

MINUTES OF THE APPROPRIATIONS COMMITTEE
HOUSE OF REPRESENTATIVES
State Capitol, House Chambers

March 11, 1977

Chairman Bardanouve called the meeting of the Appropriations Committee to order in the Chamber of the House of Representatives at 3:30 p.m. Roll call was taken and a quorum was present; roll call attached. The hearing scheduled is for House Bill 272.

There are many, many senior citizens present for this hearing, the Chairman stated. We welcome you; you are a part of the democratic process today and this meeting is being held in these chambers in order to assure that you find a comfortable place. We have heard a lot about black and red power; today we see senior power and we welcome you here. The Chairman then introduced Representative Mike Meloy, sponsor of H.B. 272.

Representative Meloy stated that his function today as the "first name on the bill" is not to take too much time, as the articulation will best be done by the people present. Representative Palmer should receive special credit, he stated, for the time he has put in on H.B. 272. To explain the bill in a very brief manner, the bill provides money to be distributed through regular channels of the aging services program to area agency councils for the purpose of establishing and continuing senior citizen activities, including meals on wheels, home chore services, home repair, and home health care services.

The reason for this bill, Representative Meloy explained, is that over the past years we have appropriated small amounts through SRS to be matched by state money to provide these services. We have over 160,000 senior citizens in Montana. Of those, the present appropriation, as matched by all the federal funds available, only serves about 38,000 senior citizens. This bill would allow expansion of those services and provide state assistance in the areas where the federal funds don't reach. If this money is appropriated in the regular manner as it has been in the past, we hope to serve an additional 16,000 to 20,000 senior citizens. This is not possible not because of the shortage of funds. Representative Meloy stated that he did some research and found that since 1973 we have contributed only about \$1 million of state money to the senior citizens programs. Compared to other programs the state supports, that is a small amount. House Bill 272 and the SRS program differ in that SRS does administrative kinds of services but this bill provides direct assistance to senior citizens and provides for the expansion of programs that are barely functioning. He believes the rest of the bill is self-explanatory, he concluded.

There are amendments, Representative Meloy mentioned, that change the bill in some substantial respects. The amount of the appropriation shown on the bill is a drafting error; the appropriation should be \$1,000,000 for each year of the biennium. The second amendment would restrict the use of the state appropriations so local communities would not substitute these funds for currently existing local funds. A further amendment to clarify that these funds can be used for capital expenditures and for operation of senior citizens' centers is also suggested. These amendments should be adopted; and if the Appropriations

Committee considers the bill with these amendments in mind, that is the bill that the sponsors would like to see passed.

Representative Meloy thanked the Appropriations Committee for setting aside the time for hearing this bill, stating that that committee has worked long hours and has many more hearings to complete. He also stated that Representatives Estenson and Palmer wished to speak on the bill.

Chairman Bardanouve stated he had no idea how many people in attendance wished to speak, and he would ask that each one rise and briefly make their point. It is important that everyone that wishes to speak have an opportunity to do so; the aim is to avoid too much repetition.

Representative JoEllen Estenson spoke as co-sponsor of the bill, stating she wishes to lend her support to the concept of doing as much as we can for senior citizens. She stated that we have done well by senior citizens in the SRS budget and have agreed to 100% general funding for senior citizen grants for transportation, means on wheels, and other services. She stated she would be listening carefully to what the witnesses say at this hearing and said we will do our best for you.

Representative Bob Palmer spoke next, stating he has become aware of the many needs facing senior citizens and has been encouraged to sponsor legislation to render aid. Programs to be implemented by senior citizens' centers, home delivered meals, transportation, home health care, and assistance with home chores, are urgently needed if seniors are to cope with present economic conditions. Programs funded by H.B. 272 would allow seniors to remain in their homes and not have to go into nursing homes. He urged the support of House Bill 272.

The Chairman then opened the hearing to testimony from those present.

Proponents:

Mr. Oliver Dahl, Executive Director of the Montana Senior Citizens Association, explained MSCA was funded in 1974 to articulate the needs of Montana's senior citizens. Testimony attached.

Representative Hershel M. Robbins, District #46, spoke as a proponent.

Mr. Ben Briscoe, member of Cascade County Council on Aging, director of the Great Falls Senior Citizens Center and past Montana State Director of the American Association of Retired Persons, presented the attached prepared testimony.

Mr. H.C. Davis, Missoula Association of Retired Persons and member of the American Association of Retired Persons, stated his statement is for the concerns of the Missoula group of over 1,400 members. They are appreciative of the services now provides. However, small communities have difficulty meeting the 20% matching requirement which federal Title 20 grants require. One need is to provide new centers or to renovate the present buildings. H.B. 272 is the answer to these problems.

Chairman Bardanouve then entered into the record many, many letters from seniors which he received coming from "Troy to Alzea." He stated

he tried to answer them, but couldn't get to them all. They are entered now into the record in support of this bill. The letters were beautifully written and very personal, he stated. Also entered into the record were many petitions (attached) from senior citizens all over Montana, urging the support of H.B. 272.

Mr. Claude Williams, Legislative Committee Chairman for the Kathleen Walford Senior Citizens' Center in Missoula, rose as a proponent. (Testimony attached)

Shirley Carlyon, Director of the Butte-Silver Bow County Senior Citizens' Center, presented the attached testimony in support.

Representative Gary Kimble, District #94, spoke as a proponent stating that he has served on the Problems of the Elderly Subcommittee and has been studying the problems facing these people for the last several weeks. He spoke of the many things he has learned during the hearings he has participated in; throughout that testimony, Rep. Kimble said, we have learned that the commitment to the senior centers is the most important commitment we can make.

Mr. Maurece Powers, a Whitehall senior citizen, said he has served in the legislative body and is now speaking in favor of H.B. 272. He has seen the good that has been done so far with very little money. In Whitehall, there were 30 members of the senior group originally. They had no meeting place but tried to get together once a month to have sandwiches and a card game. Through the help of Rocky Mountain Development Council and the local county commissioners they were able to borrow enough to put a down payment on an old building. They held card parties, bake sales, and rummage sales and paid off what they owed on the building in one year. Now they have means there every day, five days a week with the help of Rocky Mountain. They meet once a month on Saturday and have programs. This has made a real change in the people and their work around the community. A real need in their area is for transportation to help those senior citizens who have no way to get to the center. Mr. Powers urged support of H.B. 272.

Mrs. Eileen Shea, President of the Butte-Silver Bow County Senior Citizens' Center, spoke as a proponent; testimony attached.

Mr. Larry Ryan, President, Missoula Senior Citizens, spoke in support also; testimony attached.

The Great Falls past president of the American Association of Retired People spoke as a proponent, stating lots has been said about what they have done. Some of you may ask what are home chores and home health care, she said. To explain, if seniors become ill, they often have to go into a rest home or a nursing home because there is no one to help them at home. Under this program nurses come to their homes and housekeepers are available to assist in the home. It will keep these people out of rest homes. The home care program is a very important part of this bill. They will ask the next legislature to double or triple the money, she said.

Mr. Robert Glenn, Vice President of the Old Timers, rose in support.

Mr. William Jory, Hamilton, rose as a proponent, mentioning services they have been able to provide seniors under funds available. He spoke in favor of those programs H.B. 272 would enable them to carry out and urged support for this bill.

Mr. Jeff Benedict, Arlee, Montana, rose as a proponent. He has heard a great deal about the need of those in metropolitan areas of the state, he said, but he would like to speak to the needs of those of us living in very small towns. About all we have in our town other than our center is a couple of bars. Our Center is where we go when we need company or service. It is a new center but they need money for paint, lumber, sheet rock, etc. and funding for the tables and chairs they need and for a kitchen. He concluded that he just did not want the legislature to forget those elderly who do not live in the cities.

One of the home health nurses for an area of Madison County spoke of the isolation of those living in the areas she serves. They are 30 miles from a doctor or a dentist. She gives home health care; if more money is available, they could provide more care. She works out of her kitchen and she stated that a great number of seniors could be kept in their own homes by home nursing care. She asked that H.B. 272 be supported and the expanded services it would provide also.

Sandy Baden, Flathead County Council on Aging, Kalispell, spoke as a proponent, representing the Flathead County Home Care/Chore Service. She also spoke on behalf of the many elderly people in that area who are unable to attend because they are homebound. (Testimony attached.)

Mr. E. C. Coey, Director from District Nine, spoke as a proponent, stating he has five pages of notes, but most points have been covered earlier. There are a couple things he would like to mention. In Bozeman we were not as smart as some of you people here, he stated; we had the first senior center and now we have the worst. When we started we were on the ground floor; now we are 27 steps up. We have tried many methods of raising money and are now going for a bond issue but for this to succeed, we have to get out 40% of the votes. Please support H.B. 272. (Testimony attached.)

Chairman Bardanoue introduced a "senior citizen" to the assembly; a man who has served Montana since January, 1933. Senator Dave Manning served in this House when Herbert Hoover was in office, the Chairman stated, and has served longer in elected office than any man in America. Senator Manning spoke briefly to the assembly.

Mr. Henry Riley, Livingston, Montana, spoke as a proponent. It is his understanding that the U.S. Senate has passed the measure necessary to recognize their responsibility to senior citizens and he asks this body to do the same. He does not agree they are a minority; there are 93,000 seniors in Montana now and the number is increasing, he stated. Park County does now have the services available that he heard talk of at this hearing; but they need them, he stated. He mentioned meals on wheels and commented that the people who deliver this service benefit from seeing first-hand how much these good meals are appreciated by

those who receive them. Mr. Riley spoke briefly of the problems of inflation and how serious this problem is for seniors on fixed incomes.

Mary Stevens, Stevensville, Montana, rose in support, stating there are 3,500 senior citizens in Ravalli County and they need this help.

Mr. Clarence P. Bick, Ronan, Montana spoke as a proponent. He said it would have been appropriate for the legislators to come to Ronan to see their senior citizens' center; they have a good lay out. Mr. Bick mentioned that he had served as a member of the House from Blake County in 1955-57 and that seniors such as you see before you had helped build the state and the economy to where it is today. "In 1957 the appropriation for state government was approximately \$40 million," he said, commenting on the growth to its present level. Mr. Bick further said the seniors are not coming in on hands and knees, but are asking for their share of what they had helped to build.

Mr. Willard Thompson, Missoula, spoke in support, stating he had been active in his area since the senior center was organized. They have outgrown their space in Missoula and have purchased a new building. There is a debt on the new building and they need help in order to pay for it.

Mr. Dan Kelly, Chief of the Aging Services Bureau, SRS, spoke in support of this bill and presented for the record the attached "Proposed State Appropriation for Senior Citizen Programming."

Representative Steve Waldron, District #97, spoke in support of the bill, but also asked the people present to remember that the state is in a financial bind this year and that a great deal of money is required to fund the Governor's Homestead Tax Relief Act.

Chairman Bardanouve commented to those present that many of the younger members of the House were the chief sponsors of H.B. 272 and it is a good indication of the younger members concern.

Pat Saindon rose in support but expressed concern on how the money would be spent. She hopes it will be spent for services, she said; if it is spent for capital expenditures, there should be a ceiling.

Chairman Bardanouve strongly supported this observation, saying it is very easy to swallow \$2 million when you begin buying bricks and mortar.

There was a brief discussion by some senior citizens present concerning the Homestead Tax Relief Act. Mention was made that the legislature should vote that measure down and fund H.B. 272. A lady from Victor, Montana rose in the gallery and stated that small towns need the services H.B. 272 would provide. She also thanked warmly the young people from her area who had worked hard to get the senior citizens program off the ground in Victor.

Also submitting written testimony but not speaking were the following:

Holly Luck, Director of the Area IV Agency on Aging
Charles A. Banderob, President of the Montana Senior Citizens Assn.

Roy Sommerlad, Livingston, Montana
Eugene F. Knoke, Livingston, Montana
Mrs. C.B. (Alyce) Brooke, R.N., Pony, Montana
Henry Reilly, Livingston, Montana
Betty Stockert, Director, Area II Agency on Aging (11 Counties)
Polly Nikolaisen, Director, Western Montana Area Agency on Aging,
Kalispell, Montana
George W. Wells, Chairman Advisory Council, Kalispell, Montana
Mary Perry of Stevensville, Montana
Leslie Grant, President, Lake County Council on Aging and Mission
Valley Senior Citizens - Ronan, Montana
Helen Therriault, Charlo, Montana

The Chairman then asked the senior citizens if they felt they had been allowed enough time for their hearing and was assured they had.

There being no opponents to the bill, Representative Meloy stated in closing that many people have spoken in support of this bill and many who are here have not. He asked all the proponents to stand to indicate their support to the Committee. Representative Meloy thanked the people for coming, some of them from long distances. He assured the group as best he could that the legislature will try to get this money. The Appropriations Committee has a difficult job, he stated, but this bill has to be at the top of the list. Representative Meloy stated that senior citizens have put a lot in the general fund in income taxes and property taxes, and the amount they are asking is a small amount to give back to them.

Chairman Bardanouve thanked all in attendance for their courtesy and for their presentations.

The hearing on H.B. 272 was then closed. Visitors Lists attached.

The meeting adjourned at 5:30 p.m.

Francis Bardanouve, Chairman

MINUTES OF THE APPROPRIATIONS COMMITTEE
HOUSE OF REPRESENTATIVES
State Capitol, Room 225

March 11, 1977

The Chairman called the meeting to order at 7:00 p.m. Roll call was taken and a quorum was present (roll call attached). Also attending the meeting were Dave Lewis of the Office of Budget and Program Planning and John LaFaver, Legislative Fiscal Analyst.

House Bill 282: To appropriate funds to establish an agricultural experiment station...to serve Glacier, Toole, Pondera, and Teton counties. Representative Rex Manuel, District #11, sponsor of the bill, told the committee that if this was not a good bill, he would not be here. There are only four things that create wealth in the world - agriculture, mining, forests, and oceans. Three of those things we have in Montana, and we are very fortunate. This bill speaks to agriculture. He asked that the appropriation be considered an investment rather than a drain on the general fund as it would bring many dollars back to the state treasury through the years through benefits derived from the experiment station.

Rep. Manuel submitted two amendments which are attached hereto. He then introduced those present who could present "grassroots" testimony.

Proponents:

Mr. Walt Dion, Vice-President of the Montana Association of Conservation Districts, stated that the concept of the triangle area experiment station received a good deal of support when it was discussed at their annual meeting. Having this station, he stated, would cut down on traveling time for those people at the Havre station and for the farmers. He urged the support of H.B. 282.

Mr. Joe DeStaffany presented a map to the committee which explained the area involved and stated further that this station would benefit Liberty, Cascade and the western part of Choteau County, also. Statistics on crops grown in the area were presented on both irrigated and dry land. Barley is a good principal crop in the proposed satellite station area. There is a good deal of interest in having expertise in experimenting with seed crops in the area, and there would be a good dollar return to the state. There are individuals willing to donate the 40-acre plot for experimentation on a lease basis; other farmers are willing to contribute 5-acre plots. There is also water available. Montana agriculture represented 44% of the state's total revenue for 1975, compared to mining, representing 12%; manufacturing, 13%; travel, 12%; and gas and oil at 11%. The assistance this satellite station would give to farmers in the counties indicated would be very worthwhile to the state and would benefit neighboring counties as well. The weather factors in the triangle area differ considerably from those in the Havre-Moccasin areas, where the experiment station is located.

Mr. Tony Pastratri spoke concerning the importance of irrigation in this area, and stated that very little has been done in this area in

the way of research. Malt barley is a large crop in this area and has produced many dollars in taxes for the state. It is important to practice irrigation at the proper time for plant growth and there is a need for further study and more information available to farmers in the area. A fertilizer study is also needed; alternative crops should be studied. An advisory committee would be helpful; suggested is one member from each soil conservation district and one "at-large" representative from each county involved. A budget handout was presented to the committee (attached) and explained. This would be a sound dollar investment, Mr. Pastratri concluded.

Mr. Herb Karst, Sunburst, Montana, spoke as a proponent. This proposal has been taken to many organizations throughout the state, including the Montana Grain Growers Association, the Wheat Research Marketing Committee, and many County Extension Agents. Mr. Karst presented testimony on behalf of the Montana Grain Growers Association (attached) and a letter from Jack R. Baringer, County Extension Agent, which strongly supports the concept proposed in H.B. 282. (see attached).

Mr. Ralph Briggs, Great Falls area farmer, spoke in support, stating that there is a climatological difference between the area toward Geyser and that toward Great Falls. Although he is located on the outer fringe of the proposed experiment station, he said, he is strongly in support of this bill.

Tim Stordahl, Manager of the Eisemen Seed Company, presented the attached testimony.

Jim Stephens, President of the Montana Farmers Union, presented written testimony in support, also attached.

Dick R. Panasuk, Montana Grain Elevators Association and United Grain Corporation, Great Falls, spoke as a proponent, stating that 80% of Montana grain is for export purposes. This satellite station would improve the quality of Montana grain and would be an asset to the state of Montana.

Representative George R. Johnston, District #13, spoke briefly on the background of what has been done through experimental stations. As a result of test spots and barley fertilizer tests, crop yields have increased as much as 25% in some areas. Rep. Johnston spoke also of the differences in the various types of soils and the research necessary to farm them correctly. Yields will go up as a result of experimentation, he said, and as a result, so will revenues.

Opponents: None

Questions:

Discussion by the committee brought out that the land to be used will be donated, gifts and grants will reduce the budget amount for purchase of lands, the fifth wheel trailer will be used to haul machinery, and leasing of machinery is being considered.

In closing Rep. Manuel stated that as little as \$1.50 per hundred extra will mean more tax dollars; 3.5% of the general fund is all that is now coming back to agriculture in Montana. This satellite station would be of great benefit to the largest barley producing area in Montana.

There being no further questions or discussion, the hearing on H.B. 282 was closed. Visitors' list attached.

House Bill 242: Provide expanded daycare assistance. Representative Bob Palmer, District #96, sponsor of the bill stated this bill provides a sliding scale for daycare assistance, which will enable people requiring this assistance to work at a job until the level is reached at which they can pay their own costs of daycare. This is a bill that is long overdue, Rep. Palmer said, and there are approximately seven people here to give testimony. He then turned the hearing over to them.

Proponents:

Dick Forehand, Child and Youth Development Bureau of SRS, introduced the first proponent, Sharon Newman of Helena who gave testimony in support (attached).

Rosemary Miller, WIN Program, Helena, testified that she had worked as a social worker with the WIN program for almost five years and her job is to find daycare and jobs for people who are on welfare. An observation she made is that a woman with one child made less money going to work than staying on welfare because of the benefits available to her while on welfare, such as medical payments and food stamps. Women with two children going off welfare and daycare payments also made less money by working. Women with 3 children or more usually keep their daycare benefits when they go to work because of their income. Ms. Miller stated she has seen many occasions where women quit jobs because they can't afford the daycare payments and return to welfare. This will help people who go out to work and will enable them to stay on the job by providing a portion of their daycare payments.

Judy Wing, Director of the 4C's Program in Missoula and Administrator of the United Way Scholarship Program, said that in Missoula County they have been operating a scholarship fund for three years supported by the United Way. Experience tells them that of the 180 mothers who are served by the scholarship fund, 60% will be off scholarship by the end of the year and will be fully self-supporting. A Program Beneficiary Statistics sheet which was submitted by Ms. Wing is attached.

Janice Watson, Montana Day Care Association in Missoula, explained that a sliding scale daycare would guarantee that the children would have adequate daycare and would greatly assist in keeping the mother off welfare. Her prepared testimony in support of H.B. 242 is attached.

Donna LeDoux, an unemployed parent in Helena, testified that she is a mother who is unemployed and for ten months has been receiving welfare for herself and her three children. She received \$252 plus \$101 bonus for food stamps, totaling \$353 per month. The rent, food stamps and telephone cost \$155.77, which leaves her \$96.23 to buy everything else

and that will not stretch through the month. She now has an opportunity for a job that pays \$569 per month. After deductions, she would receive \$434. Her monthly expenses would be the same as they are now, and in three months, she would have to pay \$100 per month additional for daycare, which would leave \$77.23. She would have \$19 less per month than if she stays on welfare. A sliding scale for daycare assistance would be an advantage to her and to all other mothers in similar positions.

Mary Garza of Billings testified as a proponent (testimony attached).

Dick Forehand testified that you have been presented this information on what an expanded daycare bill means, and he passed out a family makeup example and monthly financial project for demonstration purposes (attached). ADC is more expensive than sliding daycare, Mr. Forehand explained. When a mother goes off welfare she is giving up more than the grant; she is giving up the benefits of welfare and is faced with paying all costs of being totally on her own. These women are willing to assume these costs of medical, dental, etc., if they can get help with daycare on a sliding scale so they can afford to do so. Another input of money back into the system that sliding daycare would create is this: working parents pay taxes.

Opponents: None

Questions:

Representative Lynch commented that he agrees with the bill and that it appears to have merit. However, the last few evenings, we have heard so many bills that are justified and general fund dollars are in short supply. Should some of the money we are putting into SRS for ADC be reduced from SRS and put instead into this program? Mr. Forehand replied that the problem is utilization. Getting the people through the red tape process and establishing the sliding scale system makes the amount that could be reduced difficult to estimate. Rep. Lynch asked if there could be some diversion after this biennium, and Mr. Forehand replied he was sure there could be after the procedure goes into effect.

In response to a question from Rep. Manuel, Mr. Forehand explained that the sliding scale is based on the total gross income for the family. See the third page of the attached handout.

Representative Estenson asked if SRS can implement this program without additional staff or funds to upgrade present staff. Mr. Forehand responded that there are no administrative costs anticipated and no need for additional staff.

Representative Aageson asked if any other states have implemented this program and what has been their experience. Sheila Rice, 4C's in Great Falls, responded that 38 of the 50 states have some sort of sliding scale for daycare assistance, but she did not have any information beyond that. Ms. Rice explained how partial payment of daycare costs are arrived at in other states and the use of Title 20 funds for certain services.

Mr. Forehand commented that there is no extra money in the SRS budget to fund this program. The sliding scale is seen as a needed program by SRS and was in the budget submitted to the executive. However, it did not meet the priority ranking system and was removed. It is the position of SRS that this program, while it is needed, cannot replace any of the programs currently being asked for in the SRS budget. It has a lower priority in SRS than other existing projects.

Representative Marks asked if SRS could get information on the experience of other states who have implemented this program and submit it to the committee. Mr. Forehand will try to do this.

Also attached to these minutes is written testimony from Sharon Zarbock of Billings, Montana, and two unsigned letters in support. A petition urging the support of H.B. 242, signed by many persons throughout the state, was submitted to the committee and is also attached.

There being no further questions or discussion, hearing on H.B. 242 was closed. Visitors' list attached.

House Bill 160: Appropriating money to the Legislative Council for expenses of editing and publishing proceedings of the 1972 Constitutional Convention. As sponsor of this bill, Representative Ann Mary Dussault, District #95, explained this appropriated \$136,000 to the Legislative Council for the purposes stated above. Senate Bill 11 is the enabling legislation. There will be 1,000 copies printed of which 60 will be distributed to state agencies and elected officials. The remainder will be sold to the public for a price to be determined by the advisory committee, which price will approximate publication costs. The dollars appropriated by this bill will be recovered after the material is published and sold. There will be a return on the money invested in this bill, Rep. Dussault said.

Senator Margaret Warden, District #18, testified in support of this bill stating this is a good bill; it pays for itself and makes available to Montana a much-needed series of books. The Legislative Council staff can use this for "fill-in" work; no extra space or people will be needed. In the two years it would take to get this ready, people on the Council staff could be used who would otherwise be dismissed for a short time because of the lack of work on the codes. Senator Warden distributed the attached budget request which explains how the funds would be spent and how the plan for the distribution of the sets is proposed.

Carrie Hahn appeared as a proponent and read a statement into the record by Brian Cockhill, archivist for the Montana Historical Society. (attached)

Tom Mahan, President of the State Bar of Montana, spoke in support, stating it is difficult for attorneys and judges to find the intent of the Constitutional Convention without a lot of research as it is in its present form. If this was published and indexed, it would allow lawyers the ability to find the intent much more easily. The state Bar has 1,630 members; there are 550 law firms in the state and almost all would be interested in having a set of these books. In addition, there are 56 county law libraries, 87 public libraries and 29 branch libraries who might be potential customers. (Statement attached)

A memo from Dorothy Eck, State Local Coordinator, was read into the record in support; see the attachment.

Opponents: None

Questions:

Representative Lynch asked Senator Warden how long it would require to return the money from the sale of the books; he was told it would be about four years.

Representative Wood asked if the libraries begin using microfilming, will this meet a need for all these books? Senator Warden replied that microfilming is reserved for copies. Many people request the information from the convention other than lawyers. Legislators also request it. The procedure now is to ask Legislative Council to do the research, and without the index this would take them from two to six hours to find the information. Properly indexing the proceedings will save everyone a great deal of time.

Representative Marks asked how many copies are proposed to be printed. Senator Warden answered 1,000; 940 to be offered for sale (6 volume sets). If they are sold at \$130 per set, the return would be \$122,200; sold at \$136 per set the return would be \$127,840. The money would be returned to the general fund. Legislative Council or the Secretary of State's Office would handle the sales. The work would be completed in this biennium.

Representative Moore stated he believed the charge would have to be \$145 per set to recover the money. He also asked if there is any indication that they are assured of sales. Senator Warden replied that every law school will want copies; she has also talked to people in other states who have indicated this is something they would buy. The \$136 per set price was quoted because that is a very reasonable fee for a 6 volume set of law books, nicely bound. Representative Moore asked if other states have been contacted to see if we can be assured of these sales. Senator Warden replied no, but they will sell because there is a demand for this information. Senator Warden said when S.B. 11 comes to the House, she hopes to be able to furnish an exhibit showing the amount of material you have to research now to get the information concerning the convention.

Representative Wood asked again about the microfilming and wondered if this will cut down the demand? Senator Warden replied that few attorneys in Montana have microfilming equipment, and in order to microfilm the material, it would have to be edited.

There being no further questions or discussion, the hearing was closed on H.B. 160. Visitors list attached.

House Bill 560: Requiring the Department of Natural Resources to study Cooney Dam and carry out a program of repair and financing. Representative James H. Burnett, District #71, sponsor of the bill, told the committee that a bill heard earlier this evening promised a return of the money in the future. The cooney Dam project has already

returned many millions of dollars to the state. This is a state project; it was built with grant money and loans. The water users will repair and maintain the dam by contract. Natural Resources wants to put on a new structure, but the water users contract calls only for them to pay repair and maintenance. There is no money called for in this bill now; it has been amended out.

The argument between Natural Resources and the Water Board is that Natural Resources wants \$35,000 to study the project; this is not included in the contract. The dam was engineered without a spillway. The Water Board built the original spillway under state specifications to get the project under way; this was not under the original contract. The dam has made a tremendous tax base in Carbon County and the desire is to maintain this. The project is in danger now because of the condition of the spillway. Rep. Burnett added that this bill sets a time frame.

Rep. Burnett explained that he did not ask anyone else to appear as a proponent because of the long drive, but if the committee would wish, he could have 250 people present as proponents. Memos and summary financial sheets on the project were handed out to the committee and are attached.

In answer to a question from the Chairman, Rep. Burnett repeated that the main thing this bill does it require the Department of Natural Resources to conduct the necessary study within a certain time frame. Without the time frame, the bill would be worthless.

There being no further questions or discussion, the hearing on H.B. 560 was closed.

House Bill 821: Appropriating money to fund a Montana tax task force study of Montana fiscal affairs and tax structure. The sponsor, Representative Ora Halvorson of District #16, explained that when you reduce the tax on cattle as is proposed under pending legislation, the tax will fall back on property owners because taxes have to be paid from somewhere. This bill looks for equity, as well as tax relief; it requests an amount of money necessary for the task force to study recommendations and present those back to the legislature by December 1, 1978. The committee set up by the bill would hire an economic research group to assist with representatives on the committee from agriculture, mining, local government, business and organized labor to study the fiscal situation of the state. The appropriation is \$100,000.

Ed Nelson of the Montana Taxpayers Association spoke as a proponent. He urged the committee and the legislature to consider approaching this in economic terms rather than just by what the state needs. There are many proposals before the committee, he stated, but he would hope that out of the grant total they might find the dollars to do a study such as this which would show how taxes are collected and how they impact. Improper taxes erode capital; capital creates jobs and there is a need for jobs. Mr. Nelson urged that consideration of the effects of taxes in economic terms, not only revenue terms, be made.

There were no opponents.

Representative Ellis questioned the membership of the task force committee and wondered why four from each house? Representative Halvorson answered the feeling was that when you consider the public representation, by selecting four members from each house there would be a cross-section of the public represented.

In closing, Representative Halvorson stated this study would save the next legislature time. The results of the study would be a savings to the people of Montana.

The hearing on H.B. 821 was then closed. Visitors list is attached.

House Bill 267: Exempting from adjusted gross income formal private or corporate retirement benefits not in excess of a certain amount. Representative Jack Moore, District #41, sponsor of the bill, explained that this bill allows those people who are retired or receiving an annuity from any private or formal corporate retirement plan to exempt the first \$3,600 paid by that plan in each year from their income taxes. This is the same exemption that federal employees and many state employees now receive under their retirement plans. This is not an appropriation bill, it is a revenue bill, Rep. Moore stated. It will affect the state revenue to some extent.

There being no proponents or opponents, the hearing was opened to questions.

Representative Halvorson asked if this exemption would apply to more than one retirement plan received by one person. Rep. Moore answered that you would exempt the first \$3,600 from any private or corporate retirement plan you received, regardless of the number.

There being no further questions or discussion, the hearing was closed on H.B. 267.

House Bill 162: Appropriate \$500,000 from general fund to Department of Fish & Game for the biennium ending June 30, 1979. Representative J.D. Lynch of District #87, sponsor of the bill, explained this appropriates the above sume for the state's contribution to local government for outdoor recreation. This money is available on a 50 federal-25 state-25 local government contribution.

Dan Mizner, representing the Montana League of Cities and Towns and as Secretary of the Parks and Recreation Association, spoke on the background of this bill. The purpose of the bill is to have the state participate in the recreation program. At the present time, there is approximately \$1,500,000 in federal money through the Bureau of Outdoor Recreation program which is made available to local governments to be matched for developing swimming pools, parks, ice skating rinks, etc. In the past the local government had to come up with 50% matching funds; many of the smaller communities could not come up with this amount of money to get the federal funds that are available. The costs are the same for the smaller communities as for the larger ones to build recreational facilities. This bill is to try to change that.

If a community is able to come up with their 50% match, and builds a facility, then the surrounding community that could not come up with the match wants to use the facility even though they have not contributed. The BOR funds are available to small communities; only 17 communities have made application for these funds because they don't want to put up their money for match, and then have the facility available to everyone. If the state provided a portion, the small community would be willing to share these facilities because everyone would have contributed.

There is \$1.5 million available. If we don't use this, we are reduced in future years as to the amount that will be available. This year is the first year that 10% of the Bureau of Outdoor Recreation funds can be used to cover outdoor facilities such as swimming pools and tennis courts. A rating system has been worked out with the Fish & Game Dept. so that if two communities apply for these funds, priority will be given to the community that has not had a project in the past. This will give the smaller communities a better opportunity at getting the funding, because most larger communities in Montana already have one or more of these projects. He urges a DO PASS on H.B. 162.

There being no further proponents or opponents and no questions from the committee, Representative Lynch closed by saying this is an aid to local government. "I know money is tight," he said, "but I believe this is a good bill."

Hearing closed on H.B. 162.

The Chairman mentioned that we would have two hearings on Sunday, March 13. Also, he would like Representative Marks to let him know what Representatives were interested in serving on the interim fiscal committee. The Democrats should also figure out who they want to serve on that committee.

The meeting adjourned at 9:00 p.m., to meet again on Sunday, March 13 at 1:30 p.m.

Francis Bardanouve, Chairman