

MINUTES OF THE JOINT MEETING OF
HOUSE APPROPRIATIONS COMMITTEE AND
SENATE FINANCE & CLAIMS COMMITTEE
State Capitol Building, Room 225

April 16, 1977

The joint meeting was called to order on the above date at 8:00 a.m. by Representative Bardanoue, Chairman. Roll call was taken with a quorum present; see attached roll call.

H.B. 144: To appropriate money for capital projects for the biennium ending June 30, 1979. The Long-Range Building Subcommittee has been working on this bill and Senator Larry Fasbender, Chairman, presented their proposed amendments with the following additional comments.

Senator Fasbender explained that the total funding is \$15.84 million; \$9.7 million of that is from within the long range building program itself, surplus funds and interest earned, \$6.14 million is from the general fund. The original request was for \$140 million for this budget.

The bill as originally introduced listed the programs in order of priority; the proposed amendments are working with the departments rather than priorities, it was explained.

DEPARTMENT OF INSTITUTIONS: The two new wings to the prison at Deer Lodge would house 200 prisoners. The Visual Fire Protection project is at Lewistown, although the bill will not exactly reflect that. The razing of the buildings at Warms Springs would also include Galen and Boulder. The amount for that was raised \$140,000 on the recommendation of the Institutions Subcommittee and the advice by the Division of Architecture and Engineering; the total is \$235,000. In addition to a new roof, the Veterans' Home will receive expansion of some of its operating systems as well as a larger well. The original request for the Veterans' Home was raised \$74,000 by this subcommittee. For Fire Safety at Galen, Mr. Phil Hauck of the A&E Division explained that this would be relating to the dormitory for the alcohol treatment area and not the main hospital itself. The money to be used to construct the band room at the prison will be paid from the insurance proceeds. Rep. Lund said that is the addition on to the steel gymnasium; however, Sen. Fasbender said that is not completely true because if the funds were not spent in two years, it does not have to be used for that purpose.

Rep. Lund indicated that there were some requests that were not included in here which he felt were needed. One was for the kitchen expansion for \$98,000 at Lewistown and another \$54,000 at Galen. Sen. Fasbender commented that those programs were really in the area of maintenance and should be handled under the maintenance and not long-range building.

UNIVERSITIES: The original request here was \$4 million but that was cut to \$1.48 million by the subcommittee. He explained that the maintenance to be performed at the different units include such things as roof repair, building repair, classroom renovations, electrical system work, etc. Some of the requests made, the subcommittee felt to be major projects or maintenance and did not belong under this bill. Mr. Hauck explained that the physical plant to be constructed at EMC is like a shop area and the

amount originally requested was \$900,000. The science building request for UM was originally for \$8.7 million and reduced by the subcommittee to \$4 million. This is the largest single building project in the program. This building will be for pharmacy and chemistry sciences, if they are both able to fit in it. The other building had four disciplines. In response to a question, Mr. Hauck said that while this will not fulfill the needs on the original request, it will help a great deal. The subcommittee felt that this should be constructed now because of the time and inflation factors. Sen. Fasbender, in response to a question, said that a couple building would be abandoned and torn down soon.

The oil and gas commission has \$350,000 for the construction of a building. Senator Regan felt it is a good investment as this is very valuable property.

The funding for the library completion at UM would not be general fund money, Senator Fasbender explained. They will have to get the money on their own.

The Law School Library expansion program funding is granting them the authority to go ahead if they get the money of their own. The total cost so far has been about \$2.6 million; it was built 6 years ago. Gene Huntington, of the Budget Office, explained that Title I is for local public works assistance; Title II is for public employment for jobs; and Title III has never been funded but it is for sewer projects. Congress has been working on expanding the Title I projects. There will be more money in the future, but it will be for projects that have been previously submitted so this library meets the requirements.

DEPARTMENT OF MILITARY AFFAIRS: There is \$98,000 for maintenance work here and a total of \$350,000 for this Department. Some of the major work is for one facility only. The problem is that the more you expand a program, the more building is involved and the more maintenance will be required. The new armory, Culbertson, is \$367,000 in federal funds matched by \$139,000 in state funding. The request for \$33,573 would generate \$589,000 of other funds. The national guard did admit that they are at 80% of their total strength, Senator Fasbender said, and the subcommittee wondered if they should be putting this much money into this. There was also a request for \$30,000 for OSHA improvements and that was cut back to only the amount needed to generate the federal money.

DEPARTMENT OF ADMINISTRATION: The Mitchell Building completion funds also includes the computer systems that are being put in there. The Cogswell Building was built originally so another floor could be added to the top or more space added to the back; that is what these funds will be used for. Regarding the Capitol Complex, they are trying to block out the area owned by the state by trying to pick up houses as they become available; the state still does not have a square block in here. The Energy Conservation project is the tip of the iceberg, the committee was warned. By putting in energy and conservation methods, they will be trying to update the buildings and see what the costs are. The costs now will be mostly for studies and seeing how the state can save money and conserve energy in their buildings. They will study 300 buildings, of about 2,000 state buildings; it will be done on a contract basis. Mr. Hauck said that if it is done on the older buildings they

won't have to do it to the new ones later. The waterproofing for the exterior of the State Capitol is necessary because the building is made of sandstone; this process must be done about every 5 years to prevent the deterioration of the building. The remodeling of the second floor will be done to accommodate the Attorney General and his staff on the opposite end of the building from where they are not and their present office space will be used for the Governor's staff. The remodeling for the Highway Building will make it usable for other departments and agencies after the Highway Department moves out.

DEPARTMENT OF HIGHWAYS: The construction of the highway maintenance facilities is required because there are over 700 miles of secondary roads that will be made primary roads which must be maintained by the Highway Department.

SUPERINTENDENT OF PUBLIC INSTRUCTION: The construction of the Vo-Tech. Center at Billings would be funded by \$1.8 million by the state and the same amount by the city of Billings. The \$1.5 million in EDA funds granted was divided in half between the state and Billings. Senator Regan said they wanted to use part of the funds they had received as a part of that match and they are coming up short as she understands it. Senator Fasbender said that the state matched one-half the costs in Great Falls before and that is what they are doing in this case. While Billings did apply for and get the grant, the money went to the state directly. Senator Regan felt that Billings should be able to use that grant.

DEPARTMENT OF COMMUNITY AFFAIRS: These funds are to make it possible for commercial airplanes to land at the West Yellowstone airport.

DEPARTMENT OF NATURAL RESOURCES: The money should be available by July. This is the building that EMC will be purchasing for \$72 million.

JUSTICE: The Registrar's Office in Deer Lodge is in bad condition inside and this will be used to renovate the upstairs so they can also use that area.

DEPARTMENT OF FISH AND GAME: Senator Fasbender explained where each of the projects are located and indicated that some other companies and groups are contributing some money toward them. The Fish & Game Committee, Rep. Moore pointed out, recommended the \$35,000 be used for working in the basement; Senator Smith stated that it was \$23,000 for the room in the basement and \$6,000 for the landscaping. Mr. Hauck clarified that further stating that the work would be paving and curbing the parking lot and doing some work at the warehouse.

SECTION 9: Sen. Fasbender said that now whenever the Fish and Game Dept. acquires land that whole process goes through the Department of Administration; that is being transferred to the Fish & Game Dept. The legislature will still have to approve and the Fish & Game Commission will also have to approve it and the director of the Department will see that it is carried out.

SECTION 10: This was added, it was explained, because the work at Boulder on the Laundry has not been started as of yet. It was the

intent of the committee that those funds be spent. They did not force the spending of the money on the hospital because there are still some problems with rules and regulations of the federal government.

QUESTIONS:

Rep. Gunderson asked if it is necessary to study 300 buildings to see if it is feasible to conserve energy. Mr. Hauck explained that there are 300 major buildings of a total of 2,000. There is a lot to look at in terms of energy conservation and cost estimates. In two years the report will be presented to the legislature. They would contract with private firms; Mr. Hauck felt it makes more sense to use the private sector for doing this kind of work. This type of investment can be written off in about 8 years but for the time being it will give us the facts and information needed to make sound decisions.

There was a brief discussion on the Vo-Tech Center at Billings, on the same information presented during the report. It was further explained how the EDA funding and federal money is prioritized and what projects are eligible. In addition to the criteria presented earlier by Gene Huntington, he added that another criterion is that that construction must begin in 90 days and the plans are already drawn up. They also must meet a level of unemployment within the community to be able to use the money.

MOTION: Representative South Moved that the amendments be adopted.

ROLL CALL VOTE: The motion carried by a vote of 12-0.

MOTION: Representative Moore moved that H.B. 144 AS AMENDED DO PASS.

VOTE: The motion carried with a voice vote of 12-1.

The members of the Senate Finance and Claims Committee did not remain for the hearing and actions on H.B. 823.

H.B. 823: To appropriate funds for capital projects at the School for the Deaf and Blind and Montana State University from the education trust fund account. Representative South, on behalf of the Long-Range Building Committee, said that their recommendation would be to strip all the buildings out of the bill and just send the mechanism to the floor of the House to see if the legislature wants to use the funds now in there for buildings. That way we could discuss the merits of using that money. There will be about \$6 million by the end of June in the account. The money could be amended into H.B. 144 for the necessary buildings, as the money is in neither bill now if the recommendation is accepted. The Physical Education building at the School for the Deaf and Blind and the Library for Northern Montana College are already pre-planned by the previous legislature. He said the subcommittee felt it was not fair to raid the trust fund because there are programs in the bill for everybody. The money could be plugged in later. This fund has to be used for school buildings only; it should be only for educational type buildings since it is an educational trust fund, as established by law. He indicated that every two years the legislature could decide if we want it to be used for buildings; and if they don't need it for buildings, it would not be used for that purpose. Under the subcommittee's recommendations the money that accumulated in the

next two years would be used to build the buildings that we want from this bill. Rep. Gerke thought this was a good way to do it. Rep. Bardanouve said that the original intent of the bill was sort of introduced as a pork barrel.

In response to a question from Rep. Lund, Rep. South said that by the end of June there will be about \$6 million in the fund; \$7.5 million would be accumulated over the next two years. Rep. Lund said that this is a trust fund by statute but the legislature does not have a handle on this and the other trust funds from coal. Rep. Bardanouve felt that the long-range building committee should have a priorities list, prepared with the aid of the A&E Division, so there would be an actual long range plan, and we would then have a better idea of what we are doing.

The interest from the fund goes into the general fund account, Rep. South explained.

Rep. Marks suggested, and the committee generally concurred, that the Legislative Fiscal Analysts should prepare an analysis of the funds and where the money is going.

Rep. Ellis indicated he felt we are getting better interest for bricks and mortar. Rep. South said that is the intent and that if we are going to do that, it would go into the long-range building bill. Rep. Estenson felt that to invest in bricks and mortar is binding. We should look at the trends around the U.S.; we are going to have bricks and mortar all over the state and won't realize it until it hits us ten or fifteen years from now.

In response to a question from Rep. Bradley, Rep. South said that the subcommittee felt the bill should go to the floor stripped of everything but the philosophy. They did not, however, decide totally on that philosophy; they expected this (Appropriations) committee to do that. Rep. Bradley said she does not like the philosophy. Rep. Estenson asked her if she is opposed to the use of the funds for capital projects and she responded that she has problems "messing around with a corpus... I would oppose the passage of 823 in any form."

Rep. Gerke said that we already have a law on the books; he does not like using any coal funds for anything, but the law is already there. This is part of the 27% for educational trust fund, Rep. South said.

Rep. Gerke said that all the money does not have to be in the building program; Rep. Lund said that it would have to be for educational purposes. If we pass this bill, it will be only for bricks and mortar, Rep. South commented. We could examine what is in the corpus every two years and spend it for projects that the legislature could go for. Rep. Gerke pointed out that maybe later we would want to use that money to build a dam or some or program or project that is needed. Rep. Moore felt that "capital projects" could be bricks or books; it is not tying us down to only buildings. Rep. Ageson said it sounds like the projects they are considering have been a part of the long range building program. Rep. Bardanouve clarified that the priorities are listed by that committee.

Rep. Moore suggested putting everything in the bank and "somewhere down the road they could spend it for whatever they want as long as it is tied in to supporting public schools and the university system." He felt it would be a better investment to put it into capital investments now while the value of the dollar is where it is, adding that the value of the dollar will only go down.

Rep. Gerke said, "I am concerned that if we could decide to use the money to do those projects, they are 1) needed and 2) already planned. Then at the end of this biennium this sunsets. In the next session they could only spent it only on projects that are planned and they would have to have a plan to work by."

Representative Jay Fabrega, sponsor of this bill, said he would certainly support that amendment to H.B. 823.

Rep. South said that we could make a better investment of that money and in two years 50% of the coal tax fund must go into the fund that was constitutionally maintained; it is like a savings account. Since the Long Range Building Committee has other projects they would like to fund if there was enough money, they should have the ability to use that money. They should be able to attain other projects at that time. H.B. 823 should also be ahead of H.B. 144 to preclude a fight on the floor.

Rep. Gerke asked if it would be appropriate for the Long Range Building Committee to set aside \$.25 million or some amount to plan for the future, for a survey or something like that. Rep. Fabrega said he did not see any problems with that; it's all toward the same goal.

MOTION: Rep. Ellis moved that we accept the proposed amendments to H.B. 823 with the intent clarified in the language.

Discussion: Rep. South said that the intent would be that we use any or all of the \$6 million corpus accumulated by June 30 to build capital building projects, and the ideas agreed to would be put in H.B. 144. These could be incorporated into the BPICA account. It should be handled by the long range building program. Rep. South will prepare the proper amendments.

VOICE VOTE: The motion carried by a vote of 14-1 (Estenson voting NO; Kvaalen absent, Halvorson absent).

MOTION: Rep. South moved H.B. 823 AS AMENDED DO PASS.

ROLL CALL VOTE: The motion carried by a vote of 9-3, see attached.

There was a brief discussion of possible pressure being put on the Governor's Office to alter the language in the institution area's allocated money. If we want to maintain the integrity of the subcommittee, the Chairman said, we should resist any attempt to alter the language. Rep. Gerke believed resistance should be made because the budget was worked out by a bipartisan subcommittee, budget office and the LFA.

The meeting adjourned at 11:00 a.m.

HOUSE MINUTES OF THE
FREE JOINT CONFERENCE COMMITTEE
ON HOUSE BILL 145
State Capitol Building, Room 225

April 16, 1977

The meeting of the Free Joint Conference Committee was called to order by Representative Francis Bardanouve, Chairman, at 4:00 p.m. The Co-chairman was Senator Cornie Thiessen. The roll call was taken and a quorum was present.

MOTION: Senator Thiessen made a motion that they accede to all Senate amendments on the reference (orange) copy.

VOICE VOTE: The motion carried unanimously. (All members present and voting.)

MOTION: Senator Himsl moved that the scope be limited to the consideration of Senate amendments and those areas opened by the Chairman of the Senate Finance & Claims Committee and the Chairman of the House Appropriations Committee.

Discussion: Senator Himsl said that the problem we have is with the Senate amendments and areas that might be opened by the chair. Rep. Bardanouve said that there are a lot of areas that should be opened. It was suggested by Senator Regan that they start as a free conference committee and see how this really works first. Senator Himsl agreed that the Senate amendments should be considered first. Rep. Lynch was opposed to the motion because this is a free conference committee with all members equal.

ROLL CALL VOTE: The motion failed with a vote of 5-7 (House: 1-5; Senate: 4-2).

(NOTE: In votes reported, the AYE votes will be first, followed by the NO votes; AYE-NO.)

In response to a question, John LaFaver, Legislative Fiscal Analyst, explained that right now the total in the bill is \$407.6 million, the pay plan is another \$7.3 million, making the total \$414.9 million. There are also some bills still alive in the Senate with appropriations on them; weatherization is the largest single bill, he thought. There is less than \$1 million in appropriations bills in Senate Finance besides those. Rep. Bardanouve added that there are some fiscal impact bills also. Mr. LaFaver further indicated that also \$7.6 million is attached to Senate amendments.

The committee decided to work from the attached "Explanation of Amendments Made by the Senate to H.B. 145."

Boiler Plate

Amendment 1. No action. Both houses concur.

Legislative Auditor

Amendment 2. Rep. Bardanouve announced that input will be accepted from anybody on the Appropriations Committee during this Free Conference Committee.

Rep. Gerke said that by reducing the number of auditors and then adding the number of audits by the schools, you have increased the load. Don't expect the kind of coverage if you had not reduced the number of audits the office must make, he cautioned.

Senator Regan explained that when the committee met, we had added 12 and 12 FTE. When we looked at current level and the increase and considered that we had asked other agencies to cut their increase, we reconsidered this budget. We are adding 16 auditors, she stated. They will be doing more in-shop audits and will have some reimbursements but we have provided for this budget. When we originally talked with the Legislature Auditor, he said he would always be able to use more. The growth here is very large, she said; she felt that the Senate amendment for this budget should be accepted.

There being no motion, the House accedes to the Senate amendment #2.

Senator Hims1 asked about the audits on schools. Rep. Bardanouve said that there was a resolution in the Senate that does not require audits of schools but request auditors to make a spot check on schools having special education money.

Legislative Council

Amendment #3. MOTION: Rep. Marks moved that \$25,000 per year reduction be reinstated in the bill.

Discussion: He explained that he felt it would be grossly unfair to ask them to travel on their own expense. The NCSL dues have been approved, it was determined. Senator Regan felt that \$25,000 per year for this travel was excessive, as they have already provided for the Legislative Council's travel. Rep. Lynch also felt it was high, but did not feel the people appointed to the NCSL should have to pay their own travel expenses.

In response to questions, Rep. Marks indicated that he traveled to five meetings in the last biennium and named other legislators that also did. Most of this is in-state travel for committee meetings; their studies during the interim require travel. Rep. Bardanouve indicated he had made one trip in six years on the committee and it happened to be this past year.

Senator Regan felt that may be some justification for some travel and maybe for a small increase. But looking at Section 15, which was just accepted in Amendment #1 above, we are asking people to watch travel expenses.

SUBSTITUTE MOTION: Rep. Bradley moved that we insert \$15,000 a year.

ROLL CALL VOTE: The motion failed by a vote of 5-7 (House: 4-2; Senate: 1-5).

SUBSTITUTE MOTION: Rep. Lynch made a substitute motion that \$10,000 each year be inserted for travel allowances with the understanding that the Council would watch their traveling.

Discussion: Rep. Marks asked that the substitute motion be amended so that "the travel for NCSL be limited to that amount" and it would not be taking other funds that are already encumbered. Rep. Lynch agreed to that. MOTION IS AMENDED ACCORDINGLY.

Sen. Regan asked if something comes up for the Council of State Governments, would they not be able to attend? Rep. Bardanoue replied that that would come from the other travel for the Council; this amount is pertaining only to the NCSL travel, which has never been funded before.

Mr. Bill Gosnell, Fiscal Analyst, stated that the Legislative Council has budgeted for 1977 \$44,475 for legislative traveling including the Council travel. For 1978 it is \$51,000 and for 1979 it is \$50,700. This does not include traveling of the Administrative Code Committee and the Western States Forestry Task Force.

ROLL CALL VOTE: The amended substitute motion carried with a vote of 9-3 (House: 6-0; Senate: 3-3).

Amendment #1 - reconsidered: Rep. Gerke indicated that he would like an amendment considered for this amendment. He felt the Senate amendment is too restrictive as far as the legislature and legislative boards are concerned. They would have to report to the Finance Committee and he does not believe that is proper. In the case of the E.Q.C. they do not need to report to the LFA Committee to get permission to do the traveling; however, he felt they should have to report after. He felt that all the language should be deleted in this section (15) except the last sentence, "The budget director shall develop a state travel policy to restrict expenses for unnecessary travel." He did not feel it to be proper for one legislative body to approve the functions of another legislative body.

Rep. Moore explained that the purpose of that section on page 8, line 1 through 4 of the reference bill is for the LFA to compile the information for analysis purposes.

Senator Regan indicated that this was her amendment; it was her intention that travel "stand the test of sunshine; it is a sunshine law. Our travel is legitimate." This will not require the reporting of names of individuals and it is not for purposes of approval or permission; it is only for review purposes. "We cannot demand it of other agencies if we do not do it ourselves." She explained also that the professional council for the legislature is the Council of State Governments; for the judiciary, it is the Commission of Uniform State Codes. These are paid for with state and public funds and therefore, it should be public knowledge about how many people (not names) are traveling. There was still some confusion by the committee members about the "private or professional organizations" and "the benefit to the department or agency."

Senator Flynn felt this will stop four or five from one department traveling to one convention. We will know more in two years if we do it.

John LaFaver stated that it will add to the work of his office; if the legislature wants that, though they will do the work. Rep. Bardanouve asked if they would have any "police powers;" Mr. LaFaver said no; from a staff standpoint they would compile the information and present it to the committee.

Rep. Bardanouve suggested that the attorney for the Legislative Council should review this language and clarify it.

No actions taken at this time.

Floor Amendment #1. Both houses concur.

Environmental Quality Council

Amendments #4 and #5. Rep. Lynch said that he would oppose these amendments because it is not leaving the EQC with sufficient staff; the Senate amendments takes 50% of the staff out.

MOTION: Rep. Lynch moved that these amendments (#4 and #5) be not accepted.

SUBSTITUTE MOTION: Rep. Marks made a substitute motion that the economists and the attorney and the funds required be amended back into the bill.

Discussion: Rep. Lynch said that if this prevails, discretion should be given to this; the EQC is more aware of their real needs than we are. Mr. Gosnell said that the cut by the Senate was \$50,000 in 78 and \$56,000 in 79 with 3 positions in 78 and 3.66 in 79 reduced. It was not a direct relationship between the positions and the amounts. Rep. Lynch suggested that he felt Rep. Marks wanted to eliminate one position; you could restore 2 positions in 78 and 2.66 in 79.

AMENDED SUBSTITUTE MOTION: Rep. Marks amended his motion to reflect the dollar increase to the salaries of the attorney and the economist and not the second one (the ecologist) and to take out the highest paid position (the ecologist).

Discussion: Senator Regan gave the salaries: Position #1 (economist): \$18,016 for FY 78 and \$18,347 for FY 79; Position #2 (ecologist): \$16,629 and \$16,956; Position #3 (attorney): \$15,317 and \$15,643. She also explained that they have two clerical persons coming in as part-time doing the typing, which amounts to \$6,000. She suggested that we could cut the middle position and let them adjust whichever way they want to go; that will allow them more flexibility and might allow them to get some clerical help. She said the subcommittee had originally reduced their request by \$24,407; it had a good hard look before going to the floor.

Senator Stephens said that comments made on the floor of the Senate indicated there was a lot of duplication here. Do we need an attorney in every bureaucracy in the state? Senator Thiessen also pointed out that the EQC has also gotten involved in land planning, and that was not appreciated by many members of the Senate. They were going in

areas other than what they were created for. Senator Himsel brought out that in one last report, the EQC themselves complained about the confusion and duplication of studies in the area of environmental studies. It will be hard to have the Senate put more money in here.

ROLL CALL VOTE: The motion carried with a vote of 7-5 (House: 5-1; Senate: 2-4)

It was pointed out that the Senate rejects this while the House approves it by the above vote, Chairman Bardanouve said. He asked how this puts the conference committee report in the Senate. Sen. Stephens said you lessen it by one position and some may accept that but many will reject it. Senator Regan said that she brought the votes from the Senate vote. After some discussion, it was decided that Senator Hager made the motion on the floor and it was killed (killing the EQC) by a vote of 20-26. Rep. Bardanouve commented that we will have to play it by ear. When the bill is back on the floor of each house, it will be presented as a total package, Senator Regan said. If there is one issue they won't agree with, it could kill the report, it was stated. But Senator Stephens felt that one issue will not kill the conference committee report on the Senate floor; a combination of issues may, however.

Legislative Council

Amendment #3 - reconsidered: Rep. Marks said that H.B. 773 provides for a taxation interim committee and requires some funding; the language in the bill will be resolved by the legislative council. He felt that \$30,000 would be enough. Rep. Huennekens said that it sets up an interim committee similar to the interim finance committee which will function as an oversight committee regarding revenue. This 12 member committee would be assigned areas of study and review of the Dept. of Revenue's budget. The personnel will be staffed by the Dept.

MOTION: Rep. Marks moved to appropriate \$30,000 per biennium to the Legislative Council for travel, salaries, staff and expenses for the Tax Oversight Committee subject to the passage of H.B. 773.

Discussion: There was a discussion about where this will come; Rep. Lync said that when the subcommittee had the Dept. of Revenue, the research money was in; it has subsequently been taken out. \$15,000 each year was to be earmarked for research for this oversight committee, because the bill read that the Dept. would pay. That has since been amended so that the Legislative Council has the responsibility of the funding.

Senator Stephens felt this should have been introduced as a joint resolution and the priorities committee could have decided. He also felt it did not make sense to fund another committee to look at the Dept. of Revenue; that is what the Interim Fiscal Committee does.

Rep. Marks indicated that if H.B. 773 passes, the Legislative Council will need the money. It is currently in a free conference committee and 3 Senators and 2 House members had signed it.

Senator Hims1 pointed out that it sunsets in two years. Senator Towe also discussed this and said they would study 1) the bank tax study; 2) the metal mines tax and 3) the property and equalization tax. It did not have a fiscal note attached. Dept. of Revenue was to have the staff and pay the expenses. That was line itemed in and that was taken out by the subcommittee.

Senator Regan felt that was a lack of communication. When \$60,000 in the biennium was presented to the subcommittee, there was no mention made of travel of a research project going on. They talked about researchers (people) and nothing about travel. There is still about \$11 million in the Dept; they should be able to absorb \$60,000 in that.

ROLL CALL VOTE: The motion failed with a vote of 3-8 (House: 3-2, 1 pass; Senate: 0-6).

Governor's Office

Amendment #6. In response to a question from Rep. Bardanouve, Mr. Dave Lewis of the Budget Office explained that they have two positions for position control, and they keep track of all positions. One of those positions is full time; the other has been used by an attorney for the office. Mr. Gosnell explained, after a brief discussion, that there were positions put in for position control and they asked that they be funded. Funding was cut in personnel from the FY 78 and FY 79 budgets, but Mr. Gosnell thought those were under the Governor's budget.

No motions made; no actions taken.

Amendment #7. This was actually for Indian jurisdictional issues, it was stated. Rep. Moore said that this was for the legal people to provide research for all the Indian treaties and acts of congress and archives in the last 100 years in order that the lawyers in Montana could compete with those in Washington, D.C. The original request was for \$500,000.

MOTION: Rep. Bradley moved to amend this amount to be \$360,000 with the \$60,000 to go to the legislative Indian jurisdictional study.

Discussion: Rep. Bradley felt this state will be in serious trouble if we try to settle everything through the courts. She could only support this if some kind of effort is made to have ongoing communications and work. Senator Flynn felt this will not accomplish anything but if they are not going to talk, they won't talk. But Rep. Bradley responded that many felt it was a good deal of success; it will be a real tragedy if we don't try. In response to a question, she said she did know of attempt on their part that they want to talk. Rep. Moore said that everyone of the Indians was supportive of this bill and the task force to get together.

Rep. Lund indicated that they have serious relationship with the Indian tribes on Frot Peck. Unless they can get the two groups together, there will be literally bloodshed one of these days. This is an attempt to do something. Senator Thiessen felt this would just be giving it to the Governor to handle disputes that arise.

Rep. Bardanouve suggested that the \$60,000 request should be under a separate motion and added specifically.

AMENDED MOTION: Rep. Bradley moved to put \$60,000 in H.B. 145 for a committee for an Indian task force under the Legislative Council.

Discussion: Sen. Hims1 said that this would go to "hire a Washington high-powered attorney to get with those of other states, but I question very much if they would be willing to buy the idea that this will be a reseachers' study program." He pointed out further, that two years ago the Governor's Office was very concerned and tried to get a meeting of the Indians; they had two meetings and broke up. The Indians told Senator Hims1 that the problem was that the Governor made the appointments and they did not make it from the tribes themselves. Rep. Bradley responded that things have changed substantially since then. It will be legislators so the problems from before would not exist. Many members of the tribes have voiced their support.

Senator Roberts asked how this would be used since there is no vehicle as it was killed in the enabling legislation. Rep. Bradley felt it could have some language put in this bill that would be a good vehicle.

Rep. Driscoll indicated that a lot of work has gone into this; but if there were not provisions made for the proper and careful use of this money, he would rather it not be funded.

ROLL CALL VOTE: The motion failed with a vote of 5-6, one pass (House: 4-1, 1 pass; Senate: 1-5).

Senator Regan asked that this be set aside and that they be allowed to return to this issue later. The Chairman approved this.

There was further discussion on the enabling language. Senator Roberts felt that \$300,000 was a figure picked out of the air when the Governor's Office was starting, and it was never cut down.

Amendments #8 and #9. MOTION: Rep. Lynch moved that E.R.P.O. be restored.

Discussion: This issue was covered in the Elected Officials Subcommittee; it was requested at \$288,000 in general funds and this was not reduced by the subcommittee. Senate Finance & Claims eliminated this office in its entirety, Rep. Lynch stated. There was strong support for this in the House, he added.

Senator Thiessen said that four years ago the Lt. Governor was made full time on the basis that he would be funding an energy office. Now there is a bill to create an energy department. Why do we need a bill creating it, if the Governor has created it by executive order already?, Senator Thiessen asked. Senator Towe responded that bill was originally to create an energy office but was amended by the Senate Taxation Committee to simply put all the coordinating functions under one office. It now also puts in \$200,000 to \$208,000 in the biennium from taxes. Senator Thiessen indicated it had not been tested on the floor of the Senate yet.

Rep. Lund discussed the problems encountered in the northeastern part of the state and emphasized the need for air quality standards and control, which this kind of office would enforce.

AMENDED MOTION: Rep. Lynch amended his motion to cut one position; "to restore Bill Christensen to the Energy Office less that one position.

Discussion: Rep. Bardanouve said that Lt. Governor Schwinden said that one position is in the field and it would be a major loss to them if we did not give them that one position. Rep. Lynch responded that is the position he wants to amend out.

Mr. Gosnell explained that in restoring one position is a grade 11 slot, paying \$11,100 the first year and \$11,300 the second year plus fringe benefits. Take two positions in Bill Christensen's office and reestablish the Energy Office less one position, is what the motion would do. The effect would be to restore four positions and the program at a cost of about \$93,000.

Senator Regan explained that it is under the Lt. Governor's Office the way it is presently organized. When Sen. Lockrem made the motion to reduce it in the Senate Finance & Claims Committee, he made this transfer. What he was doing made no difference because of the organizational chart. The ERPO Office in essence is under the Lt. Governor but it doesn't make that much difference where it is. What is under discussion is a staffing pattern and the allocation of money.

Senator Thiessen said that the Lt. Governor now has 4 FTE under him; this would make 6 FTE and that is a quite a good staff to deal with. The salaries are adequate to handle Bill Christensen's salary and to continue the work.

VOTE: The motion carried with a vote of 8-4 by roll call vote. (House: 5-1; Senate: 3-3.)

Amendment #10: MOTION: Rep. Lynch moved that the Board of Visitors be added in.

Discussion: He indicated that the Elected Officials Subcommittee did not actually work this budget because it was transferred over from the Dept. of Institutions. Senator Flynn indicated that his subcommittee heard some testimony on this budget before transferring it. He felt it would be "double tracking if we hired someone from out of state to check on our psychiatrists in our institutions."

Senator Towe explained that the reasons for going out of state were pretty good. This board is charged with looking into whether the law is being followed and medical records are being kept and if medicine is prescribed properly, etc. There could be problems getting unbiased reports if this were done by in-state physicians which made criticisms of the institutions. This board is under the Governor and reviews each of the five mental health centers as well as Boulder, Galen, Warm Springs, and Eastmont. "When talking about the lives of human beings in Montana, the few dollars spent here is the best spent in the state."

Some of the problems with the methods of reporting which Senator Flynn pointed out have been corrected by S.B. 413, Senator Towe stated.

Senator Thiessen felt that all positions including the Board of Visitors being appointed by the Governor creates too much overlapping and is not good control.

This was established by law and we are therefore, required to have this board, Senator Regan felt. Rep. Ann Mary Dussault explained that it is established under title 38 by the commitment law passed two years ago and if it is doing a good job, it will be controversial. It has been established and an amendment to title 38 should be discussed if there is the desire to change that. Senator Regan stated that "wiping out the appropriation will not do it," but she felt this necessary to fund.

ROLL CALL VOTE: The motion failed with a vote of 6-6 (House: 4-2; Senate 2-4).

After a brief discussion, it was decided to look at this issue again later on.

Amendment #11: Mr. LaFaver indicated this is a technical change and no actions are necessary. No motions made.

Secretary of State

Amendment #12. In this office, 1.5 FTE were added to dissolve corporations, Senator Regan explained. She was of the understanding when it was heard by the Subcommittee that it would be just a "perging thing and that it would be done in two years." But it was later explained to her by JoAnne Woodgerd that it will be an ongoing thing and the language in the bill must be changed to allow it to be done in that way.

The attached letter from Secretary Frank Murray was read and submitted to the record.

Some back taxes from some corporations are anticipated Senator Roberts said in response to a question. The law has been on the books for years but it has been such a cumbersome procedure, it wasn't used. The Attorney General would have to go through district court, Senator Regan clarified, but this bill provides a much easier and efficient way to do it.

MOTION: Senator Regan moved to amend page 13, line 14, following "787." Strike: "It is the intent of the legislature that this effort be completed by June 30, 1979."

Discussion: Sen. Thiessen felt, "The job has not been done and who has been hurt? There should be an audit of this before we do it."

SUBSTITUTE MOTION: Rep. Lynch moved to amend page 13, section 17, by striking lines 12-15 in their entirety.

VOICE VOTE: The motion carried unanimously, all members voting.

Floor Amendment #2. No motion; both houses concur.

Amendment #13. If the Commissioner's Office is to review and evaluate the information after receiving it, they need the FTE, Rep. Lynch stated. The current level is adequate if they are not do do anything else. There are four in the office now, but they cannot evaluate the information they collect at this time. Rep. Gerke felt they could simplify and reduce the number of forms they use. Rep. Lynch felt that the fact that his office is still in existence is a compromise.

No motions made.

Amendment #14. No motions made.

Department of Justice

Amendment #15. The first half of this amendment will be considered first, relating to the fire marshal program. The Subcommittee on Elected Officials did not recommend the funding, but it was put in the floor of the House, Rep. Lynch explained. There is a need for additional staff for eastern Montana. He also indicated they would like to have a replacement for the fire marshal, who is retiring, two months prior to his filling the position.

MOTION: Rep. Lynch moved to add \$19,772 and \$21,101 for the deputy fire marshal for eastern Montana; this includes fringe and travel.

Discussion: The Subcommittee heard this budget and funded it at the requested level by the agency; Senator Regan felt they should be held to the current level and that the new fire marshal should come on and decide what he wants to do after the current marshal retires.

Senator Hims1 asked how many fire marshals there are not and if they do not deputize men to do the job? Mr. Gosnell stated there are 8 currently and they have deputized 20 locally. The 20 are done by contracted services in their time off, Senator Regan explained.

The duties of the fire marshal include 1) arson, 2) building inspection, and 3) training. Senator Regan felt he is not doing any of them well and would like to suggest that something be taken away from him.

ROLL CALL VOTE: The motion failed with a vote of 5-7 (House: 5-1; Senate 0-6).

The meeting adjourned at 7:00 p.m. to reconvene at 1:30 p.m. on Sunday, April 17, 1977.

Francis Bardanouve, Chairman

jlm