Time is of The utmost importance in getting Treatment, and to prevent further damage. & feel a coordinated Heatth Care Informations Center would improve the effective ness of the Siroice agencies, by making /them More readily available Thank you by your Consideration and Support Sinch Salmonson Perilet a Den Beging 245 80 4st alect mela not 5980)

Bed 221 11/2 dicem Jake · Dear Siv. From what we understand in. 7. House Bill # 405, we feel This is something we can definitely make use I here in this sparsely settled. area. Budrun Kampen Medieine fake, Mr 4247

Missoulay mot Man, 5, 1983 Mr Morais Bankonlaure Helmay Mit, Gen Sin, as Missoula Country's Mussing Home Ombulsman I feel that House Bill 405 should be sufferted, Thank you sincerely Ath May Albano DW 8334 Missoula Mt. 59807

The state of the s

The Honorable Francis Bardanouve House of Representatives Chambers Capitol Station Helena, Montana 59620

Dear Representative Bardanouve:

I am writing to you in regard to H.B. 405. This bill will establish a central access point for health information and serve all Montana.

The Health Information Center will provide information regarding specific diseases, disorders and health choices and will provide assistance in accessing the existing health care delivery system.

I urge you to vote for H. B. 405. I am a senior citizen and the mother of a retarded (Down's Syndrome) boy. I feel the Health Information Center would provide quick and accurate information pertaining to personal concern relating to health problems of the elderly and handicapped.

Thank you for giving this your attention.

Sincerely yours,

Mis Maurice Driscoll

331 S. Washington

Butte, Montana 59701

that our I serious shortfall revenue will some revenue reven

Missoula, Montana March 8, 1983

Representative Earl Lory State Legislature Capitol Station Helena, MT 59620

Dear Earl:

As an insurance agent in Montana, I recommend that you pass HB 405 for the benefit of everyone in the State.

It is a proven fact that people who exercise, do not smoke and watch their diet, have a longer life-span.

Education through a Statewide Center would be a great step forward for our State.

Sincerely yours,

BEN DAVIS

BD/1k

cc: Francis Bardanouve Rex Manuel

Steve Wardron

The Honorable Francis Bardanouve. House of Representatives Chombers Capital Station Helena, Mt 59620

Dear Mr. Bordanoure,

House Bill 405, which would establish a Montara Health Anformation Center. I support this bill and would uge you to support it as well.

The a consumer, bive often found myself would to make informed choices because of a lack of specialized knowledge an my part. In these cases, live been able to turn to such agencies as the Country Extension Office, NCAT the I brory, even tollfree numbers on the packages of some consumer goods. When making health - case choices, however, such an agency has not been available to me. In the age of multiple health - case options and rising health case codes such an agency becomes more sitel. Help in accountry beauth chances ovariable, and what would fill best in my I feetyle and with my pocketbeat would be provided by a Montana Health Information Conder.

I support this kill. Thank you for your time and consideration of my viewpoint.

Sincerely, four Tracy. 1135 Caledonia

Much 8, 1983 6907 Siesta Dr Missoula, MT 59802

Rip. Francis Bardanouve, Chairman House appropriations Committee Capital Station, Helena, Mt.

Den Rys, Bardanouve:

We request the support of you and your Committee for H.B. 405 to establish a state-wide health information centur. We are members of a parent's support groups for the mentally ill (The New Beginning) and are involved in other health issues. We believe such a centur would provide essential information to help us and other across the state.

The health information centre could be similar to or combined with the Five Valleys Health Information Cleaninghouse in Missoula.

Sincerely, Haviet H. Humes

CC: Rys. Waldron Rys. Tory $301\frac{1}{2}$ Blaine Missoula, MT 59801 March 8, 1983

Dear Mr. Bardanouve,

I am a Missouldan, interested in HB 405. This bill would provide funds for a health information clearinghouse for the entire state. We have such a clearinghouse here in Missoula (Five Valleys). It is useful in helping low-income families locate funds for medical assistance, and in providing specific information on disease to anyone. I believe a statewide service like Five Valleys would benefit Montana.

Thank-you. I am interested to know how this bill fares in your committee.

Sincerely

(Miss) Kathy E. Johnsto

R. A. STERLING, M.D., P.C.
Orthopaedic Surgery
Diplomate American Board of Orthopaedic Surgery
Fellow American Academy Orthopaedic Surgeons
700 WEST KENT VILLAGE
MISSOULA, MONTANA 59801

Telephone (406) 721-4343

March 4, 1983

House Appropriations Committee State Legislature Capitol Station Helena, MT 59620

Dear Sirs:

I would like to relay to you my support for House Bill 405 to establish a Montana Health Information Center. I feel that the efforts along this line to date have greatly assisted the citizens of our State in providing education in health care.

I think such an effort has value for two reasons. It helps in prevention of disease and illnesses and, therefore, diminishes utilization of health care facilities and has a cost saving effect to the economy. It also provides helpful supplemental health advice to patients who are already under medical care.

I would urge your support for House Bill 405.

Sincerely,

R. A. Sterling, M.D.

RAS:sm

Representative Francis Bardanouve, Chairman, House Appropriations Committee State Capitol Helena, Montana 59620

Dear Representative Bardanouve:

I am writing in support of H.B. #405, an act providing statewide access to health information through a central information center.

The outstanding services of the Five Valleys Health Information Clearing House in Missoula have provided a clear testimony of what might be done for the entire State of Montana through a central health information center. I have used the Five Valleys Clearing House on many occasions in response to the needs of senior citizens of Missoula County. As a former member of the Missoula County Council on Aging, I can testify to the timeliness and thoroughness of the information received from the Clearing House.

Toll-free telephone access for all the citizens of Montana to such a resource would greatly enhance the level of health care and prevention in the State. This is but one of the many important services envisioned for the center.

I urge you and the other members of the House Appropriations Committee to fund this important Health Information Center project.

Sin**ca**rely,

Daniel J. Smit

cc Representative Steve Waldron, Vice Chairman, Appropriations Committee Representative Rex Manuel, Vice Chairman, Appropriations Committee



March 10, 1983

Francis Bardanouve, Chairman State Legislature Capitol Station Helena, MT 59620

Dear Representative:

As a health care professional, I would like to express to you my concern regarding House Bill 405. This bill represents an important aspect of health care, and I urge your support of this bill.

Sincerely,

Lou Corts, R.R.A.

Director, Medical Records

LC/jb

The Honorable Francis Burdanouve Chairman, House Appropriation Committee House of Regusentations Chambers capital Station Helena, Mantona, 59620

Dear Representative Bardanouve,

Establish a Montanu Health Information Centre. H.B. 705 well establish a central access point for health information, serving all of Montana. It will also provide information regarding specific diseases, disorders and health choices as well as providing assistance in accessing the health care systems that presently exist.

It is a well known fact that large portions of both smal of whom Montanus do not have enough medical professionale to meet the demands of the population. The Montanus Health Information Center would help alleviate this problem by providing quich and precise information realiting to health problems and by distributing educational meterials related to the leading causes of clisenses and disorder.

The Montana Heatth Information Center would provide a statewish service, thus insuring that all Montanens have an opportunity to experience quality health care. The statewish service would also eliminate the need for local governments to establish and fund such a program.

our view. Thank you

Mr. Mrs. Rick Larson

Columbias Play # 115 Butte Monh. 59 701 Dear Rep Bardenoule, me writing to ask you to sponson the Fire Valley Health Im 51 yrs old - because of heart trouble and asternatorosed my left leg was competeted in Sh Tat's Hospital Missoula. This booted attanged for me to get a descount in a motel in now while I got prothetic training at It Paka. I just got the country for The leg - am doing well walk quite well with just a care. Berace of the change of weight of the

sherapy which they well help arrange They are also working on trying to Sind me a parmanents I think they do many worthwhile things so think they should be sponsored. I vanhier Deardon

5420 Robin 14 Jena, MT 59601 March 7, 1983

Pep Francia Bardanouve, Chm. House appropriations Committee Capital Station Idelena, MT 59620

DearRep Pardanouse;

Concerning H.B. 405 to establish a montana I fealth Information Center:

My jet occasions my washing with the present 5 Valleys HIC in Mossula.

Sfind them to be cooperative, knowledge able and consistent, and feel that freedwing their base to midule the whole state would be a great service to mentana, and well with the cost.

Please ancider this appropriation measure carefully, and support it if at all possible.

Sincerely, anna B. Jones

BOX 1446 Courad, MT. 59435 Marcu 11, 1983 Dear Representative Bardanouve, I am writing this letter in support of these Bill 405, to Establish a Montana Health Information Center: I have without Iwe Valley Health Care (Health Information Clearinghouse)'s tall free number many times to Obtain resource information, as saiding in a rural Community, there are no local produces that operade information on topics PUCh as DES (Diethylstebenediol) and Diabetes Un Lowx Syndrome Children Demphasize that Rural (2/3 of Montana) undurdue and agraes can especially benefit from a Montana Health Information Center, as we do not have the resources available in Montana's larger Cities. I hope that you vote in favor of thouse Bill 465 in next weeks' appropriations committee. Thank-you! Sincerely, cc: Lex Manual +

Cendy Moil

R. A. STERLING, M.D., P.C.
Orthopaedic Surgery
Diplomate American Board of Orthopaedic Surgery
Fellow American Academy Orthopaedic Surgeons
700 WEST KENT VILLAGE

700 WEST KENT VILLAGE MISSOULA, MONTANA 59801

Telephone (406) 721-4343

March 4, 1983

House Appropriations Committee State Legislature Capitol Station Helena, MT 59620

Dear Sirs:

I would like to relay to you my support for House Bill 405 to establish a Montana Health Information Center. I feel that the efforts along this line to date have greatly assisted the citizens of our State in providing education in health care.

I think such an effort has value for two reasons. It helps in prevention of disease and illnesses and, therefore, diminishes utilization of health care facilities and has a cost saving effect to the economy. It also provides helpful supplemental health advice to patients who are already under medical care.

I would urge your support for House Bill 405.

Sincerely,

R. A. Sterling, M.D.

RAS:sm

7/1/SSOULA COUNTY

Barbara Evans

COUNTY COMMISSIONER

Missoula County Courthouse • Missoula, MT 59802 406/721-5700 Ext. 200 Home: 2415 - 56th Street • Missoula, MT 59803. 406/251-3001

March 10, 1983 BCC-83-147

The Honorable Francis Bardanouve, Chairman House Appropriations Committee House of Representatives Capitol Station Helena, MT 59620

Dear Chairman Bardanouve and Members of the Committee:

I am writing to voice support for H.B. 405, a bill to establish a Statewide Health Information Center.

As health care costs continue to escalate, innovative approaches aimed at cost containment must be pursued. H.B. 405 represents a positive step in this direction.

A health information center would allow all Montanans access to quality, consumer-oriented information on their health and well being. Such access promotes informed decision making on how to appropriately utilize the health care delivery system and how to assume increased responsibility for one's health--two proven cost saving mechanisms.

Further, the availability of a Health Information Center will assist health care providers in the provision of information to their clients. Research into informational requests on behalf of patients/clients is both time consuming and costly. In Missoula County, where a Health Information Clearinghouse has been operational for two and a half years, health care providers, both public and private, are able to devote increased time to the provision of direct services by relying on the Health Information Clearinghouse for assistance in information and referral.

As a Missoula County Commissioner, I am aware of the benefits of a health information center to the community:

- in serving as a catalyst for health related community activities;
- by providing consumers with health information in language designed for laypersons;

- in facilitating the existing health care delivery system by referring a consumer to the care they need; and
- in providing a service which ultimately allows providers to devote more time to direct patient care.

The benefits of such a center should be available to all Montanans. For this reason, I urge your support of H.B. 405.

Sincerely,

Barbara Evans, Chairman

BE:fa

CONTRACTOR STATE OF THE STATE O

cc: All Missoula Legislators
Jeanne Sheils-Twohig, 5 Valleys Health

Representative Francis Bardanouve Chairman, Appropriations Committee House of Representatives State Capitol Helena, Montana 59020

Re: HB 405

Dear Representative Bardanouve:

I am writing in support of House Bill 405, an act to provide Statewide Access to Health Information through a Central Information Center operated by a Private Nonprofit Corporation under contract with the Department of Health and Environmental Sciences....

As a consumer, I have had numerous occasions to use the existing Health Information Center -- Five Valleys mealth Care, Inc., and the information provided to me has always been correct, and upto-date. The existence of a service such as this is a necessity not only to citizens of Western Montana, but to all citizens throughout the state.

I know that some persons across the state are opposed to HB 405, on the premise that this service could be provided by another agency—i.e. the various County Health Departments. In my opinion, this is a rather ridiculous premise—the various County Health Departments could have been providing this service already—but have not bothered to do so—and if they were to start doing it now, it would take a considerable amount of time for them to start, could cost more, and would result in a fragmented system, each county 'doing their own thing!—whereas, the existing agency is well organized, had had several years of experience and has a 'good track record' of providing this service, and is fully capable of expanding the service to a statewide level—at a lesser cost and sooner than any other agency who would be starting from scratch.

As a Medical Technologist, who has been working in Missoula for over 15 years, I have always been active in Health Planning and related Health Care issues. I have been a member of the Board of Directors of Five Valleys Health Care. Inc. since its founding, and am currently serving as Chairperson of the Board-- hence my knowledge of the capability of the agency, and also the knowledge of the need for this health information center service on the statewide level.

This Health Information Center Service is needed-- as evidenced by the increased usage over the last several years of the existing Health Information Center in Western Montana.

This Health Information Center service is needed on a statewide level-- as evidenced by the Statewide Health Care Survey, recently conducted in cooperation with the State Department of Health and Environmental Sciences.

I urge your support of this bill-- HB 405.

Canyl M. Muyn M. T., ELS.

Carryl M. Meyer, M. T. (ASCP), C.L.S. (NCA)

2532 Highwood Drive

Missoula, Montana 59803

-Missoula Community Hospital Rehabilitation Center

GRANT M. WINN. EXECUTIVE DIRECTOR

MIC 2829 FORT MISSOULA ROAD, MISSOULA. MONTANA 59801 MISSOULA COMMUNITY MEDICAL CENTER (406) 728-4100

March 6, 1983

Francis Bardanouve, Chairman State Legislature Capitol Station Helena, MT 59620

Dear Mr. Bardanouve:

As the Rehabilitation Coordinator of Missoula Community Hospital Rehabilitation Center, I am very often shocked at the public's lack of accurate information regarding the services, programs and clinics we offer.

Families often travel great distances to obtain services they have at their "back door". For families whose loved ones have experiences a spinal cord injury, head injury or stroke, this living away from home can be costly both emotionally and financially, as their rehabilitation programs usually last months.

Bill 405 presently before you could easily supply accurate, timely information. It is my belief that passing H.B. 405 to establish a Montana Health Information Center will show Montanans that you care about their health needs.

Sincerely,

Paula McDonnell, R.N.

Rehabilitation Coordinator

Leula Mellanner KN

The Ting they beautry



MONTANA STATE HOUSE OF REPRESENTATIVES

FRANÇIS DARDANOUVE DISTRICT NO. 6 HARLEN MONTANA 59525

COMMITTEES.

APPROPRIATIONS— CHAIRMAN
STATE ADMINISTRATION
RULES

March 9, 1983

Ms. Paula McDonnell, R.N. Rehabilitation Coordinator Missoula Community Hospital Rehabilitation Center 2829 Fort Missoula Road Missoula, MT 59801

Dear Ms. McDonnell:

I have met with the five people who are sponsoring this worthy legislation. It is a fine concept; however, I fear that our serious short-fall of revenue will place good legislation of this quality in serious jecoardy.

Of course, much can happen yet.

Sorry I don't have more cheerful news.

Sincerely,

FRANCIS BARDANOUVE Representative

FB/jc

Missoula Community Hospital Rehabilitation Center

GRANT M. WINN, EXECUTIVE DIRECTOR

MC 2829 FORT MISSOULA ROAD, MISSOULA, MONTANA 59801 MC MISSOULA COMMUNITY MEDICAL CENTER (406) 728-4100

March 16, 1983

State Legislature Capitol Station Helena, Montana 59620

Dear Representative Bardanouve:

In the field of orthopedic and rehabilitative medicine I have been in the position of observing the need for providing health care information throughout the years. I request your support for H.B. 405, establishing a Montana Health Information Center.

Sincerely,

₩. W. McKinstry, M Clinical Director/

Pain Clinic Coordinator

WJM/brm



March 9, 1933

Francis Bardanouve, Chairman House Appropriations Committee State Legislature Capitol Station Helena, Montana 59620

Dear Mr. Bardanouve,

I am writing in support of HB 405 which will establish a central access point for health information serving all of Montana.

With the complexity of medicine today and the rapidly changing information available, it is essential that one agency be charged with the task of collecting and disseminating the most current data that exists. I have seem the difference that such an agency can make in observing the work of Five Valleys Health Information Clearinghouse. I'd like to see this kind of service extended to the entire state.

Sincerely,

M. Eileen Croghan, S.P.

A Elien 6,600.

Director

Educational Services

m₁b



March 9, 1983

Francis Bardanouve, Chairman House Appropriations Committee State Legislature Capitol Station Helena, Montana 59620

Dear Mr. Bardanouve

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Sincerely,

M. Eileen Croghan, S.P.

WE Contifles

Director

Educational Services

m1b

C. PAUL LOEHNEN, M.D.

DIPLOMATE OF THE AMERICAN BOARD OF INTERNAL MEDICINE AND PULMONARY DISEASE.

601 WEST SPRUCE MISSOULA, MONTANA 59802 (406) 728-5324

March 7, 1983

Rep. Francis Bardanouve, Chairman House Appropriations Committee Capitol Station Helena, Montana 59620

Dear Mr. Bardanouve:

I would strongly urge support of H.B. 405 in order to establish a central access point for health information serving all Montana. Certainly with increasing complexity of various health issues and an increasing participation of patients in their own consumerism of health care, this is a needed facility for Montana. It will hopefully, in the long run, reduce health care costs and promote improved health for all Montanans.

Yours Sincerely,

C. Paul Loehnen, M.D.

CPL: bb

FAMILY PRACTICE MISSOULA

601 W. Spruce Missoula, Montana 59801 Telephone: 721-1850

LARRY R, HARPER, M.D. DONALD R. NEVIN, M.D. WILLIAM A. GROMKO, M.D. JUDY McDONALD, M.D.



Diplomates, American Board of Family Practice

March 14, 1983

Frances Bardanouve, Chairman House Appropriations Committee State Legislature Capitol Station Helena, MT 59620

Re: HB 405

Dear Sirs:

This letter is in way of expressing my support for the passage of HB 405 relative to financial support for a central access point for health information. I am familiar with the Five Valleys Health Information Clearinghouse which is presently providing health information for primarily western Montana Counties.

It is apparent from the fact sheet and other information that a state-wide center would be quite helpful and would see significant utilization by the lay public. At the present time, with the exception of the Five Valleys Clearinghouse, I don't believe there is any other practical way to disseminate this kind of information on a centralized basis.

Thank you for your time. I hope you will support this bill.

Sincerely yours,

Donald R. Nevin, M.D.

Jul

DRN/h1

Lincoln County Nurse

KAROL SPAS, R.N. 418 Mineral Avenue LIBBY, MONTANA 59923

PHONE 293-7781

3-7-83

Dear Representative Francis Bardanouve, I am writing to express my support of HB 405 regarding an appropriation of \$ 25,500.00 to establish a central health information septem. It is quite difficult in rural communities to keep abreast of current health information and I ful thes bill would facilitate that. I have used the Five Valleys Health Information Cleanoghouse in Messoula and have found it very helpful. I can see how an agency such as these one would be able to establish a central health information system.

Sincerely, Karol Spas Rov * Paulo Carlberg March 15, 1983

The Honorable Frances Bardanouve Chairman, House Appropriations Committee House of Representatives Montana State Legislature Helena, Montana

Dear Mr. Bardanouve:

I am writing in support of HB 405.

I am a registered nurse who has used the Five Valleys Health Information Clearinghouse. I found prompt, succint, current answers to my requests for information as a consumer and hence, have not hesitated to recommend it to patients for whom I've been responsible.

One of the responsibilities of any good nurse is patient education. However, the knowledge explosion in the health-care field in the last few years has made it impossible to stay well-informed in each of the myriad areas comprising the health-care field. We need services such as the Clearinghouse provides where we can go for information for ourselves as well as for our patients.

As this nation continues to move towards leadership in the areas of information production and dissemination, it behooves us to ensure that the provider and consumer of health-care have factual, current information. One way to do this is through the Clearinghouse. Therefore, I urge you to support HB 405.

Thank you.

Sincerely,

Darlene Anderson R.N./G.N.P. Geriatric Nurse Practitioner

Tarlene anderson Rn/GNP

2238 South 12th West Missoula, Montana 59801

CC: The Honorable Rex Manuel
The Honorable Cal Winslow
The Honorable John Shontz



March 9, 1983

The Honorable Francis Bardanouve State Legislature Capitol Station Helena, MT 59602

Dear Mr. Bardanouve:

RE: House Bill 405 - Montana Health Information Center

I am writing to ask your serious consideration in supporting HB405.

I work as medical librarian at St. Patrick Hospital in Missoula and believe I may be in a rather unique position to have observed—on one hand—the great need lay persons have of being able to obtain accurate, up-to-date health information—but on the other hand—the great paucity of sources they can consult. Not infrequently I receive calls from the public library and the University library asking me for health science/medical information. Generally, St. Pat's materials are too technical as they are geared primarily toward the health professional.

Thus you can understand how pleased I was when The Five Valleys Health Information Clearing House was established. It provided a much-needed resource which was available at neither the public libraries nor medical libraries.

I would also like to mention the reciprocity Five Valleys and St. Pats have been able to establish. We have exchanged listings of our resources in order to avoid unnecessary duplication. Thus I frequently refer patrons to them; in turn, they regularly use our resources for expanded research. Five Valleys appears to be very much in-tune with providing what is needed, but they do not wish to duplicate unnecessarily.

Thank you for your consideration.

Sincerely yours,

Jody Anderson, Librarian



Mission Valley Hospital Post Office Box 310 St. Ignatius, Montana 59865 Telephone (406) 745-2781

March 10, 1983

Francis Bardanouve Representative State Capital Helena, MT 59620

Dear Representative Bardanouve:

I am writing to urge your support of H.B #405 which would establish a state wide Health Information Clearinghouse. In Western Montana, we have found the Five Valley's Health Information Clearinghouse to be an invaluable resource for both professional and consumer consultation, and information. In this era of reduced funds, the tendency to view this kind of endeavor as an optional, "nice to have, but not need-to-have" service is understandable. However, consumer education and information about health is a right not a privilege, and having a state-wide information clearinghouse would facilitate more efficient distribution of that information to the state's citizens. Thank you for your time and consideration.

Sincerely,

Jean Shreffler RN, MSN

Jean She Et flan

Director of Nursing

FAMILY PRACTICE MISSOULA

601 W. Spruce Missoula, Montana 59801 Telephone: 721-1850

LARRY R, HARPER, M.D. DONALD R. NEVIN, M.D. WILLIAM A. GROMKO, M.D. JUDY McDONALD, M.D.



Diplomates, American Board of Family Practice

March 14, 1983

Frances Bardanouve, Chairman House Appropriations Committee State Legislature Capitol Station Helena, MT 59620

Re: HB 405

Dear Sirs:

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It is apparent from the fact sheet and other information that a state-wide center would be quite helpful and would see significant utilization by the lay public. At the present time, with the exception of the Five Valleys Clearinghouse, I don't believe there is any other practical way to disseminate this kind of information on a centralized basis.

Thank you for your time. I hope you will support this bill.

Sincerely yours,

Donald R. Nevin, M.D.

DRN/h1



Mission Valley Hospital Post Office Box 310 St. Ignatius, Montana 59865 Telephone (406) 745-2781

March 10, 1983

Francis Bardanouve Representative State Capital Helena, MT 59620

Dear Representative Bardanouve:

I am writing to urge your support of H.B #405 which would establish a state wide Health Information Clearinghouse. In Western Montana, we have found the Five Valley's Health Information Clearinghouse to be an invaluable resource for both professional and consumer consultation, and information. In this era of reduced funds, the tendency to view this kind of endeavor as an optional, "nice to have, but not need-to-have" service is understandable. However, consumer education and information about health is a right not a privilege, and having a state-wide information clearinghouse would facilitate more efficient distribution of that information to the state's citizens. Thank you for your time and consideration.

Sincerely,

Jean Shreffler RN, MSN Director of Nursing

Jean She Efflan

Orthopedic Surgery

Reconstructive Surgery, Fractures, Scoliosis Professional Village South 700 West Kent Missoula, Montana 19801 Telephone (406) 721-4233

Patrick R. Robins, M.D., P.C.

Old-omate American Board of Orthopedic Surgery

March 8, 1983

The House Appropriations Committee State Legislature Capital Station Helena, MT 59620

To Whom It May Concern:

This letter is to express my support of HB405, which would establish a Montana Health Information Center. I feel that this information center would be a great benefit to the people of Montana in assisting them with their medical needs.

Very sincerely yours,

Patrick R. Robins, M.D. P.C.

cc: Burl Lory
PRR/sm

Rose Neumiller, ART Box 505 Wolf Point, MT 59201

March 7, 1983

Finance Committee Francis Bordanouve Rex Manuel Stan Waldron Capitol Station Helena, MT 59601

Dear Sirs:

I would like to express my support of HB 405. As a review coordinator for Montana Foundation of Medical Care, I cover Glasgow, Wolf Point, Poplar, Culbertson, Plentywood, and Scobey. I see many instances in which a health care information clearinghouse would be used by both health care providers and consumers. A system patterned after Five Valley Health Care's would provide easy access. It has impressed me as being cost efficient with the potential of much impact. A step in bringing down the cost of health care is education of the public.

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Crow Agerry Montana 59077 Drav Mr. Bordonoure in Montara, of world like to Viconnerd passage of HB-405the bill to establish a central access point for health information in Mortana Sweely Slyher Javasly JStephen Jarrard

3 March 1983

" Them for the terrimess in site." ana charse what makes you happy March 16, 1983 Vida montora Troncis Bardonoue Sate Legitaline Capital Station Hebra, montara 59620 Dear Degreen tution Bardonous; as a runal Montonan I on interested in the passage of #B 405. This hall would give small towns acen to the availability of different medical information and facilities Seneorely Barbara J. Bailly Rt. 2 Box 25 Vida montono

FIVE VALLEYS HEALTH CARE INC OR 235 EAST PINE CUITE 4 HISSOULA HT 59700

Western Mail gram Walter Posta (R) Western Mail gram (R) Walter Posta (R)

4-0215538007 03/20/03 ICC IPMMTEZ OSP HELA -4060732333 MOM TONT POLSON MT 75 03-20 12532 EST

REP FRANCIS BARDAMOUVE CAPITOL CTATION HELENA MT 59302

DEAR REPRESENTATIVE BARDANOUVE
THIS IS TO I FORM NOW THAT AS A PHYSICIAN I FEEL THAT HOUSE BILL 405
TOULD LE A STEP FORWARD IN RESPECT TO PREVENTIVE MEDICINE
I HAVE PERSONALLY DISCUSSED THIS LEGISLATION WITH SOME OF THE
INDIVIDUALS THO ARE IN THE POSITION OF RENDING THIS SERVICE THEIR
DEDICATION AND INTEREST IN PROPERLY SCREENING THIS SERVICE SEEMS
ADEQUATE.

JARD E BENKELMAN FAMILY PHYSICIAN POLSON MT 59060

1250 EST

۳

MER SHOOMER

W B 41.183

HOUSE BILL NO. 815

INTRODUCED BY FABREGA, METCALF, PAVLOVICH, HART, KADAS, S. HANSEN, SCHULTZ, LYBECK, NISBET, ELLISON, R. JENSEN, KITSELMAN, SAUNDERS, HOWE, ELLERD, BACHINI

BY REQUEST OF THE HOUSE COMMITTEE ON BUSINESS AND INDUSTRY

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING IDENTIFICATION OF AND PREPARATION-OF-A-PLAN-FOR ACQUISITION OF ABANDONED RAILROAD RIGHTS-OF-WAY THAT MAY BE ABANDONED; APPROPRIATING \$78,500-\$10,000-FROM-THE-GENERAL-FUND FUNDS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

SECTION 1. PURPOSE. IDENTIFICATION OF THOSE RAILROAD LINES PROPOSED FOR ABANDONMENT IN THE STATE OF MONTANA THAT MAY HAVE POTENTIAL FOR LOCAL TRANSPORTATION SERVICE IS NECESSARY TO DETERMINE THE FEASIBILITY OF ACQUISITION BY THE STATE AND TO ALLOW THE STATE TO NEGOTIATE FOR ACQUISITION OF THOSE RAILROAD LINES.

Section 12. Authorization. The department of commerce shall:

- (1) identify abandoned railroad rights-of-way in this state that may be abandoned and research the feasibility of acquisition by the state of Montana of those rights-of-way that may be abandoned;
- (2) study-the-feasibility-and-desirability-of--state acquisition--of--the--abandoned--railroad--rights-of-way identified-pursuant-to-subsection-(1);-and ----(3)--submit-to-the-49th-legislature-a-plan-for-and--the estimated-cost-of-acquisition-of-those-identified-abandoned railroad-rights-of-way-for-which-acquisition-is-found-to--be feasible-and-desirable REPORT PERIODICALLY TO THE LEGISLATIVE FINANCE COMMITTEE, CREATED IN 5-12-201, ON THE PROGRESS OF THE DUTIES IMPOSED UPON IT PURSUANT TO SUBSECTION (1);
- (2) NEGOTIATE FOR AND ACQUIRE THE RAILROAD RIGHTS-OF-WAY AND ATTENDANT FACILITIES IDENTIFIED PURSUANT TO SUBSECTION (1) AND HOLD ALL SUCH ACQUIRED LANDS IN TRUST FOR TRANSPORTATION PURPOSES; AND

- (3) UPON CREATION OF AN APPROPRIATE LOCAL AUTHORITY, OTHER THAN AN AGENCY OF STATE GOVERNMENT, TRANSFER TO SUCH LOCAL AUTHORITY ALL ATTENDANT FACILITIES AND ALL RIGHTS AND RESPONSIBILITY TO OPERATE AND MAINTAIN TRANSPORTATION SERVICES OVER THE LANDS ACQUIRED IN SUBSECTION (1).
- SECTION 3. REPORT TO LEGISLATURE. THE DEPARTMENT OF COMMERCE SHAFE RESEARCH THE FEASIBILITY AND DESIRABILITY OF STATE ACQUISITION OF ABANDONED RAILROAD RIGHTS-OF-WAY AND SHALL SUBMIT TO THE 49TH LEGISLATURE A PLAN FOR AND THE ESTIMATED COST OF ACQUISITION OF THOSE IDENTIFIED ABANDONED RAILROAD RIGHTS-OF-WAY FOR WHICH ACQUISITION IS FOUND TO BE FEASIBLE AND DESIRABLE.
- Section $\frac{3}{2}$ 4. Appropriation. There is appropriated to the department of commerce \$78,500 \$\frac{1}{2}\$ \$\f

Section 3 5. Effective date. This act is effective on passage and approval.

-End-

Joint testimony on HB 815 by Montana Grain Growers Association and by Montana Citizens Freight Rate Association

The manner in which rail-banking legislation failed in the 1981 legislature apparently prevents the state from negotiating for the acquisition of any rail line or abandoned rail right-of-way.

Each rail line abandonment, especially in grain producing areas, causes great hardships to the affected towns and very expensive additional wear and tear on roads leading to the nearest grain subterminal.

The Geraldine to Lewistown branch line has been offered to the state for the sum of 31. Whether BN will continue to operate the Opheim branch is uncertain.

A number of abandoned rail corredors in the state have been stripped of salvageable materials. Should these abandoned right-of-ways be studied to see whether they should be preserved by the state for future use as road, rail, power line or pipe line corredors? Should local land owners be protected from having to compete with speculators for the purchase of abandoned right-of-way in scenic areas? When the BN branch line from Great Falls to Augusta was abandoned, a land speculator offered to top all other bids and buy the entire right-of-way. To its credit, BN did not take that offer.

It has been reported that a salvager who bought the Milwaukee main line from Harlowtown to Butte offered the right-of-way to the state in lieu of taxes. Title to much of the Milwaukee main line east of Harlowtown is clouded, but should the state investigate to see whether it might acquire the easment at minimum cost? Should the highway department, for example, look at segments where the highway parallels abandoned right-of-way to see whether some of it might be needed for future highway improvement?

If the state could aquire abandoned Milwaukee right-of-way or easment on that right-of-way west of Mutte to the Idaho line, might not that corredor plus the corredor in Washington have great economic significance for Montana in the future? Is there any reason that the rail right-of-way between Fort Benton and Big Sandy should be preserved? What about other abandoned rights-of-way?

If the state should aquire title to any right-of-way that is presently idle, we strongly urge that control of that right-of-way be turned over to adjcent land owners for as long as it remains idle or urtil such time as the state may decide that it has no future potential as a corredor. If it is then sold, adjcent land owners should have first right of refusal at a reasonable price.

We strongly urge the legislature to make it possible for the state to accept real line or right-of-way being offered to it and to study all abandoned real corredors to see whether it is desirable or practical to preserve them. We do not believe Montana should be in the realroad business, but we see a place for branch line operation by shipping organizations and we see other opportunities slipping through our fingers.

Respectfully,

Viggo Andersen, Director, MOGA

Viggo Wnolersen

and President of MCFRA

IN Support of HP 815. BELORE SENATE JINANOUCH CLAIMS, B.R.A.C. BMWE- UTU. 71.83

B.N. Purchase of Lewistown-Denton-Geraldine Branch Line

April 2, 1980 federal bankruptcy judge directed the Milwaukee trustee to sell portions of any line segments for CONTINUED RAIL OPERATIONS ... "before he disturbed any track or facilities west of Miles City, Montana, or take any other step which would not impede such sales."

B.N. purchased the Lewistown-Geraldine segment pursuant to section 5 (b) (1) of the Milwaukee restruct@ring act (MRA) enacted November 1979.

B.N. provide interim operating service as required by the MRA until the sale was consumated before October 1980. They were compensated for this service in accordance with MRA.

B.N. presumptively knew the deteriorated condition of the Geraldine branch as noted in their own findings appearing in I.C.C. finance docket # 21478 (Sub #4) at page 3 dated February 20, 1980.

"B.N. believes the trustee (Milwaukee) may have determined that western lines are not a viable part of the Milwaukee system for the reason that they are hopelessly deteriorated because of the deferred maintenance practices over the past 20 years."

B.N. selected the Milwaukee golden triangle Montana branch line purchase with the intent to contin**ts** service and rehabilitate the Geraldine Line within the framework of the Milwaukee restruct**s** ring act.

With full knowledge of what they were buying on April 1, 1983 they embargoed the line. Ironically the MRA condition expired on this date.

COMPETITION HAS ALMAYN TROVEN TO BY THE BEST TOTHOD OF STABILIZING THE RATE SUBJUTURE OF TRANSPORTATION SERVICES. LACK OF ADJUACE COMPETITION LEAVES SHITTERS AT THE MEDRY OF WHATEVER MODE REMAINS.

EDDITIONAL TROBLETS ART REPAIRED WHEN AREAS ARE FORCED UNTO UTILIZING THE HIGHWAYS SYSTEM FOR MAJOR TRANSPORT SERVICES. MANY OF MONTANAS BEGINNAYS WERE NOT BUILT TO BEAR THE ADDITIONAL STRESS OF INCREASED HEAVY LOAD TRAFFIC. MANY ARE PAST THEIR RECOMMENDED LIVE SPAN.

WEIGHT RESTRICTIONS ARE BEING PLACED ON HIGHWAYS TO FRESERVE AND MAINTAIN FROM AS LONG AS FOSSIBLE. HOWEVER, THESE WEIGHT RESTRICTIONS FROMENT THE TRANSPORTER FROM LOADING UP TO HIS LAGAL WRIGHT LIMIT WHICH FORCES THE INDUSTRY TO ACCEPT BIDS FROM THOSE AREAS MHERE NO PESTRICTIONS ARE FLACED. IT IS BECOMING INCREASINGLY DIFFICULT TO SEQURE TRANSPORTERS WHO WILL BRING IN FURTILIZER OF HAUL GRAIN OUT OVER THESE WEIGHT RESTRICTED HIGHWAYS. WEIGHT LIMITS ALSO MEAN MORE TRIPS....MORE COST. THESE FACTORS LEND JUSTIFICATION FOR RATE

INCREASES...A STAGGERING BLOW TO THOSE SHIPPERS ALREADY OVERFURDEDED WITH TRANSPORTATION COSTS. SUPPERT COSTS TO GRAIN SHIPPERS FOR TRANSPORTATION IS HEADLY 1/3 OF THE PRICE THEY RECEIVE FOR THUR COMMENTAL.

THE SYSTEMS DIAGRAM MAP FOR PRANCHILLY ABANDONMENT CONTAINS AT PRESENT SOME 321 MILES.

WHERE FREIGHT IF A MEANS OF PRESERVING THOSE MOST VIABLE BRANCHINES IS NOT REACHED

DURING THIS LEGISLATURE, THE TRACK, TIES, ETC. WILL MOST LIKELY BE SALVAGED BY THE TIME

OF THE NEXT GENERAL SESSION.

HE815 WILL FROVERS THE NECESSARY MECHANISM TO HOLD THIS LINE IN TRUST WITTL SUCH TIME AS
A LOCAL AUTHOLITY TAX MAKE MIGHESARY AFRANGE HENTS TO CONTINUE OPERATIONS. IT MOVED ALSO
FOR IT THE DEPT. OF COMMERCE
TO ACT IN THE BOST INTUDESTS OF THE STATE WHEN OTHER
ALE NOT ON THE SYSTEMS DIAGRAM MAP BUT THAT ARE UNDER STUDY FOR FOSSIBLE ABANDOMENT. THIS
BILL WILL GIVE THE DEPT. OF COMMERCE THE AUTHORITY TO STUDY THE FEASIBILITY OF THESE LINES

AND PERCENTURE IN THE E OF IMPERCORS OF THE STATE OF WARRANA.

The Staggers Act of 1980 provides several benefits to the state, if negotiations are completed with the Burlington Northern (BN) before the BN files a formal application for abandonment.

Examples are:

- 1. The price can be negotiated between the parties if we act soon.
- 2. The ICC can require the BN to provide purchaser with trackage rights and joint rates.
- 3. The purchaser can impose a surcharge upon the user, if necessary, for providing service.
- 4. The time frame within which the ICC must initially accept or reject the purchase application is 15 days, with a final ruling concluded within 155 days. Therefore, acting now would give us the most expedited procedures.
- 5. If authority to act now is not issued, the tracks most likely will not even be in place by the time the legislature meets again in regular session.
- 6. While this amended bill has been precipitated by a most advantageous offer from the BN in connection with the Geraldine line, the authority would permit us to act in the best interests of the state when other opportunities arise within the next two years.

IMPACT TO HIGHWAYS

- 1. With the loss of rail service to the Geraldine-Denton area, approximately 58 miles of Federal Aid Primary (FAP) highway and 22 miles of Federal Aid Secondary (FAS) highway will be directly affected by grain-hauling trucks.
- 2. Most of these roads were constructed in 1962 and have already reached the end of their design life. Without additional truck traffic loads, it is possible these highways could last another 10+ years with adequate maintenance.
- 3. With the additional truck traffic load resulting from loss of rail service, it would cost an estimated \$34 million to reconstruct the involved portions of FAP 80, FAP 81, and FAS 207 to their current highway design standards.
- 4. In order to accommodate the heavier truck volumes resulting from rail service abandonment, the highway construction cost in order to still meet a 20-year design life could cost an estimated additional \$8.5 million.
- 5. The total cost of rehabilitating the rail line is estimated to cost \$19.5 million. By rehabilitating the rail line and keeping the additional grain traffic off the surrounding highway network, the \$42.5 million highway construction cost to the state could be put off for another 10+ years.

SECONDARY IMPACTS OF RAILROAD ABANDONMENT

- 1. Community Impacts
 - a. Local elevators cannot compete with Mainline elevators if they must rely solely on truck transportation.
 - b. If local elevators cease operation
 - i. Elevator jobs are lost
 - ii. Associated Services are lost (i.e. seed, feed, hardware, etc
 - iii. Local Tax Base reduced
 - c. Elevator customers seek services in Mainline communities
 - i. Must sell grain at Mainline
 - ii. Will probably move shopping, banking, and other functions to Mainline since travel there is already required by need to sell grain

CURRENT LIMITATIONS OF EXISTING HIGHWAY SYSTEM

- 1. The Montana Department of Highways has imposed springtime weight restrictions on FAP 80 responding to increased truck traffic resulting from the present Burlington Northern Rail Line embargo.
- 2. The road from Fort Benton to the Denton turnoff was under restriction to 400 pounds per square inch (psi). Part of this restriction from the Denton turnoff to Geraldine still remains and the GVW Division examines the road weekly and will reinstate restrictions if the roadway deteriorates.
- 3. Weight restrictions mean that trucks must make more trips. More trips means vastly increased costs to transport products to market.

DEPARTMENT OF COMMERCE



TED SCHWINDEN, GOVERNOR

CAPITOL STATION 1424 9TH AVENUE

STATE OF MONTANA

(406) 449-3494

HELENA, MONTANA 59620-0401

MONTANA RATE PEANNING PROGRAM

I. Trends of Montana Rail Transportation System

1972 - 1982 Track Statistics Route Mileage

	1972	<u>1982</u>	
MilwS.D. Rail Auth.	1168.0	78.6	
S 00	56.9	56.9	
Union Pacific	142.7	133.3	
B.A.&P.	45.9	31.9	
W.S.S.&Y.P.	22.9	-0-	
Burlington Northern	4311.5	4209.1	(Includes BN/ Milw. Purchase)
TOTAL	5747.9	4509.8	

Miles of Abandonment

Milwaukee	917.6 (Excludes BN Purchase)
S 00	-0-
Union Pacific	9.4
B.A.&P.	14.0
W.S.S.&Y.P.	22.9
Burlington Northern	27 4. 2
TOTAL	123 8. 1

II. Proposed Future for Montana Rail Transportation System

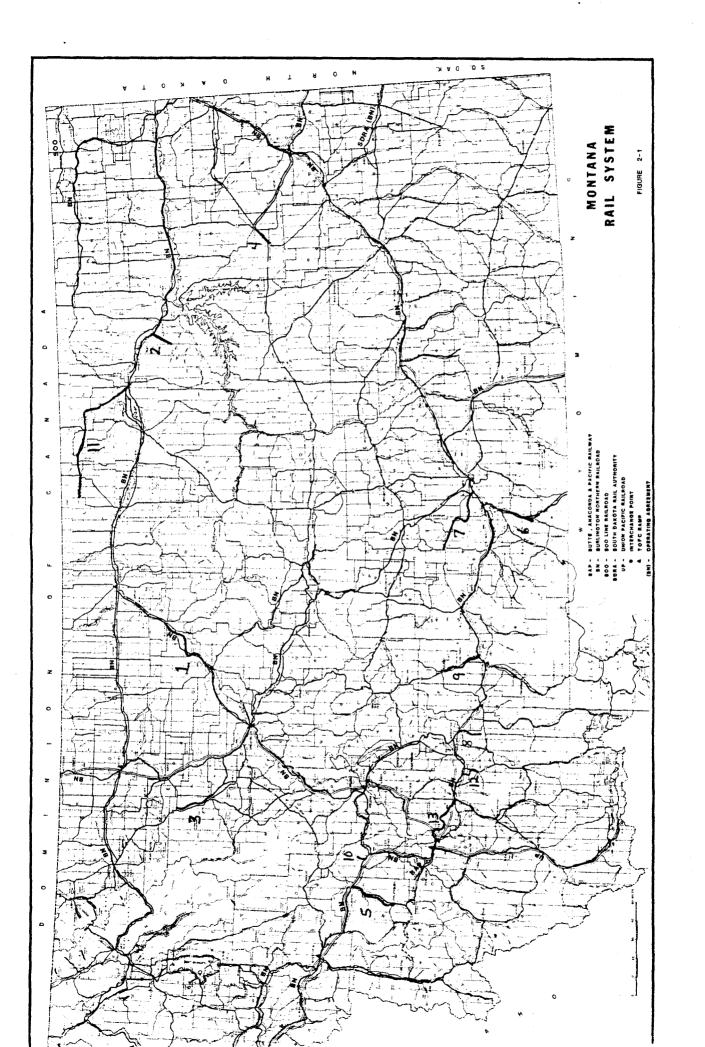
The Burlington Northern System Diagram Map proposes the following system reductions in the upcoming years:

MONTANA

	Category 1 Lines	Miles
1.	Big Sandy-Fort Benton	41.22
2.	Brazil-Creek Spur	18.75
3.	Choteau-Pendroy	21.41
4.	Circle-Brockway	11.02
5.	Drummond-Philipsburg	26.25
6.	Fromberg-Bridger	6.17
7.	Hesper-Rapelje	38.16
8.	Manhattan-Anceney	15.02
q.	Mission-Wilsall	22.96
10.	Phosphate-M.P. 4	4.65
11.	Saco-Hogeland	77.45
12.	Sappington-Harrison	9.48
13.	Whitehall-Butte	28.80
	TOTAL	321.34

NOTE: Many of these lines are presently closed by service disorder and/or do not presently show request for rail service.

(Several additional lines do not appear on system diagram maps, but are experiencing similar physical and service problems.)



MONTANA DEPARTMENT OF COMMERCE Transportation Division

Personnel and Budget Needs Statement For House Bill 815

Personnel

One additional FTE at Grade 13 (6) to direct real estate review and initiate preliminary negotiations.

Budget

Personal Services:	FY 1984	<u>FY 1985</u>
Salaries Benefits @ 28%	\$19 , 993 5 , 598	
Operating Expense:		
Contracted Services:		
Consultant and Professional Services (Title Search) Data Processing (Create Title Log) Insurance and Bonds (Notary) Printing	(Absorb into current programs)	
Supplies and Materials:		FY 1984
Equipment Photo and Reproductions Shop Supplies	(Absorb into current programs)	for
Communications:		-Same as
Telephone Postage and Mailing	(Absorb into current programs)	88
Travel:		**
In-state (40 days on road)	4,500	f 1 1
Direct Overhead:		!
Rent Repair and Maintenance	(Absorb into current programs)	
Indirect/Administrative Overhead:		
Centralized Services Director's Office	1,250 1,000	
Total	\$32,341	\$32,341
GRAND TOTAL	\$ <u>64,68</u>	2

COMMENTS BY REPRESENTATIVE JOHN VINCENT ON HOUSE BILL 800

- $et^{\nu^{-1}}$
- * UNEMPLOYMENT IS ONE OF THE GREATEST BASIC PROBLEMS OF OUR YOUNG PEOPLE.
 - Youth unemployment in Montana is greater than 20%.
 - While youth in Montana comprise one-fourth of the labor force, they make up over 60% of the unemployed.
- * AGENCIES SUFFER A BACKLOG OF NEEDED CONSERVATION WORK.
 - Federal funds have been cut.
 - State agency budgets have been cut.
 - We have heard repeated complaints this session that the state is not caring for its parks and wildlife refuges.
 - * BILL WOULD ESTABLISH A YOUTH CONSERVATION CORPS PROGRAM IN THE DEPARTMENT OF LABOR AND INDUSTRY.
 - Young people between the ages of 15 and 21 would be eligible.
 - Work projects would include:
 - -- forestry and rangeland improvement
 - -- wildlife habitat improvement
 - -- historical and cultural site improvements
 - -- road and trail maintenance
 - -- soil conservation
 - -- stream and lake improvement
 - -- energy conservation
 - The bill requires corps members to devote one-fourth of time to education and training, including training at vo-tech centers.
 - The bill also allows the director to enter into agreements with any local government or any federal or state agency.
 - * BILL IS MODELED AFTER STATES WITH SUCCESSFUL PROGRAMS: CALI-FORNIA, OHIO, WISCONSIN, MAINE, MINNESOTA AND WASHINGTON.
- * IN MONTANA, THE FEDERAL YCC PROGRAM RETURNED \$1.21 FOR EVERY \$1 SPENT.
- * IN ADDITION, IT TEACHES WORK ETHICS AND VALUABLE SKILLS TO OUR YOUTH, WHILE CONSERVING VALUABLE NATURAL RESOURCES.

uf)2

THE OPPORTUNITY FOR FEDERAL FUNDING FOR A STATE YCC PROGRAM SHOULD H.R. 999 PASS

The United States Senate is now considering H.R. 999, an Act to Establish an American Conservation Corps. The bill would provide an annual appropriation of \$300 million for the program nationwide.

Montana would be eligible for a maximum of \$674,000 per year in grants to fund a state conservation corps program. The state would be required to provide not less than 15 per cent of the total cost of the state program. The table below presents several different alternative funding levels and the number of youth that each level would employ.

F	Y	8	4

FEDERAL GRANT AVAILABLE TO MT	REQUIRED STATE MATCH	TOTAL FUNDING	NUMBER OF ENROLLEES
\$674,000	\$119,000	\$793,000	477
\$340,000	\$ 60,000	\$400,000	240
\$283,000	\$ 50,000	\$333,000	200
\$141,000	\$ 25,000	\$166,000	100

FY 85

FEDERAL GRANT AVAILABLE TO MT	REQUIRED STATE MATCH	TOTAL FUNDING	NUMBER OF ENROLLEES
\$674,000	\$119,000	\$793,000	477
\$340,000	\$ 60,000	\$400,000	240
\$283,000	\$ 50,000	\$333,000	200
\$141,000	\$ 25,000	\$166,000	100

If House Bill 800 passes, funding for the state match could come from a private foundation. As the above table shows, a \$25,000 grant would fund a \$166,000 program. Likewise, a \$50,000 grant would fund a \$333,000 program.

The Big Sky

Bozem Daily C

Thursday, April

CCC veterans recall hard, necessary job

By LYNN ISRAEL Chronicle Staff Writer

Photographs of rawboned, lanky, suntanned youths in Leo Benoiken's picture album show glimpses of life in the Civilian Conservation Corps now celebrating its 50th anniversary.

now celebrating its 50th anniversary.
But the CCC is more than a memory for Benolken, 67, of Bossman, and the 3 milion other CCC workers who carred out roads and trails and reforested milions of acres of tembertand in a program that still benefits the nuthir

benefits the public.

Benothen left his family's Montana ranch in 1933 to seek employment and ended up joining the program started by President Franklin D. Roosevell.

It was organised during a time of national joblessness brought on by the Great Decression.

"We all thought the CCC was a worthwhile project and we all needed a job just like young people do now." Benolken said. "We had to accept the fact that we had to take what was available."

Benoîken joined because of the attractive offer of \$30 a month, three square meals a day, a place to sleep, a clothing allowance, and the chance to learn a skill

"We were paid \$30 a month, but we only received \$5...the rest they sent home." Benolken recalled the said be was first put to work building a mountain road, mainly by hand, near Mouset Whitney in California.

Jesu Stovall, of Boseman, said he joined the CCC after an unsuccessful attempt to obtain 80 acres of arrigated land in Musaeinhell County.

"That was when the Great Depression was on and there were no jobs to be stolen, begged or borrowed," he said. Stowall joined in 1933 at age 23 and left the CCC in the summer of

1933.
"It was physically stimulating and a lot of us emoyed work and keeping ourselves in condition," and Stovall, whose first job was picking up nails from a hastily constructed hurraclus.

Benothen smiled when asked if the work was difficult, "Anytime you build a road in the Sierra (Nevada), that's a lot of hard work," he said, "We would work eight hours a day unless there were smergencies." Such emergencies

Benotien noted. "In one summer, we had 14 hellish fires up in Libby," he said, adding that his workmates had to grow up fast, "It was hard when you had hoys from Kentucky and Ohio, who had never held an ax or a saw in their hands and you had to fight tires with greenhorns you had to fight tires with greenhorns.

Benoilkest said other work was less frantatic, but no less demending. Benoilken and his CCC workmates helped build the ranger station at Squaw Greek, the first asport at West Yellowstone, dozens of roads in Yellowstone National Park, Swan Creek Midthe Creek Toute Crantate well as trails, bridges, stream maintenance and watertank construction.

Scoull's first assignment was at Basin Camp west of West Yellow-stone, where he handled explosives, surveyed, cut wood and worked a jackhammer.

During the CCC's nine years of existence, the program resulted in the planting of 2.3 billion trees, installation of 89,000 miles of telephone line and the construction of 126,000 miles of trails and roads.

In Montana alone, the CCC crews built 458 dams and 776 bridges, and planted nearly 5.5 million trees.

Susan Marsh, a landscape architect with the U.S. Forest Service in Bozeman, said many of the CCC-built structures would be difficult, if not

"One of the most outstanding examples is the bridge at Squaw Creek which was built in the early 30s and is still in use today," she said. "It's actually a cultivard resource, and it would probably not be feasible to build today because it would cost too much, and some of those skills are not available."

Marsh said other CCC work such as reforestation still benefits the public.
"We can see the results in the thinning and planting they did then with the mature forests we have now." she said.

The CCC was phased out during Vorld War 31, but its anniversary has generated new interest in similar programs being considered by the U.S. Congress and the state Legisla-

Budget cuts have eliminated or are phasing out the Young Adult Conservation Corp. began in 1977, as well as the Youth Conservation Corp, both designed as efforts to provide jobs and training for disadvantaged youth.

The Reagan administration is seeking an expanded Forest Service Volunteer Program where young men and women work on projects for free.

But Congress has recently introduced another version of the CCC, known as the American Conservation, Corps or ACC, with the House passing to hill fast month that stands provide

in Montana lase month, House Mapority Leader John Vincent, of Boarmas, introduced House Bill 800, which would create a state youth conservation corps from 15 percent state matching money for federal YCC funding now before Congress. The Bill, which passed the House Appropriations Committee, would fund a total of 477 jobs next summer, if

approved.

Benolten said the new programs, if handled property, could teach today's young people the work ethic that he, as a CCC foreman, attempted to instill in his work crews.

"I tried to make something out of them," he said. "Absolutely such programs are worthwhile, but you have to run them with discipline and with disnet he."

the to run them with discipline and Both CCC h.

Benolken said he learned how to slacker

Former Civilian Conservation Corps member Leo Benoiken said the program, now celebrating its 50th anniversary, was necessary and helped his own career. Benoiken, who joined at age 27, is shown near his CCC tent, left, near Civil Lakes in 1934.



Photo by Lynn

a skill that he applied laser in his career.

Both men noted, however, that the CCC had its share of goldbruks and programs might be effective if

time trying to get out of work then they did working. Stovall and. If stovall and, for a seed that the new youth programs might be effective if the group of the stovall said. Stovall said.

Nation needs work program similar to CCC

an idea whose time has come - again Establishing a Civilian Conservation Corps is

ing success. It employed almost 3 million youths work as tree planting, building bridges and dams (never more than 500,000 at a time) at such useful The old CCC of the Depression was a resound-

Midwest and East. CCC put young men to work. It gave them dis-

cipline and travel experience. Some 40,000 illiterate jecting the young men to a routine and discipline many more improved their education and training men learned to read and write in CCC classes, and that served the nation well when the war broke out Army reserve officers ran the CCC camps, sub-

Corps and the Young Adult Conservation Corps claiming that they were costly and inefficient. Tell pulled support from under the Youth Conservation that to some western Montana teen-age YCC veterand they had to adjust to service life. Two years ago the Reagan administration

stocking fish, cutting roads and trails, establishing

Missoulian editoria

wildlife refuges, national park land and national parks, lighting fires, stringing wire, and creating

forests.

urrect the CCC idea. By a 301-87 vote on March 1 worked faster and better - and cheaper. Now Congress is toying with a proposal to res

Service brush crews and know the YCC kids ans, who cleared brush alongside regular Forest

prevent a recurrence of the dust bowl conditions of

the 1930s, when the wind blew the topsoil in huge

ted as wind breaks on the Great Plains today help

The 200 million small trees that CCC men plan-

clouds from the land and deposited it across the

His son

women to work in parks, forests and Indian reser-\$3 billion to recruit up to 100,000 young men and the House of Representatives authorized spending put 10,000 people to work right away in the North-

hood parks, public buildings and other facilities conservation work, but also improving neighborwork not only doing the more traditional CCC-type Senate would put some 300,000 young people to to provide the money. A separate proposal in the The Senate Budget Committee also has voted

summer weeks to do traditional youth conservation likely to be stymied because of the state's money work. The bill is popular among legislators, but up a YCC program under the Department of State Lands. It would recruit high school kids for eight

In the Montana Legislature, HB-800 would set

Work is there to be done. A few years ago for-mer Regional Forester Steve Yurich said he could

care that results in better harvests. It pays off in improved recreation opportunities and in useful west's forests. that later can be harvested. It pays off in forestry Such work pays off. It pays off in trees planted

tion knowledge. bitions, capacity to work with others and conservakids improved their self-confidence, job skills, am-And it pays off for the young people involved. No question of that. Studies have found that YCC rural and community improvements.

sands of this nation's young people to work. It will about their experience during the Depression pay off, both for the nation and for the many kids Congress should pass a program to put thou-Those findings echo what CCC members say

who desperately want jobs today

(This sheet to be used by those testifying on a bill.)

NAME:	K.M. K	Ke/14_			DATE : 4/11/	83
	Helona	J				
PHONE:	458-5861					
REPRESEN	NTING WHOM?	Montana 1	vuter Develop	ment le	isn.	
APPEARIN	NG ON WHICH	PROPOSAL:	AB108			
DO YOU:	SUPPORT?	X	AMEND?		OPPOSE?	
COMMENT:		1			.1	
(11.2)	We Ens	and Colin	Bill furthe	Macon	that the proportion and we can we want	Craffins This
Jull 11	well at leas	er ger the	projek A	tarted a	nd we no	per that
berthe	unigation	and mun-	of will h	e-myon	and we	Asy
Indo	me the to	shinere of	John andre	ne- Pray	ut lowering	tor:
			4m Killer			
			1)0			
PLEASE	LEAVE ANY	PREPARED S	TATEMENTS W	ITH THE	COMMITTEE SE	CRETARY.

L JUL MELN PROCUT AND NO 108

Project Location/ Problem: This project, now three years old, starts 10 miles west of Great Falls, extends north to Dutton, and west to Augusta. This includes 80,000 irrigated acres, Montana's largest single irrigation land tract. Surplus irrigation runoff from this tract has artificially increased Muddy Creek's flow, drastically altering its channel and dumping 250,000 tons of sediment yearly into the Sun and Missouri Rivers.

MB. 108/11/8"

- Carro

Previous Commitments/Improvements: A total of S2.7 million has been committed by the project, the majority of it (S2.3 million) being utilized for direct irrigation improvements to more efficiently use irrigation water. Only 6 percent has been used for administration. Approximately 12 local, state and federal agencies have been involved in financial and/or technical support.

We have completed more than 35 miles of concrete canal lining and sprinkler water supply lines and leveled 1,700 acres for improved water distribution. Irrigation scheduling (Cooperative Extension Service) is reaching more than 50 cooperators, saving fertilizers and increasing crop yields. In only two and-a-half-years, 150 farmers have benefitted, or 30 percent of the project irrigators.

Why State Aid is Needed:

Water conservation is becoming one of Montana's major issues. Irrigation alone withdraws 97 percent of the state's water. Proven irrigation improvements can save 50 percent of that, resulting in the only major method of conserving water. The Muddy Creek Project is the only centrally administered agricultural water conservation effort in the state. Thus, state assistance is needed to continue an already successful project.

Mechancis of HB 108: The 50 percent cost-share means that an irrigator could receive half the cost of an improvement, but no more than \$10,000. He must first apply for the \$3,500 from the federal ACP program; we'll supply the rest, not exceeding 50 percent. A \$20,000 improvement could receive the maxium of \$3,500 ACP/\$6,500 state assistance = \$10,000.

Five percent in Resource Indemnity Trust Funds (RITF) = \$215,000, \$260,0 and \$300,000 in 1984, 1985 and 1986 respectively. An average of 12 percent will be used for the Coordinator's expenses. Approximately \$2 million will be used in seven years, benefitting 40-50 farmers yearly, or 250-350 farmers.

4/11

HB 847

1. Title, line 5. Strike: "INCREASING"

Insert: "PROVIDING THAT"

2. Title, line 8.
Following: "BOARD"

INSERT: "REMAIN AT CURRENT LEVEL"

3. Title, line 9.

Strike: "SECTIONS 2-16-405, 3-5-211, 13-37-106, AND"

Insert: "SECTION"

4. Page 1, line 13 through line 16 on page 3. Strike: sections 1, 2, and 3 in their entirety Renumber: subsequent sections

5. Page 4, lines 8 and 9.

Strike: "\$26,003 in fiscal 1984 and \$26,523 in fiscal 1985"

Insert: "\$25,493"

6. Page 4, lines 11 and 12.

Strike: "\$25,305 in fiscal 1984 and \$25,811 in fiscal 1985"

Insert: \$24,809"

90 /-(~ Direct appeal from department decision to state tax appeal board --- hearing. Audicial review of contested cases.

Petition for interlocutory adjudication. .01.

Jurisdiction to make interlocutory adjudication. adó.

Board may order refund. ORS.

Challenge to assessment rules or procedures. ωř.

Procedure.

Remedy. 305).

100

1 Day

tial

Tax to be paid. 110

847

Part 1

Composition and Organization

15-2-101. State tax appeal board - appointment of members - term of office. On July 1, 1973, there shall be created a state tax appeal board which shall be composed of three members to be appointed by the governor for staggered terms by and with the advice and consent of the senate; provided, however, a member so appointed may serve until the next regular tion the legislature without such advice and consent. Each succeeding member shall hold his office for a term of 6 years and until his successor shall be appointed and shall have qualified. Any vacancy shall be filled by or de the governor subject to confirmation by the senate during the next legislative nd a pession. Succeeding appointments, except when made to fill a vacancy, shall tion be made on or before January 31 during the session of the legislature next preceding the commencement of the term for which the appointment is made.

History: En. Sec. 1, Ch. 3, L. 1923; re-en. Sec. 2122.1, R.C.M. 1935; amd. Sec. 50, Ch. 100, L. and 1973; amd. Sec. 45, Ch. 405, L. 1973; R.C.M. 1947, 84-701. ctions

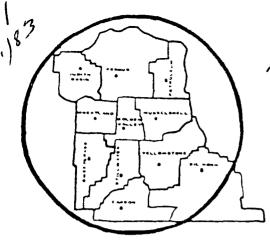
15-2-102. Qualification and compensation. (1) To be appointed a Enember of the state tax appeal board, a person must possess knowledge of 🔁 he subject of taxation and skill in matters pertaining thereto. No person so is prointed may hold any other office under the laws of this state or any other tule or any office under the government of the United States or under the overnment of any other state. He shall devote his entire time to the duties If the office and shall not hold any other position of trust or profit or engage any occupation or business interfering or inconsistent with his duties. The tate tax appeal board is transferred to the department of administration for diministrative purposes only as is specified in 2-15-121. However, the board hay hire its own personnel, and 2-15-121(2)(d) does not apply.

(2) The member designated chairman as provided for in 15-2-103 shall ceive a salary of \$23,554 in fiscal 1982 and \$25,493 in fiscal 1983. The maining state tax appeal board members shall be paid a salary of \$22,024 fiscal 1982 and \$24,809 in fiscal 1983. All members of the board shall ceive travel expenses as provided for in 2-18-501 through 2-18-503, as

nended, when away from the capital on official business.

(3) The salary commission must review the salary for members of the pard and shall recommend an appropriate salary to the legislature.

History: En. Sec. 2, Ch. 3, L. 1923; re-en. Sec. 2122.2, R.C.M. 1935; amd. Sec. 1, Ch. 109, L. ⁸³; amd. Sec. 8, Ch. 225, L. 1963; amd. Sec. 13, Ch. 237, L. 1967; amd. Sec. 46, Ch. 405, L. 1973;



AREA AGENCY ON AGING MONTANA - AREA II

2031 Hewitt Drive Billings, Montana 59102

March 24, 1983

Representative Francis Bardanouve, Chairman House Appropriations Committee Capitol Station Helena, Montana 59620

Dear Chairman Bardanouve:

I understand that your committee will be holding hearings on HB-153 which was introduced by Representative Les Kitselman of Billings. This bill authorizes the Department of SRS to contract with a senior citizens organization to establish a mock legislature.

As the Area II Agency on Aging Advocate for Senior Citizens, I would appreciate your support on HB-153 as amended. Area II covers an eleven (11) county area with a resident population of approximately 24,200 senior citizens, 60 years of age and over.

The legacy legislature planning committee in 1982 raised approximately \$5,000 to provide some financial support to 63 legacy legislators. Most of these funds were raised at senior centers, senior organizations, in addition from non-seniors. Because of limited funds many senior citizens could not afford to run for the legacy legislature, also many of those elected could not afford to pay their expenses to attend the mock sessions in Helena. I guess from your experience as legislators you know better than anyone else how expensive such an undertaking is especially for those who do not have the financial means.

We are only asking for matching funds to give all senior citizens the same opportunity to run for the legacy legislature. In my judgement, these funds should not be considered an expense but a prudent investment in helping seniors to help you to do a better job as legislators.

Again on behalf of all the senior citizens that I represent, your favorable support of this bill will be very much appreciated.

Sincerely,

Area II, Senior Citizens Advocate

cc: House Appropriations Committee Members

MB 153-

Montana Senior Citizens Assn., Inc.

WITH AFFILIATED CHAPTERS THROUGHOUT THE STATE

P.O. BOX 423 - HELENA, MONTANA 59624



14061 443-5341

TESTIMONY OF HELEN HAEGELE, MEMBER OF THE BOARD OF THE MONTANA SENIOR CITIZENS ASSOCIATION IN SUPPORT OF HOUSE BILL 153

Mr. Chairman and Members of the Committee:

My name is Helen Haegele and I am a member of the Board of the Montana Senior Citizens Association. I am here to speak in favor of House Bill 153.

The Legacy Legislature is a valuable instrument in encouraging the participation of our state's elderly in the legislative process and in making their views known on issues concerning senior citizens. Many of the Legacy Legislature's bills have gone on to be introduced in the state legislative session and have been made law.

Especially in a state as large as Montana, allowing seniors to voice their views on a representative basis, as does the Legacy Legislature, cannot help but ensure that the democratic process is furthered. I hope that you will vote to fund House Bill 153.



City of GREAT FALLS Montana 5940:

P. O. BOX 5021

TELEPHONE 406 / 727-5881

April 11, 1983

HB 418 and HB 600

Local governments have taken all measures available to them to meet needs and provide necessary services with diminishing dollars. Great Falls has made significant efforts during the past several years to cut expenditures:

- 1. We have held down wage increases far below the levels approved by the State and School Districts.
- 2. We have reduced the number of employees by 100 since 1976—and have the least number of employees in relation to population of any major city in the State.

These stringent management practices have reached the point of diminishing returns and further reductions will seriously threaten essential service.

While good management and intense budget scrutinizing have helped to control costs, we have now cut to the bone and good management can no longer compensate for the negative and drastic impact of a diminishing tax base.

Between 1979 and 1982, the taxable valuation in Great Falls decreased by 23% and we had a decrease of 17% in non-tax revenue. In that same period of time while we had a decline in expenditures of 7%, our City operating revenue declined by 19%--and that gap continues to widen. This year's mill value in Great Falls is \$58,216--down from \$60,840 just one year ago and we have a projection for next year's mill value at \$54,000. This sharp decline in taxable value is a very significant problem for Great Falls because by necessity, we have depended on local property taxes for our primary source of revenue. This is further complicated by the legal ceiling placed upon us by State law as to the number of mills which we can levy. Even if we were afforded the flexibility, how could we in good conscience continue to increase the tax assessments of the already overburdened property owners. A poll conducted by the Bureau of Business and Economic Development Research at the University of Montana indicated

that 80% of the people were opposed to some degree to an increase in property taxes. We have reached the point of public resistance.

The problem of the decreasing taxable valuation is compounded by legislative, judicial and State administrative actions which have reduced the amount of taxes which Great Falls would collect this year by \$930,000.

Local governments do not have the authority or flexibility that the State has for raising money, and the State has taken action which has drastically reduced local tax collections.

Yet the residents of the State's seven most populous cities and counties provide 70% of the State's personal income tax (which is the State's largest source of general fund revenue). But, these same seven cities and counties have only 30% of the State's taxable property value—which is the prime revenue source of local governments. Urban taxpayers are paying a disproportionate share of State taxes, but our local governments are receiving little financial assistance back from the State.

I see the Block Grant proposal as a form of retribution for what has been taken away in past actions. And the Block Grant only begins to provide that retribution.

Local governments must have alternative sources of revenue from a constant tax such as that proposed with the Administration's Block Grant Program. We must have it in order to alleviate the burden on our already beleaguered property tax payers and so we are able to continue to support the essential services which we must provide.

In closing I quote from a letter received by each of you from the Bozeman City Commission -- "We know you have a difficult job, but please don't make ours impossible."

LOCAL GOVERNMENT BLOCK GRANT (HB 600, HB 418) MAJOR FEATURES OF ADMINISTRATION'S PROPOSAL:

funds vehicle tax reimbursement account established by 1981 Legislature provides mechanism for distribution of any additional funds to counties, cities and consolidated governments

builds on 1981 Legislature's precedent of replacing property taxes with oil severance taxes to support local governments (natural resources helping human services)

.helps mitigate erosion of tax base available to local governments

.provides alternative, long-range revenue source to alleviate heavy dependence on property taxpayers

injects modest amount of state dollars to allow flexibility to local governments to meet local priorities

includes equalization factor to assure fair distribution to all local government units while targeting those most in need of assistance

based on cooperative planning and compromise among Montana Association of Counties, League of Cities and Towns, Urban Coalition, and the Administration.

LOCAL GOVERNMENT BLOCK GRANT **ACCOUNT** HB418 earmarks 33 1/3% of oil severance tax scheduled to increase to 6% on April 1 '83) **HB600** appropriates \$6 million for biennium from General Fund

GENERAL PURPOSE GRANT

.continues motor vehicle tax reimbursement program enacted by 1981 regular session .annual obligation is \$15.4 million

.recipients are:

.counties

.municipalities

school districts

other jurisdictions (cemetery,

hospital, fire districts, etc.)

.allocations from state based on existing law (number of vehicles and average tax loss per vehicle in 1981)

distribution is to counties, who then disburse to others (based on proportionate number of mills levied by each jurisdiction within the county) payments March 1 of each year are made before any remaining block grant funds are released

GENERAL SERVICES GRANTS

.provides for distribution of any funds remaining in account after allocations for vehicle tax reimbursement .remaining funds divided on basis of state's "unincorporated" and "incorporated" populations:

counties = "unincorporated" = approximately 44.4% cities/towns/consolidated governments =

"incorporated" = 55.6%

distribution based on population and relative local tax base per capita

.payments June 30 of each year (exception: special one-time, partial payment to initiate program on October 1, 1983)

FACTORS WHICH HAVE SUBSTANTIALY REDUCED THE PROPERTY TAX BASE AND REVENUES OF LOCAL JURISDICTIONS

YEAR	ITEM	PROPERTY TAX	REVENUE REDUC	TION
	1	SCHOOL	COUNTY	CITY
1973	Household goods-exempted	\$2,020,882	\$662,100	\$1,000,573
1975	Solvent credits-exempted 2	506,316	144,298	253,008
1976	Business inventory-rate lowered	3,184,337	1,008,794	1,648,091
1981	Livestock/poultry-rate,lowered	5,044,550	1,849,550	-
1981	Equipment-rate lowered 5	2,273,600	833,600	
1983	Business inventory-exempted	4,643,760	1,420,320	2,483,096
		\$17,673,445	\$5,918,662	\$5,384,768

It should be noted also that in 1979 the tax on bank stock and surplus was eliminated. At the time the taxable value was \$21,808,452. Approximate replacement of the tax revenue then was provided by the financial institutions corporation tax. However, tax credits allowed under that measure have reduced revenue about \$1 million from 1981 to 1982 and revenue for 1982 is about \$100,000 below the proceeds from the prior tax in 1979. Furthermore, the new act was declared unconstitutional in 1982 and the possible exposure to local governments for refunds is \$6.9 million.

Substantial reductions in property tax receipts also follow from resolution of the protracted disputes regarding valuations of railroad and commercial properties. In the matter of protested railroad taxes, local jurisdictions will receive \$20.5 million less than the original tax billings of 1980, 1981 and 1982, an average of about \$7 million per year. In the matter of the "34% cases" (commercial property valuations), taxable valuations were reduced \$4,951,236 in 1979, \$6,201,950 in 1980, and approximately \$6,500,000 in 1981. Prospectively, these property valuations may have been reduced by about \$20 million for 1982.

The factors of erosion have affected all taxing jurisdictions which rely on property tax revenues. However, the school foundation program has diminished the impact on school districts. No comparable support or replacement mechanism has existed for cities, towns, and counties. The Block Grant Program responds on a modest scale to the need for appropriate state support.

3 107.8 school; 59.49 city; 6.0 state.

Used average for all cities 1973-74 (220.04 mills) - 37.91 county; 115.17 school; 57.29 city; 9.0 state. Used average for all cities 1974-75 (208.13 mills) - 33.98 county;

Used average for all cities 1975-76 (206.52 mills) - 37.05 county; 4 116.95 school; 60.53 city; 5.60 state.

Based on 1981-82 rural levy of 207.28 mills - 54.0 county; 147.28 schools; 6.0 state.

Used average for all cities 1982-83 (281.64 mills) - 45.47 county; 148.63 school; 79.47 city; 6.0 state.

City of G

City of GREAT FALLS Montana 55

59403

P. O. BOX 5021

TELEPHONE 406 / 727-5881

AVERAGE MILL LEVY INCREASE FOR PERIOD 1977 TO 1983: 2%

STATE MANDATED INCREASE (IN ORDER TO MAINTAIN CURRENT LEVEL OF REVENUE) CONSTITUTES A ONE YEAR INCREASE OF 7.3%.

THIS ASSUMES THAT THE CITY OF GREAT FALLS CAN OFFSET THE INCREASES IN COSTS AND REDUCTIONS IN REVENUES WITH HIGHER MILL LEVIES. THE CITY IS ALREADY AT THE 65 MILL ALL PURPOSE LEVY CEILING! IT CANNOT RECOVER \$260,000 IN OPERATING REVENUE.

MILL VALUATION

THIS REPRESENTS A 10% DECLINE IN ONLY TWO YEARS.

COMPONENTS OF DECLINE

BN SETTLEMENT AND THE 12% ROLLBACK IN COMMERCIAL PROPERTY VALUATIONS:

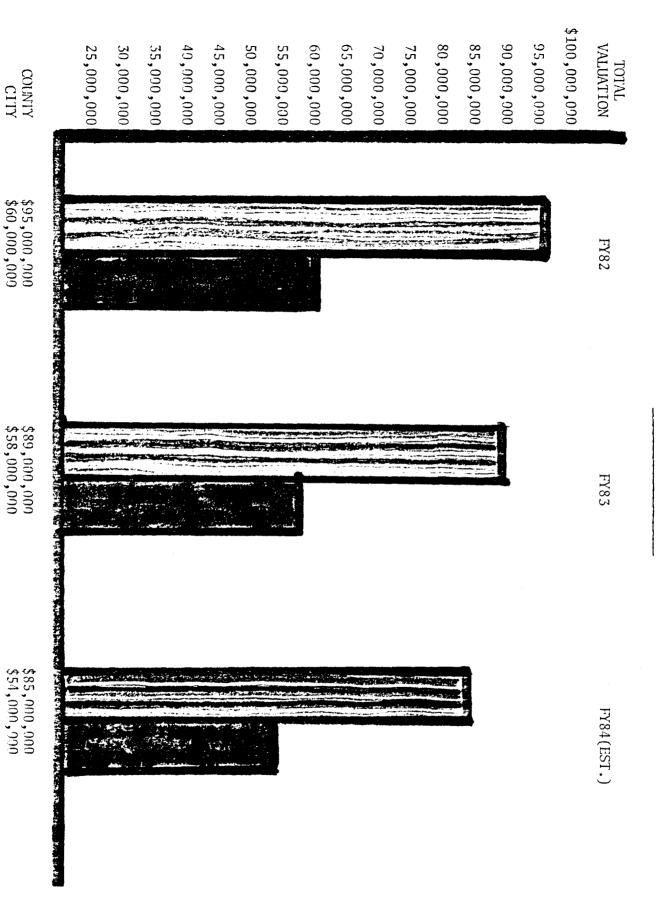
\$2300.00 PER MILL

INVENTORY TAX ELIMINATION:

\$2700.00 per mill

83% OF THE DIMINISHMENT OF VALUE OF THE MILL IN THE CITY OF GREAT FALLS CAN BE DIRECTLY ATTRIBUTED TO ACTIONS OF THE MONTANA STATE GOVERNMENT.

66 70 FIG e in 80.65 79:35 6.50 COMPARATIVE TAX RATES - MILLS 91.08 9rog 6.63.63 82 MAIN TOLLA 82.36 67 100 얼 STATE MANDATED TAX-/NUREASE



PROJECTED INCREASES IN MILL LEVIES OR CORRESPONDING DECREASES IN REVENUES

SCHOOL DISTRICT:

ELEMENTARY SCHOOL DISTRICT: + 32.66 MILLS

HIGH SCHOOL DISTRICT:

+ 29.30 MILLS

CASCADE COUNTY:

NO INCREASE IN MILL LEVY POSSIBLE

ACTUAL DECREASE IN REVENUES: -\$240,000

CITY OF GREAT FALLS:

ABSORPTION OF APPROX. 1.5 MILLS POSSIBLE

ACTUAL DECREASE IN REVENUES: -\$260,000*

IMPACT ON HOMEOWNER WITH PROPERTY VALUED AT \$65,000 LIVING IN GREAT FALLS:

	1982	1983	1984(EST.)	
TAX BILL:	\$620	\$620	\$779	

MARGIN OF CHANGE:\$160

PERCENT CHANGED: 25%

THESE ESTIMATES ARE NOT PRESENTED AS FINAL TAX COMPUTATIONS BUT AS ILLUSTRATIVE FIGURES CALCULATED BY MULTIPLYING THE MILL LEVIES BY AN APPROXIMATE FACTOR FOR THE TAXABLE VALUATION OF A \$65,000 HOME OF 2.5.

^{*}HIGHER RATE OF DECREASE IS DUE TO PUBLIC SAFETY INSURANCE PREMIUMS.

GREAT FALLS

FY82 FY83

FY84

249.37

718.05

41800

FACT SHEET

LOCAL GOVERNMENT BLOCK GRANT PROGRAM

The Local Government Block Grant Program approved by the House consists of two bills:

HB 418 which earmarks two percent of the oil severance tax as the major source of funding.

HB 600 which establishes the program and the distribution formula, and appropriates \$6 million from the general fund.

The purpose of the program is to reimburse cities, counties and school districts for the revenues lost when the ad valorem motor vehicle tax was replaced with a fee system by the 1981 legislature.

The program is also intended to compensate cities and counties for a portion of the revenues that were lost when business inventory tax replacement was terminated at the end of 1982.

The cost of replacing motor vehicle revenues for the biennium will be \$31 million.

The estimated loss of revenues for business inventories in municipal and county governments is \$7.8 million for the biennium.

Distributions to cities and counties under the block grant program will depend on the price of Montana oil and the volume of production. The program as approved by the House includes a \$6 million general fund appropriation, which is intended to guarantee necessary funds to cover replacement of motor vehicle revenues.

The following table provides examples of funding levels connected to the oil price projections made by the Legislative Fiscal Analyst and the Administration:

Source	Oil Price	Revenue from 2% Oil Severance Tax	Plus \$6 million	Less \$31 m Motor Vehicle Replacement
L.F.A.	\$25/bbl.	\$27.0 m	\$33.0 m	<pre>\$1 m/year for bus. inventory tax replacement</pre>
Admin.	\$26.50/bbl.	\$31.4 m	\$37.4 m	\$3.2 m/year for bus. inventory tax replacement

Under the optimistic projection of the Administration, two percent of the oil severance tax and the \$6 million general fund appropriation will provide only \$6.4 million for business inventory replacement, which is \$1.4 million less than the amount required for the biennium.

For each dollar increase in the price of oil, the two percent of the oil severance tax earmarked for cities and counties will generate about \$1.1 million in additional revenue. There will be a corresponding increase of about \$2.2 million in general fund revenues from the remaining four percent of the oil severance tax.

The block grant program is necessary to reimburse local governments (schools, cities and counties) for lost motor vehicle revenues in accordance with the statement of intent in SB 355 which established the fee system in 1981. (61-3-536 M.C.A.)

It also has the potential of replacing a portion of the business inventories that have been lost to local governments. Cities and counties agreed to the elimination of the business inventory tax in 1981 with the understanding that they would be compensated for lost revenues, and the block grant program provides the 1983 legislature with an opportunity to honor this commitment.

State law requires the continued replacement of motor vehicle revenues at a cost of \$31 million for the biennium.

Under the oil severance tax projections of the fiscal analyst, \$4 million of the \$6 million general fund appropriation in HB 600 will be required to meet this requirement. The balance of \$2 million or any additional funds that could be generated by higher oil prices should be dedicated to cities and counties to compensate for the erosion of their tax bases and to reduce the pressure to increase assessments on property.

PROPERTY VALUATIONS 1983-1984

City/County ¹	1983	1984	Tax Loss	Business Inventory	Railroads	12% Rollback	Mills
Anaconda-Deer Lodge	\$13.3 m	\$10 m	(24% decrea of Anacond	decrease in valuation, incl Anaconda Company properties)	(24% decrease in valuation, including the loss of Anaconda Company properties)	the loss	50 (approx)
Billings	m 26\$	m 68\$	\$764,000	\$500,000	\$ 64,000	\$200,000	8.5
Bozeman	(Not available)	ilable)		\$132,000	;	;	6.2
Butte-Silver Bow ²	\$48 m	\$43 m	\$345,000	\$145,000	000'06 \$	\$110,000	7.9
Great Falls	\$58 m	\$5 4 m	(\$330,000 t commercial	ax loss on b	(\$330,000 tax loss on business inventory, commercial, and railroad property)	ory,	6.1
Missoula	.\$46 m	\$43 m	\$389,000	\$237,000	\$ 50,000	\$102,000	8.9
Cascade County	m 68\$	\$8 4 m					
Gallatin County	\$57 m	\$54 m					
Lewis & Clark County	\$54 m	\$54 m					
Missoula County	\$124 m	\$120 m					
Yellowstone County	\$187 m	\$179 m					

^{*}Urban counties estimate budget cuts in 1983 of 3%-7% from the prior year since they anticipate non-tax revenue losses as well as declines in taxable valuation.

²Butte-Silver Bow estimates a tax loss of \$444,530 from the closure of Anaconda mining and milling operations.



DEPARTMENT OF ADMINISTRATION

PERSONNEL DIVISION

ROOM 130, MITCHELL BUILDING

ATE OF MONTANA

HELENA MONTANA 59620

TICTIMONY OF ROD SUNDSTED, CHIEF NECOTIATOR FOR THE EXECUTIVE BRANCH OF STATE COVERNMENT IN COLLECTIVE BARGAINING, SUPPORTING HOUSE BILL HB 902

Mr. Chairman, Members of the Committee, my name is Rod Sundsted and I am the Chief Degotiator for the Executive Branch of State Government in Collective Bargaining.

I appear before you today in support of HB 902.

I will cover the history of collective bargaining in Montana, the provision of HB902, the background surrounding its development, and the reasons I urge its adoption.

In 1973, the Legislature passed the collective bargaining for Public Employees Act. The passage of this act created an obligation for the Executive Branch and the various bargaining agents to bargain in good faith over wages, hours, fringe benefits and other conditions of employment. 39-31-305, ICA states:

39-31-305. Duty to bargain collectively - good faith. (1) The public employer and the exclusive representative, through appropriate officials or their representatives, shall have the authority and the duty to bargain collectively. This duty extends to the obligation to bargain collectively in good faith as set forth in subsection (2) of this section.

- (2) For the purpose of this chapter, to bargain collectively is the performance of the mutual obligation of the public employer or his designated representatives and the representatives of the exclusive representative to meet at reasonable times and negotiate in good faith with respect to wages, hours, fringe benefits, and other conditions of employment or the negotiation of an agreement or any question arising thereunder and the execution of a written contract incorporating any agreement reached. Such obligation does not compel either party to agree to a proposal or require the making of a concession.
- (3) For purposes of state government only, the requirement of negotiating in good faith may be met by the submission of a negotiated settlement to the legislature in the executive budget or by bill or joint resolution. The failure to reach a negotiated settlement for submission is not, by itself, prima facie evidence of a failure to negotiate in good faith.

Since the passage of this Act, collective bargaining has dictated the evolution of the state employee pay schedules. In all but one minor instance, the negotiated settlements have been implemented.

HB 902 represents a continuation of this practice. In September and October of 1982, the State, through the State Labor Relations Bureau, started negotiations with the various state employee unions in an attempt to meet our legislated obligation to bargain in good faith over wages, hour, fringe benefits and other conditions of employment. Since that time we have negotiated nearly every day with well over 100 individual bargaining sessions. HB 902 represents the present status of those negotiations.

I would now like to go through HB 902 and explain its provisions.

Pages 1, 2, and 3 contain the general state matrices for FY84 and FY85. Approximately 90% of all state employees are on this matrix. The two largest bargaining agents are the MPEA which represents approximately 2,800 employees on this matrix and the AFSCME which represents approximately 600 employees on this matrix.

The state negotiators reached tentative agreement with AFSCME on these matrices on December 28, 1982. We reached tentative agreement with MPEA on March 7, 1983, with the licensed Practical Nurses of Warm Springs on March 8, 1983 and with the Security Guards represented by the Laborers.

The matrices on pages 1, 2, and 3 are these negotiated agreements and reflect the following changes each year:

- 1. An increase in the present state contribution for group insurance from the present \$80 per month to \$90 per month during FY84 and \$100 per month during FY85. It is anticipated that these increases will cover the rate increases for an individual, but that employees with family coverage will have an increased out of pocket expense.
- 2. An increase in the base salaries of 1 1/2 percent each year.
- 3. A continuation of the present law which allows employees to advance one (1) step on the matrix (2%) on their anniversary date each year.

The Institution Teacher matrices on pages 4, 5, and 6 represent a tentative agreement with the MPFA and the institution teachers they represent at Warm Springs State Hospital and the Montana State Prison. These matrices include:

- 1. An increase in the present state contribution for group insurance from the present \$80 per month to \$90 per month during FY84 and \$100 per month during FY85. Again, these increases are expected to offset "employee only" rate increases.
- 2. An increase of 3 1/2% in the base salaries each year with a freeze on experience steps over the Biennium. Educational movement will continue to be allowed.

The pay schedules on page 7 are the journeyman rates for those employees in liquor store occupations. Approximately 200 employees are covered by this schedule and they are represented by the United Food and Commercial Workers

Union. These pay schedules represent the negotiated and ratified agreement and provide for:

- 1. An increase in the present state contribution for group insurance trom the present \$80 per month to \$90 per month during FY84 and \$100 per month during FY85. Adam, these increases are expected to offset "employee only" rate increases.
- 2. An increase of between \$.20 and \$.29/hour depending upon an employee's grade.

The pay schedules on pages 8 and 9 are the schedules for blue collar occupations and they cover approximately 800 employees.

These schedules do not reflect a tentative agreement at the present time. They do, however, reflect our last offer on wages.

The pay schedule reflects:

- 1. An increase in the present state contribution for group insurance from the present \$80 per month to \$90 per month during FY84 and \$100 per month during FY85. Again, these increases are expected to offset "employee only" rate increases.
- 2. An increase of \$.30 per hour each year of the Biennium.

To summarize the pay schedules, the increase in wages for an employee that remains with the state over the course of the biennium will be 3 to $3 \frac{1}{2}$ per year with an additional \$10/month each year of the biennium to help offset health insurance premium increases. The overall increase amounts to 4%.

There are three provisions which I feel are critical to the implementation of HB 902.

- 1. Allowing the flexibility to move funds from the first to the second year of the biennium and from program to program within an agency to offset the impact of the pay raises.
- 2. An appropriation of \$750,000 to be used by small agencies with little turnover to offset pay increases.
- 3. Restoration of the 2% reduction in agency operating expenses. With these three provisions in conjunction with vacancy savings, we feel the pay schedules can be implemented.

I believe that the pay schedules in HB 902 reflect modest increases which are the result of hard bargaining during hard economic times. For comparison purposes, the median collective bargaining increase during 1982 in the private sector was 7.0% not including cost of living clauses. In the public sector (state and local) the median increase during 1982 was 7.2%. Even the federal pay schedules where there is a contemplated freeze, contain step increases of 3-4% which would continue to be received.

I feel that pay schedules less than those contained in HB 902 will not allow the state to attract and retain valuable employees over the course of the Biennium.

During 1982, the Personnel and Labor Relations Study Commission reviewed the collective bargaining process. One recommendation they made was that the state move towards a one tiered bargaining process where negotiations over wages were combined with negotiations over contract language such as seniority, lay off procedures, and arbitration provisions. The study commission recognized that collective bargaining works best when trade offs can be made between wages and other contract provisions.

Where possible, the State moved in this direction. For example, in the MPEA master contract negotiations the state made the 3 1/2% wage concession, the insurance increase and we increased the value placed on seniority in lay off decisions. However, the State received a number of important concessions from MPEA in return.

The point I am making is that collective bargaining is a delicate balance of give and take on both sides. If pay schedules different from those negotiated are enacted, this balance will no longer exist. I believe that the collective bargaining process would be permanently and irreparably damaged should this occur. I do not believe that collective bargaining can work if either party fears that parts of the negotiated settlements will not be honored.

In closing, I again request that the pay schedules in HB 902 be passed.

STANDING COMMITTEE REPORT

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third reading, blue bill, be amended as follows.

1. Page 4, line 13.

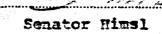
Following: Line 17

"Board of Medical Examiners

\$14,347

Earmarked Revenue

And, as amended,



Chairman.

STANDING COMMITTEE REPORT

MR. President			
We, your committee on	Finance and Claims		
having had under consideration		House	Bill No 8.4.7
DriscollSmith			

l. Title, line 5.
Strike: "INCREASING"

Insert: "PROVIDING THAT"

2. Title, line 8.
Following: "BOARD"

Insert: "REMAIN AT CURRENT LEVEL"

3. Title, line 9.

Strike: "SECTIONS 2-16-405, 3-5-211, 13-37-106, AND"

Insert: "SECTION"

4. Page 1, line 13 through line 16 on page 3. Strike: sections 1, 2, and 3 in their entirety

Renumber: subsequent sections

(continued)

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April II, 33

5. Page 4, lines 3 and 9.

Strike: "26,003 in fiscal 1984 and \$26,523 in fiscal 1985"

Insert: "\$25,493"

5. Page 4, lines 11 and 12.

Strike: "25,305" in fiscal 1984 and \$25,811 in fiscal 1985" Insert: \$24,809"

And, as so amended, BE COMCURRED IN

Senator Hissl, Chairman

STANDING COMMITTEE REPORT

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MR President							
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Senator Himsl

Chairman

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STANDING COMMITTEE REPORT

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BE CONCURRED IN

Respectfully report as follows: That.....

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STATE PUB. CO.

Senator Himsl

House

Chairman.

FINANCE AND CLAIMS

Date 4/11/8/2	I	Bill No	o.4 <u>22</u> Ti	me/0;58
Name	YES	NO	ABSENT	EXCUSED
Senator Etchart, VC	V			
Senator Dover		1/		
Senator Keating	V			
Senator Smith		4		
Senator Thomas	V			
Senator Van Valkenburg	V			
Senator Stimatz				
Senator Story	V			
Senator Ochsner		U		
Senator Haffey				
Senator Jacobson				
Senator Regan	V			
Senator Lane	-			
Senator Aklestad		V		
Senator Hammond		V		
Senator Tveit		V		
Senator Boylan		1		
Senator Himsl, Chairman				
Sylvia Kinsey Secretary Motion:	, 		enator Him hairman	nsl
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SENATE (COMMITTEE
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FINANCE AND CLAIMS

Date <u>4-11-83</u>		Bill N	o. <u>42</u> 7 Ti	.me //			
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