

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

April 17, 1977

The meeting of the Free Joint Conference Committee was called to order by Representative Francis Bardanouve, Chairman of the Free Conference Committee. The Cochairman was Senator Cornie Thiessen. All Senate and House members were present; roll call is attached. Time: 1:40 p.m.

The Chairman announced the meeting would begin with Amendment #15, Department of Justice, where we left off last night. The Explanation of Amendments sheet is attached.

Senator Flynn read Rule 7-9 into the record regarding joint conference committees. The committee from each house votes separately and a majority of each house must agree before action may be taken. Under this rule, the majority of each body must agree to each amendment.

Department of Justice

Amendment #15, continued. Discussion was had on the last half of this amendment. Rep. Lynch stated this was a sizable cut made in the Senate. Of any of the items added by his subcommittee, this was possibly the most comprehensive new program. In hearing testimony, it was the feeling of the subcommittee that the county prosecution unit had merit. It had a sunset clause which was put in to be sure that the program was reviewed carefully at the end of the two year program and to assure that the program was necessary and being utilized. On a personal note, Rep. Lynch stated it was one of the more exciting programs that could come into being in the justice system. He feels there is a need for this type of program; it is the number one priority in the Attorney General's list. This would add 2 FTEs in 1978 and 3 in 1979. Rep. Bradley asked if the counties would share the cost and was told they would after the first year. Those counties requesting the service will share in the cost.

Sen. Thiessen stated that he agreed with giving assistance, but didn't feel we should put money in this program for full-time positions. He would rather set up a \$50,000 fund to hire assistance when it is necessary.

Sen. Regan spoke in support of the program and said this is much misunderstood. She explained the way the program works, stating that in addition to courtroom work, pre-trial preparation is necessary and \$50,000 won't do the job. The program deserves a chance because this is a new elected official; this is the only thing he asked for. There is a sunset clause and the Attorney General has an excellent man in mind to hire for the job. Sen. Thiessen asked if Sen. Regan believes that every new elected official should be given additional FTEs. Sen. Regan responded no, she feels you should look at the program proposed and if you feel it is worthwhile, you fund it; if not, you don't. She further stated she did not feel she had been overly generous.

Sen. Hims1 stated the experience in the last couple years has been that the Attorney General found it necessary to go out of the state to hire attorneys in these type of cases. He would question if they have the resource material to do the job this would suggest. He also feels the county attorneys will escape their responsibilities by relying on this program. Also, why sunset it, if you feel it is a good program? Rep. Lynch responded that it has a sunset clause because if it did not, it might not be scrutinized as carefully by the next session. This says it is a good program but must be justified in order to be continued.

ROLL CALL VOTE: Senate: 3-3; House: 5-1. Under the new interpretation of Rule 7-9, the motion failed. (LATER: After discussion which follows, the MOTION CARRIED with the final vote being 8-4.

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

The committee then discussed the voting rules. Is a majority vote of each house required to pass every motion, or is that rule applied only to adoption of the full conference report?

Rep. Lynch stated that if a majority is required to pass any amendment, he would have a problem with what we did yesterday in acceding to all the Senate amendments. He would rather the Senate would recede on the amendments so it would require the vote of 4 Senators to take something out. As we are doing it now, it requires only 3 dissenting votes of the Senate to keep an amendment out; under this procedure, the House suffers.

It was stated by Rep. Marks that now in order to change anything that the Senate adopted, it would require a 2/3 vote, and he does not feel that is the scope of a conference committee.

Sen. Hims1 said that is the reason he made the motion he did yesterday. The area of controversy is the amendments the Senate put in the bill that was approved, then sent over to the Senate by the House. This committee might change the position on these amendments and take a position different than the whole Senate.

Rep. South agreed with Rep. Lynch, saying that since we adopted all the amendments of the Senate in our action yesterday, 3 members of the Senate side can block putting them back in now.

The problem would be the same, Senator Thiessen said, if we deal just with the amendments. He did not see that this changes things. Rep. Lynch argued that it does; if the Senate had receded, everything they cut would be back in the bill and a motion such as he just made concerning the Department of Justice would have required a majority vote to keep it out. A 3-3 tie vote would not have been sufficient to keep the money out, and it would be back in. This way, the money is not returned because of a 3-3 tie on the Senate side. It makes a great deal of difference he felt.

MOTION: Rep. Lynch moved that we reconsider our action of yesterday in acceding to all Senate amendments.

Discussion: Sen. Stephens said he appreciated the House's concern, because they would be in the same position had the bill come the other way. Sen. Roberts said he would suggest this is not a typical conference committee with the number of amendments to be considered and the complexity of the bill. Perhaps we should be looking at establishing procedures for a conference committee of this nature, he said. The consensus was that the amendments are in because the Senate adopted them and the House acceded in its action in conference committee yesterday. The committee operated as a body of 12 yesterday. Sen. Stephens suggested that Rule 7-9 apply to the final action of the committee, and we would continue on as we were yesterday, keeping an accurate count of the votes on each amendments. The majority vote would rule on each separate amendment.

Requesting a decision from the Rules Committee was also a topic of discussion. New amendments that are to be proposed in this committee which have the support of neither house were also discussed.

Rep. Lynch WITHDREW HIS MOTION to reconsider.

MOTION: Rep. Marks moved that the amendments be adopted as a committee of the whole and the final action is to be determined by the Rule 7-9, a majority vote of each house.

ROLL CALL VOTE: The motion carried unanimously in both houses.

Floor Amendment #3. No motions; both houses consent.

Amendments #16 and #17. No motions; both houses consent.

Amendment #18. MOTION: Senator Roberts moved that the Senate recede from this amendment.

ROLL CALL VOTE: The motion carried with a vote of 10-2 (House: 6-0; Senate: 4-2).

Department of Revenue

Amendment #19. Rep. Lynch read into the record a letter from Mr. Bill Groff, Director of the Department of Revenue, concerning the cut. Rep. Lynch suggested that this cut may be higher than the office can live with. Sen. Regan explained that this amendment was recommended by the subcommittee when they were sent back to make cuts. They took \$30,000 for each of the two years from the research division, and took \$136,688 the first year and \$135,906 the second year, leaving them at the current level.

Mr. Bill Gosnell, Fiscal Analyst, explained how the budget was developed and that they arrived at a budget of approximately \$5.7 million for FY 78 and \$5.9 million for FY 79. Salary costs are in dispute. In the subcommittee, the Department's position was accepted on property assessors and the increase to the level the Department requested was allowed. Mr. Gosnell stated that the budget he recommended would have brought the Department back to what he considered they needed for operating

expenses for the biennium. This represented approximately a 25% increase over what they actually spent in 1976.

The Chairman mentioned that a dispute had arisen between the Department and the fiscal analyst. For that reason, Mr. John LaFaver, Legislative Fiscal Analyst, had a different fiscal analyst make a recommendation. That analyst came up with less money for operating expenses than Mr. Gosnell recommended. Sen. Regan expressed confidence in the work of Mr. Gosnell and Mr. LaFaver's office. She felt the rationale on which this budget was based was correct, and she feels Amendment #19 should be accepted.

Rep. Marks stated that if H.B. 773 passes, which sets up a Taxation Oversight Committee, he felt \$30,000 should be put back in. The Legislative Council cannot afford to fund this.

Discussion was held concerning where the funding for H.B. 773 should be. Rep. Lynch suggested putting it in the Legislative Council; there has to be \$30,000 available some place if the bill passes. He stated that the Council will have to pick up the tab and will have very little control. The way the bill was written makes this difficult. There are 12 members on the committee and they might meet once a month; it could be expensive.

MOTION: Rep. Marks moved that \$30,000 be inserted in the Dept. of Revenue budget for the biennium subject to the passage of H.B. 773.

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

Department of Administration

Amendment #20:

- A. Both houses concur; no motion.
- B. Both houses concur; no motion.
- C. Both houses concur; no motion.
- D. Both houses concur; no motion.

E. Discussion: Rep. Lynch questioned cutting 17 FTEs from the personnel division; he feels this is severe. The committee discussed the effects of the failure of H.B. 700. Mr. Gosnell clarified the cuts. The FTEs now recommended are in because of the passage of S.B. 80.

MOTION: Rep. Lynch moved that 5 FTEs be restored in Amendment E to the Department of Administration.

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

Floor Amendment #4. Both houses concur; no motion.

Amendment #21. Both houses concur; no motion.

Amendment #22. Both houses concur; no motion.

Amendment #23. No motion; both houses concur.

Amendments #24 and #25. No motion; both houses concur.

Department of Military Affairs

Amendments #26 and #27. Sen. Regan stated this is a matter of concern and a great deal of lobbying efforts. In the subcommittee under instructions to reduce the budget, the recommendation was made to remove \$50,000 each of the two years. To explain, they had recommended \$100,000 for each of two years over what had been recommended. Because the General questions this and there is talk of closing 7 armories, Sen. Regan read a portion of the minutes of the subcommittee into the record, clarifying what had been done: \$50,000 was taken out each year, leaving \$50,000 in for repairs and maintenance for each of the two years. In addition, changes were made in funding of the Great Falls security guards. What is before the committee now, Senator Regan said, is only \$25,000 each of the two years below what the executive branch recommended. They can live with this; it is not fat but is fair.

Sen. Stephens asked how much is left for utilities, as this seems to be the concern. The Chairman asked if the budget now is \$25,000 under the executive budget, but it is not necessary that the National Guard pay \$93,000 for the airport at Great Falls? Rep. Lynch said he did not totally agree. Mention was made of the upgrading Long Range Building does for the armories, and whether the present budget is adequate for maintenance.

MOTION: Rep. Lynch moved that \$41,563 be restored to the Military Affairs for maintenance.

Discussion: Rep. South stated that Long Range Building re-roofs, repaints, etc., the armories every two years. If they are going to close them down, we are wasting out money. He would concur with Rep. Lynch's motion.

The Chairman stated that the same percentages were used for the universities and the institutions for utilities.

Mr. Gosnell explained that the Governor's budget included a sum for the Air Guard which is no longer there; that has been taken care of. When the new arrangement was stricken, the subcommittee made adjustments and the money went back to Civil Defense. He explained the use of federal money as a match. Mr. Gosnell also explained that this department has the discretion to those programs which receive most federal dollars. There was a long list of those in the budget. If they do only those programs for which they do not get reimbursement, it would be a cut, but if they do the programs with federal match, they will get the money. The problems seems to be they were not going to use this money for repairs anyway.

The Chairman asked Dave Lewis of the Office of Budget and Program Planning to speak on this. Mr. Lewis said he had talked to the General; and by using the original executive budget, they would be able to get

by and not have to close any armories. The Military Affairs Department not having the obligation for the air guard now is what makes the difference.

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

Amendment #28. No motions; both houses concur.

Department of Business Regulation

Amendment #29. A. MOTION: Rep. Bradley moved to restore 3 bank examiners in Business Regulation.

Discussion: Sen. Stephens supported this motion, stating we have been too severe. They are running right on-line; they have been hurt by this cut. Rep. Marks also supported the motion, stating this is a tightly run department.

The Chairman did not feel these examiners are necessary, he stated. The federal government has a new system under which they can spot trouble in banks early. They red-line banks in trouble and have examiners on those banks. Sen. Thiessen stated even with the cuts we have more examiners than our neighboring states.

Sen. Hims1 stated that state banks do not have the complete examination process you are led to believe. Sen. Stephens said banks pay fees for these examinations. If you cut the number of examiners, you cut the fees; we are really talking about only approximately \$40,000 for the biennium. The Chairman stated the cost of the examinations runs about 60% on the dollar. It costs about 40¢ of each dollar in general funds for these examinations.

ROLL CALL VOTE: The motion carried with a vote of 6-5, 1 abstaining. House: 4-1, 1 abstaining; Senate: 2-4.

Amendment #29. B. No motions; both houses concur.

Department of Community Affairs

Amendments #30 and #31. MOTION: Rep. Bradley moved to reinstate \$100,000 of highway earmarked revenue for driver improvement school.

Discussion: Sen. Roberts said this goes along with legislation to allow judges to sentence people to driver schools; this is start-up money - once the program is going, it will be funded by fees paid by persons using the program. Sen. Thiessen stated this program is going in some areas now. Chairman Bardonoue mentioned that the Highway Dept. may have to come in to the 1979 legislature for money for operating expenses. They have used their reserves and are running beyond their income now; this will reduce their income. Sen. Thiessen said on a match of 8-1, you can see what this comes to for road construction.

ROLL CALL VOTE: The motion carried 7-5. (House: 4-2; Senate: 3-3.)

MOTION: Senator Roberts moved to reinstate the \$75,000 for public transportation aid in Amendments 30 and 31.

ROLL CALL VOTE: The motion carried 8-4. (House: 5-1; Senate: 3-3)

Floor Amendment #5. MOTION: Rep. Bradley moved not to purchase the twin engine aircraft for DCA.

Discussion: Rep. Bradley presented figures showing that including the pilot costs, this plane would cost approximately \$183 per hour. She had checked rental costs and found you can rent a Cessna 340 for \$165 per hour or a twin engine plane for \$125 per hour. She does not see how we will be ahead if this plane is purchased at this time.

Mr. Koehnke of the Budget Office explained that the intent of the Senate amendments was that this would payoff in six years on a revolving fund. Costs per hour were figured assuming the plane traveled 350 hours per year with a state employed pilot. The costs under this plan would be \$160 per hour. Assuming the plane flew 400 hours per year, the cost would be \$147 per hour. Rep. Bradley explained she felt there were underestimations in the calculations. For instance, the annual interest is estimated at \$2,000; she believes that \$12,000 would be closer to the actual interest. Pilot costs added in would increase their estimate. She believes the cost would be close to \$200 or \$283 per hour. If this is to be a pool and the highway craft comes into the pool, that plane would be available and it is all weather and pressurized plane. She does not see the need for this.

There was a discussion as to whether state agencies would use this plane if the cost was higher per hour than charter. Mr. Lewis said the Governor and the Lt. Governor would use this plane, and that would pay a portion of the cost. Safety factors were discussed. With this purchase, the state would have four pressurized twin engine planes.

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

Amendment #32. No motion; both houses concur.

Department of Fish and Game

Amendments #33 and #34. No motions; both houses concur.

Department of State Lands

Amendment #35. Sen. Flynn asked how long this program will go on; Senator Thiessen explained that \$100,000 the first year is to finish the research and \$50,000 the second year is to disseminate the information. That is the end of the program.

MOTION: Rep. Lynch moved that \$40,000 be reinstated to fund the natural areas study.

Discussion: Rep. Bradley explained about the natural areas study and that there is a problem now on which they are awaiting the Attorney

General's opinion. The previous Attorney General had issued an opinion that would eliminate the program; what will probably happen now is that Attorney General Greely will review the opinion or it will go to court. The program will not continue unless it is funded.

ROLL CALL VOTE: The motion carried 10-2. (House: 6-0; Senate: 4-2)

Department of Natural Resources and Conservation

Amendment #36. No motion; both houses concur.

Amendment #37. No motion; both houses concur.

Amendment #38. No motion; both houses concur.

Amendment #39. Rep. South asked why this language was placed in the bill concerning the high plains weather modification project. Sen. Thiessen explained they were not sure it was required to continue it. They felt it was a scare tactic. The Governor is to find out if it had to be funded to be considered.

Rep. South stated this is one of three projects like this in the country. Two years ago, there was no appropriation made and none may be required. The other two states have been contributing some money as a goodwill gesture. This language could be misinterpreted. The appropriation was to show good faith on the part of Montana and was promised by the Governor when the program came to Montana. This appropriation would be our first participation in the program. This is for a study, and if we can prove this effects our weather, it could be good to know in the event of a lawsuit.

MOTION: Rep. South moved that the last sentence of the appropriation, page 26, line 10, be stricken.

ROLL CALL VOTE: The motion carried 10-1, 1 absent. (House: 5-1; Senate: 5-0, 1 absent)

Department of Professional and Occupational Licensing

Amendment #40. No motion; both houses concur.

Amendment #41. No motion; both houses concur.

Amendment #42. Rep. Lynch asked for clarification; Sen. Roberts explained that this provides salary for one quarter of the year; \$9,020 was passed by the House. The trainee will be from fiscal year 1979 in the fall; the fiscal 1980 appropriation will have another one-quarter. The trainee will be on for one year. No motions made.

Amendments #43, 44, 45, 46, and 47. No motions; both houses concur.

Department of Institutions

Amendments #48, 51, 52, 53, 54, 55, 56, 57, and 58. No motions.

Floor Amendment #7. Rep. Lund asked that Floor Amendment #7 be explained. The Chairman stated it is federal money. They want unified plan for prisons from maximum to minimum prisons - the whole program. Sen. Flynn stated to make a worthwhile study you would have to go into some of the states where they are experimenting. You can't make a worthwhile study by mail. Other states haven't been in this long enough to determine if it is worthwhile or not, he felt.

MOTION: Senator Flynn moved that the federal spending authority of \$130,000 in fiscal year 1978 for conducting a correctional study be stricken.

Discussion: Senator Regan said that Senator Fasbender had indicated there was a grant available and we could make use of it. She wondered if we shouldn't retain it. We have a problem and we should explore this. Dave Lewis stated that Rep. Polly Holmes had checked into available money for planning for prisons; this is available for correctional planning. Rep. Lund stated this takes a \$13,000 state general fund match; positions already in the budget can be considered as match.

Senator Flynn WITHDREW HIS MOTION to strike the spending authority.

Amendment #49. No motion; both houses concur.

Amendment #50. No motion; both houses concur.

Amendment #54. Money for the lighthouse drug program is back in.
No motion; both houses concur.

Floor Amendment #6. No motion; both houses concur.

Amendment #59. No motion; both houses concur.

Floor Amendment #8. Rep. Gerke explained that in the past none of the members of the Board of Pardons lived out of Helena; now there are who do. This addition is so their travel to the meetings can be paid. We will have some other amendments to this after you complete this portion of the conference committee, he added.

Amendment #60. No motion; both houses concur.

Superintendent of Public Instruction

Amendments #61, 62, 63 and 64. No motions; both houses concur.

Higher Education

Amendments #65 through #86. No motions; both houses concur.

Floor Amendment #9. No motions; both houses concur.

Amendments #87 and #88. Rep. South stated this was put in in the Appropriations Committee and he did not know what it was then, so he has no objection to taking it out.

Amendments #89 and #90. No motions; both houses concur.

Legislative Fiscal Analyst John LaFaver proposed several changes to the bill. The first was to amend page 40, lines 2 and 3, following line 1, Strike "Total Superintendent of Public Instruction" and insert "Total Public School Support". On page 39, lines 21 and 22, strike "Superintendent of Public Instruction" and insert "Public School Support". These sections are actually for public school support as the superintendent section is just above this.

MOTION: Sen. Flynn moved the adoption of the above amendments.

VOICE VOTE: The motion carried unanimously (3 House and 4 Senate members present at the time).

The third amendment proposed is page 23, line 11 to change the figures. These should have been changed when the figures for the Department of Agriculture was changed above to reflect the final total. The changes are: Strike: 715,574, Insert: 725,484; Strike: 1,199,516, Insert: 1,372,215; Strike: 729,622, Insert: 739,760; Strike: 1,209,157, Insert: 1,396,230. These are not changes in the appropriation, just in the information provided.

MOTION: Rep. South moved that the above amendment be adopted.

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

The fourth amendment was to correct "19878" to read "1978" on page 21, line 7.

MOTION: Sen. Stephens moved this amendment be adopted.

VOICE VOTE: The motion carried unanimously.

The fifth amendment: On page 14, line 18, following "11-2030", strike "are", insert "is". This is just a grammatical correction.

MOTION: Rep. Lund moved the adoption of this amendment.

VOICE VOTE: The motion carried unanimously.

The sixth amendment is to page 19, line 22, following "The", strike "appropriation made", insert "moneys appropriated".

MOTION: Rep. Lund moved the adoption of this amendment.

VOICE VOTE: The motion carried unanimously.

The seventh amendment is to page 11, line 4, strike "The appropriation made from other" and insert "Other".

MOTION: Sen. Roberts moved the adoption of this amendment.

VOICE VOTE: The motion carried unanimously.

The eighth amendment proposed by John LaFaver was to page 41, line 3, following "the" insert "amount".

MOTION: Rep. Lynch moved the adoption of the amendment.

VOICE VOTE: The motion carried unanimously.

Chairman Bardanouve then stated that we have a situation that will cost us some money. As the bill for elected officials was not finalized when the bill was written and passed the House, we have to make a substantive amendment to the bill. Mr. LaFaver indicated that the bill as it finally passed contained about \$847,000 of costs; these costs are ones that go to the supreme court, etc. S.B. 192 covers the county attorneys but all others are in this bill. The Fiscal Analyst said he had not yet worked up the formal amendment but indicated that the total for everything other than the county attorneys is \$423,000 and for the county attorneys it is \$70,000. These figures are over and above what is in the bill now for the biennium. The total amount is \$917,000.

MOTION: Rep. Lynch moved that "the elected officials budget as approved by both houses of the legislature be incorporated into the bill."

VOICE VOTE: The motion carried unanimously.

Senator Thiessen asked about page 40, line 25 and page 41, line 1 and the language under the state library commission; Rep. South explained that under the library law and grants, any general fund money spent in a year the state is obligated to spend that much two years from that time or lose the federal money. It should be paid out of general fund. They did not want to obligate any more for the state for two years from now so that is why the language is worded as it is.

Rep. South stated that an amendment is necessary for the university section on page 43 because of the passage of H.B. 85. The change will cost the university system \$400,000 in loss of revenue generated by the six mills, under that bill. The intent of this amendment would be to plug in \$200,000 in general fund money to offset some of the loss.

MOTION: Rep. South moved the amendment of adding \$200,000 to the university system in general fund money.

VOICE VOTE: The motion carried unanimously.

Senator Flynn said that money should be added for the school of mines. During the last two sessions, he explained, we have obligated extra work with subdivision laws and we have also given the obligation of oil and gas, etc. Through these different programs we have not made provisions to finance them for this work, which is all pertaining to the natural resources of this state. It is one school the state really relies on, he stated, because they are qualified to do the work.

MOTION: Sen. Flynn moved that \$50,000 be added to the Bureau of Mines, on page 51.

Discussion: Sen. Thiessen indicated he opposed it on the Senate floor, because we are giving them money for other studies and in H.B. 144. The Chairman indicated he has concern about a motion for an issue that has been rejected previously by the other body; Sen. Flynn said it was not rejected on the floor of the Senate.

ROLL CALL VOTE: The motion failed with a vote of 4-7, 1 pass. (House: 2-3, 1 pass; Senate: 2-4).

MOTION: Rep. Lynch moved to amend page 32, section 17, line 12 by striking: 5,460,546 and inserting: 5,533,985; and striking: 6,538,217 and inserting: 6,569,633.

Discussion: This is because of the 314D funds that are necessary and can be added from some federal moneys, Rep. Lynch stated; the general fund is short about \$105,000 total. Dave Lewis said this is required because the Department of Institutions causes some monies for administering the mental health program. It was counted twice when the budget was put together and the general fund is short here. Mr. Briggs of the Budget Office further explained that he counted this money twice because the 314D grant was made to the state and in the past it was directed to go to a mental health center in region 5. The grant is for \$81,000 each year; they need \$73,439 and \$73,416. This was not brought to the attention of the subcommittee until after the presentation was made on the House floor.

Rep. Gerke, Chairman of that subcommittee, said that is agreeable to him; it brings them back to the current level.

Mr. Briggs further explained in answer to a question from Senator Regan that this is not matching money at all; it is a grant to help fund the mental health bureau of 3 FTE currently. Sen. Regan responded that they have a budget of about \$12 million and asked if they can't assume that in their budget? Mr. Briggs said that within the central office budget, yes. The problem is that they turn around and allocate the money to each bureau; they don't have the slack within their budget to cover it all.

ROLL CALL VOTE: The motion failed with a vote of 5-6 (House: 4-2; Senate: 1-4, 1 pass (Sen. Regan)).

Rep. Gerke indicated that he felt the wrong action was taken by this vote and will ask for more information for the committee.

MOTION: Lynch moved to amend page 34, section 17, strike lines 9-22; page 36, section 17, strike lines 11-18; and page 37, section 17, lines 8 and 9, strike: "designated for reversion under the provisions".

Discussion: Rep. Lynch said that the language as it is written means that when the population starts decreasing, you start reversion.

Rep. Red Menahan said that this figure was revised from 450 to 500. You cannot say you are going to pay for 500 by July 1, that will be raising them 450. Take \$1 million out of the budget and revert \$500,000 this time and next time. They increased it to 500 when they knew they had 450 to get the money back. Either change the wording or the figure, Rep. Menahan asked. At the present time, the people there have sent out a form saying they will be dismissed July 1 in both Warm Springs and Galen. Both the Governor and the Budget Office agree that this would not hurt anything or cost anything.

Rep. Gerke said that he thinks they have all the authority they need; and referred the committee to page 37, lines 7-10. He feels that the money should follow the patient.

Mr. Briggs of the Budget Office said that both the Governor and his office settled on the figure of 500. It was 565 when they drew up the budget; that was equitable to start out the 1979 biennium. The subcommittee reduced that figure to 450 when they intended to transfer 49 mentally retarded to Boulder. Boulder had problems on getting certified beds available. They were unable to assure the subcommittee that an appropriate replacement bed would be available on July 1. The subcommittee changed the money back to 500. The basis now will be as the space is available. The current population is 463 now and they run the danger of running into the biennium with 420 or 430 patients. The intent was that if the population drops off, the money would be spent commensurate with Boulder. Rep. Menahan said he agreed. Sen. Thiessen agreed that the money should follow the patients; they should not use for 500 when they have only 456 patients.

Rep. Gerke reported that the subcommittee looked at this again the other day. If there are only 450 people there now, that is all they are going to get paid for. We don't want to penalize anyone, he said, but it wouldn't really be fair if we proposed anything else. The money must follow the patients. Rep. Menahan asked how it will get back there? and Rep. Gerke responded that it will come back. Mr. Briggs said that if the population is greater than that appropriated for, they can come in for a supplemental.

Rep. Lynch WITHDREW HIS MOTION.

MOTION: Rep. Lynch moved to amend page 37, line 14, following "PROGRAMS." insert "The budget director may require reversion of any excess funds allocated under this section."

Discussion: Mr. Briggs said he did not think the central office will pay out funds. If they can't provide proof of service that money will revert. There was further discussion along these same lines. Mr. Briggs indicated that there are about 14,000 patients throughout the state that have been provided for in the mental health centers; this falls within the National Institute of Mental Health guidelines of 1% mentally ill and 2% of the population requiring mental health services. Rep. Gerke said he would still have to object because we think we have already provided for the reversion and still tried to stay within the confines of the law. The money must be allocated only on need and proof of use. Rep. Menahan said that this will provide that the mental health institutes don't run out of money; he said that he is against the way we do things as it is all one way. It would be better, he felt, to give the Budget director the duty to see that either side does not run out of money. Rep. Lynch concluded that this one sentence gets some equity between the mental health centers and the institutions; we are asking only for fair play.

ROLL CALL VOTE: The motion failed on a vote of 4-8 (House: 4-2; Senate: 0-6).

MOTION: Rep. Marks moved to amend the bill to appropriate to S.R.S. \$119,680 each year of which \$81,189 in 1978 and \$81,431 in 1979 would be from general funds.

Discussion: Rep. Marks indicated this would provide funding for a bill that will set up pilot programs for jobs and care for children whose parents are on the work program. This bill will be going into conference committee and Rep. Marks said that he would amend it to make it a good program again. Sen. Towe's bill, Rep. Marks said, was put into this bill; that bill would require the counties to come up with money but they don't have the money for anything extra. Amending it would be contingent upon the passage of the other bill.

ROLL CALL VOTE: The motion failed by a vote of 4-8 (House 4-2; Senate: 0-6)

The Center for the Aged at Lewistown, Rep. Gerke, needs an oven, grill, and a walk-in refrigerator-freezer. He would like to amend page 35, line 3 to add \$45,000 for the first year of the biennium for this. It was intended to be put in the operating budget when they were told it should be under the long-range building program; then it was changed back to the operating expenses. It is needed because they have increased the capacity and the number of people from 140 to 190; the kitchen facilities are no longer adequate for them. Rep. South said they could probably still put it under the long-range building as they may have to put some furniture in for Glendive. This is replacement equipment, Senator Himsel pointed out.

MOTION: Rep. South moved that \$45,000 be added for the biennium for the Center for the Aged at Lewistown.

VOICE VOTE: The motion carried unanimously.

MOTION: Rep. Lynch moved that the amendments on the attached sheet from Rep. Manuel be adopted to amend page 21, line 7.

Discussion: Rep. Lynch said that the subcommittee used some of the coal moneys the Dept. has for maintenance; this would be coordinated with S.B. 44.

VOICE VOTE: The motion carried unanimously.

MOTION: Rep. Lynch moved to amend page 14, line 23 and page 15, line 12 to add \$100,000 each year from the Highway earmarked revenue appropriation to the Highway Patrol.

Discussion: Rep. Lynch read a letter for the record, attached, in support of this amendment and explaining its need. Rep. South also indicated that we will take \$200,000 out of the pay plan, H.B. 834, in other funds because of the anniversary date. He explained that what happened was that the Budget Office assumed that the Highway Patrolmen were getting comp. time for overtime and July 1 would not show an increase to costs. But the Highway patrolmen are not getting that overtime now so there will be additional costs. Dave Lewis said that the Budget Office did not assume there was comp. time.

ROLL CALL VOTE: The motion carried by a vote of 11-1 (House: 6-0; Senate: 5-1).

MOTION: Rep. Lynch moved to amend page 12, after the first paragraph, add, "The appropriations for the board of visitors will not be used for hiring or contracting for out-of-state professional consultants."

MOTION: Rep. Lynch moved that the subcommittee first reconsider its previous actions on this issue.

Discussion: Sen. Stephens said that there is criticism for out-of-state consultants and all this does is say that you hire them in the state of Montana. Rep. Lynch said that this will solve many problems as it will further tighten it up. He further explained that research projects cannot be commenced unless it is approved by the board of visitors. If there is no board, there can be no research projects. Senator Flynn said it might be worth our while; there are strong feelings in the House and the Senate on this issue. He indicated he would change his vote from yesterday and will vote yes on this motion. He explained, in response to a question from Rep. Marks, that there are two separate services: the board of visitors and the board of institutions.

ROLL CALL VOTE ON THE MOTION TO RECONSIDER: The motion carried with a vote of 9-3 (House: 5-1; Senate 4-2).

ROLL CALL VOTE ON THE MOTION TO AMEND: The motion carried with a vote of 9-3 (House: 5-1; Senate 4-2).

MOTION: Rep. Bradley moved the amendment to break down the figure in Amendment #7 leaving the final sum the same (\$150,000 per year), but breaking it down as follows:

1. \$20,000 per year for treaty review and research..
2. \$95,000 per year for jurisdictional litigation.
3. \$35,000 per year for "legislative oversight by 4 members of the Senate and 4 members of the House, equally bipartisan to hold public hearings on each reservation and suggest alternative solutions, identify common bonds between Indians and non-Indians, and propose legislation for the next biennium."

Discussion: In response to a question from Sen. Flynn, she indicated that if legislation cannot be proposed they would not do it. Some of the most important ones would be in the form of resolutions to the Congress, she added. This funding will cover staff support; it would be centered in the Governor's Office. The appointments are not solved as it is worded. If it is in the Governor's Office, the Governor would probably appoint; she added that she would expect that he would work with the leadership of the Senate and the House closely in doing so.

Sen. Roberts felt that there is not a lot that can be accomplished by holding meetings at this point and that any legislation would not be properly handled on the state level. The most immediate and pressing need is in the terms of federal litigation; that is why, he stated, the Senate has chosen to go this other route. There is a real doubt, Sen. Roberts felt, about a committee that will go to the reservations and solve any problems that we have had.

Rep. South said that there is policy involved and it is more than just legal action; therefore, it was not put in the Attorney General's office but in the Governor's.

Sen. Stephens said that at this late date, if you are going to satisfy anybody, there will have to be a compromise. He agreed with Senator Roberts but felt this is "not a bad compromise."

Rep. Bradley added that she would disagree that nothing can be done. The emotions are running so high now that she thought it was important to work on this. She indicated that Representatives Driscoll and Kennerly had talked with the intertribal policy board and they got a lot of interest and sympathy. She feels it is vitally important to do something now. In response to a question from Senator Roberts, she indicated that this money would not be for all travel and meetings, it would also go for staffing and studies. Sen. Roberts felt that this would be a "rolls royce interim committee."

Sen. Thiessen asked if it would be acceptable to put in \$20,000 for the oversight committee.

AMENDED MOTION: Rep. Bradley amended her above motion to 2) \$110,000 for the jurisdictional litigation and 3) \$20,000 for the legislative oversight committee.

ROLL CALL VOTE: The motion carried with a vote of 10-2 (House: 6-0; Senate 4-2).

MOTION: Sen. Regan moved to amend page 8, line 2, after "private" insert "quasi-governmental".

Discussion: There was a brief discussion attempting to establish some language that would convey the meanings and intent expressed earlier in discussions. Sen. Regan said all we are attempting to do is make the agencies aware, including the legislature, of how many people are traveling and the fact that they are using public funds and that information should be a matter of public records.

AMENDED MOTION: Sen. Regan amended her motion to amend page 8, line 5, following "trip," insert "and" and following "cost" strike "and the benefit to the department or agency".

VOICE VOTE: The motion carried unanimously.

Rep. Bradley discussed a possible amendment to page 41 that she would like to have for adding \$20,000 each year to the historical society for the historic records program. It was pointed out that the bill was killed on the floor of the House and the floor of the Senate. There was no further discussion or motions made.

Rep. Bardanouve said that President McOmber wanted an amendment presented regarding the saline seep. The language deletes the program and tells what the appropriation would be (John LaFaver was given the amendment). This would be to complete the study of saline seep and to be terminated by July 30, 1979. It will take the place of S.B. 99.

MOTION: Sen. Thiessen moved that the amendment be adopted.

VOICE VOTE: The motion carried unanimously.

There was a brief discussion on the amendment sheet for page 18, section 17, line 23 (3rd reading copy) which was distributed to the committee members. This money is for the local areas. It does not give any power or anything but it lets the Budget Office and the LFA Office know how the money is being spent. The second paragraph has a restriction in it which will help the coal board, Rep. Bardanoue said.

MOTION: Sen. Roberts moved the amendment as set forth on the attached.

VOICE VOTE: The motion carried unanimously.

Rep. Bardanoue said he would like an amendment considered for page 34, line 3 for \$106,000. He explained that the institution came in earlier to the subcommittee and asked for \$420,000 because they over spent the budget on salaries. They were given \$360,000 in supplemental to make up the salary situations. At that time, there was a request for \$160,000 for buying a generator, of which only about \$20,000 was for the generator. It was discovered that the remainder was to be used for an evaluation center for Pine Hills and Mountain View and it had nothing to do with Boulder. He would like to reduce the general fund by \$106,000 and say that the agency's authorized to carry it into the fiscal year 1978; this was a FY 76 appropriation. The Budget Office doesn't object.

MOTION: Senator Roberts moved to amend page 34, line 3, by striking 7,156,233, and inserting 7,050,233 and "The agency is authorized to carry \$106,000 of the FY 76 general fund appropriation into FY 78."

VOICE VOTE: The motion carried unanimously.

Rep. Gerke asked for reconsideration of the 314D money for the mental health council; it would be pretty harmful to the mental health bureau to take \$100,000 out of there. Mr. Briggs, in response to some concern expressed by Senator Regan, said that if the legislature wants to fund this office at the level that the subcommittee recommended you would have to put that amount back in; \$105,000 total for the biennium at \$73,439 for 1978 and \$71,413 for 1979. Sen. Roberts felt this budget was worked well and it is unrealistic to tell them to absorb that amount. Mr. Briggs explained the vacancy savings and said that Mr. Zanto has told him it will be used for positions that the subcommittee did not recommend. They will definitely need the money, Mr. Briggs said.

MOTION: Rep. Lynch moved that the committee reconsider its previous actions.

VOICE VOTE: The motion carried unanimously.

MOTION: Rep. Lynch moved that page 32, line 12 be amended by striking \$5,460,546 and inserting 5,533,985; Strike: 6,538,217, Insert: 6,569,633. and deduct the proper amount from the proper place.

VOICE VOTE: The motion carried unanimously.

Rep. Bardanouve handed out the attached amendment to page 18, line 3, and said that we could save money by spending it here. It is earmarked fund that was set up by the Department of Administration to retire bonds. Now they can't retire the bond. The Budget Office feels this is a proper use for the money and feels it will save the state a lot later on, Rep. Bardanouve said. It will be very helpful in the area of liability, he further stated; this can be used by the Dept. of Administration as they do now. It will be only a limited insurance and it complied fully with the Senate bill dealing with this. Senators Towe and Turnage both agree with this amendment, which will pay for itself, Rep. Bardanouve said. In response to a question from Rep. Marks, he said it will be raised to a higher amount of insurance. It will be put into a fund that will draw interest. Rep. Bardanouve said this is the business-like way of doing this. Account number 03766 is an account set up in the long range building account reserves.

MOTION: Senator Thiessen moved the attached amendments.

ROLL CALL VOTE: The motion carried by a vote of 9-3 (House: 4-2; Senate: 5-1).

MOTION: Sen. Roberts moved that "all totals be amended to conform with any changes we have made in the course of this free conference committee."

VOICE VOTE: The motion carried unanimously.

MOTION: Rep. Lund moved the adoption of the conference committee report.

ROLL CALL VOTE: The motion carried with a vote of 9-3 (House: 5-1, Rep. Marks voting NO; Senate: 4-2, Senators Thiessen and Stephens voting NO).

The meeting was adjourned at 6:45 p.m.

Francis Bardanouve, Chairman
Free Joint Conference Committee