

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

April 9, 1977

The Chairman called the meeting to order at 8:15 a.m. Roll call was taken, and a quorum was present. (Roll call attached)

Senate Bill 275: Act to raise the mileage allotment for public officials using privately owned vehicles to that allowed court justices. Senator George McCallum, sponsor of the bill, told the committee that the bill had been amended so drastically that it no longer represented his intent, and he would ask that it be not concurred in.

Rep. Lynch then moved that SB 275 BE NOT CONCURRED IN. VOTE: Motion carried unanimously, with three members absent. (Representatives Gunderson, South and Kvaalen.)

Senate Bill 421: Establish a resident student financial assistance program. Senator Bill Thomas, sponsor of the bill, explained that this bill will bring the resident student financial assistance program in compliance with federal law, which states there must be a sole agency to administer scholarship funds received from the federal government. The agency will be the Commissioner of Higher Education's office. There are no state funds involved in the bill, even for administration.

Mr. Bill Lannan, office of the Commissioner of Higher Education, explained that the amended version of the bill authorizes financial assistance programs for students attending all post-secondary schools in Montana. The intent is to be sure to follow federal law regulating these funds. This financial assistance is available to students of private schools, all units of the university system, community colleges, and the vo-tech centers.

The bill allows financial assistance to students who are Montana residents and are eligible under criteria established by the Commissioner of Higher Education's office. There is an advisory council to advise on the administration of the program. The only existing program affected is the state student incentive grant program. That program has been in existence for two years, and the only institutions participating thus far are the 6 university units and the 3 community colleges. In October, 1976, President Ford signed a law which defines what non-profit institutions or higher education systems in the state are eligible to participate. No state appropriated dollars are to be distributed. The money comes from gifts from private funds and matching with federal funds that will be available. Only those students who are residents of Montana prior to enrollment in post-secondary schools are eligible to participate. It is anticipated in 1977-78 that approximately \$174,000 to \$175,000 will be available to Montana under this program.

In the 1975-77 biennium, the matching appropriation to the Commissioner's Office for this was \$57,730 for each of those years. This has been matched with federal funds. It is too soon to determine

what will be available for match in 1979, but the budget request for match is part of H.B. 145, and is \$175,000 for 1978, and \$178,000 for 1979. No part of these funds would go to private schools, and the unused portion of the appropriation would revert to the general fund, Mr. Lannan concluded.

Chairman Bardanoue asked if funds would go to the vo-tech centers as well as the other units. Mr. Lannan replied if it is the desire of the committee that the funds appropriated by the legislature only go to the units of the university system and the 3 community colleges, this could be line-itemed.

Mr. Lannan further stated that because of staff limitations in the Commissioner's office, the Commissioner elected to decentralize this program and each institution administers the program under guidelines. Each school receives a share of the federal funds available, based on percentages, and a share of the state funds available. There would be no change in this operation if this bill becomes law.

The Commissioner's office acts as a fiscal agent and analyzes need guidelines. The analysis system is the same as that used to distribute other financial programs.

NO OPPONENTS.

Questions:

Rep. Halvorsen asked concerning the \$2,000 on the fiscal note; recognizing that each college has grants officers, what is this for? Mr. Lannan replied the \$2,000 was a guess on the fiscal impact this would have on the Commissioner's office. The financial aid officers on campus receive some funds from the federal government to administer their own programs. The \$2,000 is what it would take for the Commissioner's office to receive the money and distribute it. Rep. Halvorson then asked why does the money have to go through that office? Mr. Lannan replied it flows this way to comply with federal law.

There being no further questions from the committee, the hearing closed on S.B. 421.

Senate Bill 188: Act to raise the reimbursement rate for transporting children to school and to reimburse for two separate trips. Senator Bill Thomas, sponsor of the bill, explained that this was heard in House Education, and has gone further through the process than the House version. This bill was written by the OSPI. The problem is that the cost of busing is increasing and under state statute, school districts are required to bus if parents demand it. This would give parents more incentive to drive students to school, and would cost less than busing.

Rep. Lynch asked what the difference is between this bill and the House bill heard previously, and was told there was really no difference. Two bills were prepared in the hope that one would

be enacted.

THERE WERE NO OPPONENTS AND NO PROPONENTS.

Hearing closed on S.B. 188.

Senate Bill 93: Bond Validating Act. Representative Bardanouve explained that this bill was to have been heard yesterday, and Attorney Diane Dowling was available to explain the bill at that time. However, we ran out of time and we did not have the hearing. This is a bill that must be passed each session, the Chairman stated. He then briefly explained the purpose of the bill. There being no questions from the committee and no opponents or proponents, hearing closed on S.B. 93.

EXECUTIVE SESSION

SENATE BILL 93: Rep. Lund moved that S.B. 93 BE CONCURRED IN. Seconded and question called. VOTE: Motion carried unanimously with three members absent. (Gunderson, South and Kvaalen)

SENATE BILL 99: There was brief discussion as to the amount of the fiscal impact. Rep. Manuel moved that S.B. 99 be TABLED. VOTE: Motion carried with 9 members voting aye; 5 no; 3 absent. (Roll call vote attached)

SENATE BILL 188: Representative Moore moved that S.B. 188 be NOT CONCURRED IN. SUBSTITUTE MOTION by Rep. Marks that S.B. 188 be TABLED. SUBSTITUTE MOTION TO ALL MOTIONS PENDING by Rep. Lynch that S.B. 188 be CONCURRED IN.
VOTE: BE CONCURRED IN: Motion failed by roll call vote, 4 aye; 9 no; 3 absent; 1 abstain.
VOTE: On motion that S.B. 188 BE TABLED. Motion carried with 11 members voting aye; 3 no; 3 absent. (Roll call vote attached)

SENATE BILL 421: Representative Lynch moved that S.B. 421 BE CONCURRED IN. VOTE: Motion carried unanimously, with three absent. (Gunderson, South and Kvaalen)

SENATE BILL 239: Representative Manuel moved that S.B. 239 BE CONCURRED IN. VOTE: Motion carried unanimously by voice vote. (3 members absent - Gunderson, South and Kvaalen)

SENATE BILL 167: Representative Moore moved that S.B. 167 BE NOT CONCURRED IN. Seconded and question called. VOTE: Motion carried with 8 voting aye; 6 no; 3 absent. (Roll call vote attached).

SENATE BILL 354: Representative Moore moved that S.B. 354 BE NOT CONCURRED IN. Discussion was held by the committee about the amount of funding - \$57,000 in 1978 and \$61,000 in 1979. This won't pick up the back-log, but keeps the fund from going further behind.

Representative Marks said if we don't do something, we will have a general fund obligation. The Chairman stated we should have an amendment; we can't change the ratio but the wardens aren't putting in enough. There should be an amendment for future employees going onto the pension plan to put in a bigger contribution. You can't change the employee contribution for those already on the plan unless you give more benefits.

Rep. Moore WITHDREW HIS MOTION and consideration was passed for the day.

SENATE BILL 142: Representative Moore moved that S.B. 142 BE NOT CONCURRED IN. Motion failed with 3 members voting aye; 9 no; 3 absent; 2 abstain. (Roll call vote attached)

Representative Moore moved to TABLE S.B. 142. SUBSTITUTE MOTION by Rep. Gerke that S.B. 142 BE CONCURRED IN.

SUBSTITUTE MOTION TO ALL MOTIONS PENDING by Rep. Bradley that we PASS CONSIDERATION until we have a chance to assess the full financial situation. VOTE: PASS CONSIDERATION motion carried by voice vote, with 3 members absent (Gunderson, South and Kvaalen).

The meeting adjourned at 10:00 a.m. to be reconvened at the call of the Chair.

FRANCIS BARDANOUVE, Chairman