

MINUTES OF THE MEETING
FINANCE AND CLAIMS
MONTANA STATE SENATE

April 8, 1977

The twenty eighth meeting of the Senate Finance and Claims Committee met in room 331 of the State Capitol on the above date. Roll call was taken and the meeting was called to order at 8:02 A.M. by Senator Thiessen, Chairman.

HOUSE BILL 818 was explained by Representative Lynch. He said this bill would allow the Board of Examiners to issue and sell Long Range Building bonds. He said this would save the state money.

Jack Crosser, Department of Administration said he felt this was a very good move, rather than to pay the higher cost of a bond at the University level. The State would have to step in and back them up even on a revenue issue, but these have to be issued anyway. This way there is a review before it is initiated.

Senator Fasbender said most of the physical education plants that have been built recently have been built with student fees. He asked Jack Crosser if he had taken a look at Main's bond bank. Jack answered that they had but at the time the rates were up quite high, but perhaps now we should take another look.

Senator Flynn asked why the county could not use this same procedure for an airport for instance, and Jack Crosser said it could be expanded, but should be watched so it did not get out of control.

Senator Himsel asked about the consequences if the student fee money did not meet the obligation and Mr. Crosser said then the state would have to pick it up. In answer to the next question he said WMC fees may be down, but they have not missed any payments.

Senator Thiessen asked if this bill has the approval of the Board of Regents, and Representative Lynch said yes.

HOUSE BILL 832 was explained by Representative Kessler. He said children who had other siblings, mentally retarded, ones with health defects which meant costly medical and surgical bills.

Pat Melby, SRS, said he supported this program. He said it should eventually save the state money. He said it was included in the Governor's request, the subcommittee had taken no action, but took it out of the budget to go before the full committees. The state at the present time is paying \$165 per month for foster care as well as medicaid and if they are not adopted they are a burden to the state for at least this amount until they are 18. In the State of Washington the average time is 2 years and the medical payments cease. We

took an average of the cost of medicaid and used it as the figure for a year--\$2600. He said they put this in as a safeguard , but it was necessary to put into the contract for adoption that it only covered the particular defect.

HOUSE BILL 835 was explained by Representative Kessler. He said this is an act to appropriate money to take care of the Adult Basic Education. He said this is the program that provides for those who can not read or write to receive an education to enter them into the labor market. Many of the people taking the training are those who have been on a farm, loggers and older people, and miners.

Mr. Pat O'Leary, past president of ADE, and the supervisor of the program in Montana. There are 17 centers around the state. In Billings, 10% of the students come from outside of the County. Most of these are from the Crow reservation, according to Mr. Koneen. He said they could go as long as it was required, or until they received their G.E.D. He said after they learn the basics they can then go on to vo-tech, or some other school.

Mr. Kessler said sometimes a student just does not fit into a school system, and sometimes the minimum wage looks big while they are young and have no family responsibilities, so they drop out of school. Mr. Koneen said Montana has a drop out rate of 5% per year--10,000 students dropping out of school each year, and we are not keeping pace.

Senator Thiessen asked how much money was being used for administration cost out of this appropriation, and the answer was none.

HOUSE BILL 836. Representative Driscoll said this bill would provide for the purchase of Wild Horse Island on Flathead Lake which is the largest island in a fresh water lake in the United States. He said Governor Judge was attempting to get some Andrus Discretionary money from Washington, and on his return he had just learned there was no money available in the fund at the present time, but it would be placed in high priority when money became available.

Discussion was held on the use of the island, the cost of operating it, etc.

HOUSE BILL 693 was discussed by Carl Curtis. This was not an official hearing on the bill, but since Mr. Curtis had come in from Denver for the hearing last evening and the hearing had been cancelled at the last minute, Senator Thiessen had given him permission to present a short testimony on the bill while he was here.

He said this was a council of State Legislators who looked after the interests of the state Legislature. He said they worked with Washington to try to get money passed through the Legislature and not through the Executive branch of the Government. He said all states with the exception of Montana and Alaska were members. They also coordinate information on states that have passed laws to see how it is working and to enable it to be used as a guideline for other states.

Representative Etchart said some of the states are interested in getting the Federal lands back under state control. He asked if they had taken a position on this, and Mr. Curtis said he was not sure. He said in answer to a question on already having a state-federal coordinator in the office, that he might suggest that he is not working with the Legislature, merely for the state.

A break of 10 minutes was given to the committee, and we came back in to work with HOUSE BILL 145. The time: 9:38 A.M.

Senator Nelson questioned the soil conservation receiving funds for stream bed preservation. He said they had not received any money in his area, and never knew of them receiving general fund money before. The committee told him the only way they could see to keep the Fish and Game out of it was to have the Soil Conservation Districts do the work. Since this was a job that the state had given them to do, they felt they should give them some money to do it with.

The question was raised as to why the big amount of money in the Legislative Council. Curt Nichols, fiscal analyst, said this was due to three major things--recodification, the 1977 session supplements, and the other items such as the pay plan, travel, Forestry task force, etc.

Discussion was held on the interim committee expense, and Senator Lockrem said if an alternative to annual sessions was going to work they had to have interim committees meeting.

Page 7, line 20, Senator Regan thought, needed an amendment. It was discussed that possibly if prior approval, knowing travel could be published in a newspaper, etc. could occur perhaps there would not be so much travel in such large numbers for dues and membership in private and other organizations. It was left for Mr. LaFavor to work up the language with Senator Regan on this.

Senator Lockrem discussed the defeat of House Bill 700 that there could be some FTE's cut down, and he would like to work up an amendment if there was any possibility of it passing.

It was decided this might better be discussed in the sub committee.

Senator Thiessen said he wanted the committee to go back to its sub committees, either Senate or Joint, and discuss the changes, and come back with a \$3 million cut.

Senator Thiessen asked them to look for soft spots that could take some cutting. He said he had asked the analysts to look over the budget and talk to different areas of government in an attempt to cut down somewhere.

Discussion was held on the reason some budgets were higher, such as the prison load which was unexpected, etc.

Senator Thiessen said at the present time there is a \$40 million deficit if all the bills would pass that are still in the House and Senate.

The meeting adjourned.



SENATOR THIESSEN, Chairman

ROLL CALL

FINANCE AND CLAIMS COMMITTEE

45th LEGISLATIVE SESSION 1977

Date 4-8-77

NAME	PRESENT	ABSENT	EXCUSED
THIESSEN, CH	✓		
HIMSL, V.C.	✓		
STORY	✓ ^{AM}		
ETCHART	✓		
KOLSTAD	✓		
LOCKREM	✓		
NELSON	✓		
SMITH	✓		
STEPHENS	✓		
FASBENDER	✓		
BOYLAN	✓		
FLYNN	✓		
MEHRENS	✓		
REGAN	✓		
ROBERTS	✓		
THOMAS	✓		

Amend HB 145

1. Page 8, Line 9

Strike: "1,116,214" "1,388,524"
Insert: "1,052,766" "1,263,938"

2. Page 9, Line 22

Strike: "953,414" "911,720"
Insert: "928,414" "886,720"

3. Page 10, Line 11 Strike: "161,373"
Insert: "111,373"

Line 12 Strike: "176,014"
Insert: "120,014"

4. Page 11, Line 9

Strike: Entire line
Insert in the general fund columns: "629,364" "638,028"

5. Page 11, Line 9

After Line 9 Insert (the appropriation is made from the general fund.):

"Legal Jurisdiction Project

150,000 150,000"

6. Page 11, Line 11 Strike: "104,748" "105,689"
Insert: "150,375" "153,077"

Line 14 Strike lines 14 and 15 in their entirety.

7. Page 12, Line 15

Strike: entire line
Insert (in general fund columns): "367,929" "373,726"

"Of the above appropriations, \$45,330 is provided during the biennium to implement the requirements of House Bill 787. It is the intent of the legislature that this effort be completed by June 30, 1979."

8. Page 13, Line 13

Strike: Entire line
Insert in the general fund columns: "4,937,298" "5,497,586"

~~Strike~~ ¹ All of lines 21 through 24

9. Page 15, Line 17

Strike: entire line

Insert: "3,873,126 11,066,635 4,146,075 11,656,060"

10. Page 16, Line 3

Strike: All of lines 3 through 10.

11. Page 16, Line 15

Strike: All of lines 15 through 18.

12. Page 22, Line 15

Strike: "559,565" "539,069"

Insert: "578,337" "558,190"

13. Page 21, Line 10

Strike: The entire line
Insert: "1,091,995" "1,099,682"

14. Page 27, Line 22

After: Line 22
Insert:

"The appropriation to the department contains funds for referral technicians throughout the state and for continuing the foster grandparent program."

15. Page 23, Line 6

After: Line 6
Insert:

"Included within the appropriation for Water Resources" is \$25,000 per year to partially finance the high plains weather modification project at Miles City. In the event these funds are not required by the federal government to support the project, the funds shall revert to the general fund."

16. Page 38, Line 15

After: Line 15
Insert:

<u>"Unit</u>	<u>Student-Faculty Ratio</u>	<u>Average Faculty Salary</u>	
		<u>Fiscal 1978</u>	<u>Fiscal 1979</u>
University of Montana	19:1	\$18,762	\$19,672
Montana State University	19:1	18,762	19,672
Eastern Montana College	19:1	16,898	17,729
Western Montana College	16.6:1	16,898	17,729
Northern Montana College	16:1	16,898	17,729
Montana College of Mineral Science and Technology	16:1	17,737	18,603

The student-faculty ratios and average faculty salaries shown above were used by the 45th legislature in determining appropriations to the respective units. The board of regents is authorized to transfer the appropriations for personal services between the six universities and colleges in order to maintain the intended faculty salaries and student-faculty ratios."

17. Page 34, Line 4

Following line 4 insert:

"The appropriation for regional service centers shall be used by the superintendent of public instruction to contract for services with local school districts. No employee of the state shall be compensated from the appropriation to the centers."

18. Page 39, Line 17

Strike: All of lines 17 through 20

Page 40, Line 5

Strike: All of lines 5 through 15

(4)