

MINUTES OF THE MEETING
FINANCE AND CLAIMS
MONTANA STATE SENATE

April 12, 1977

The thirty third meeting of the Senate Finance and Claims Committee met on the above date in room 331 of the State Capitol. Roll call was taken and the meeting was called to order at 8:06 A.M. by Senator Thiessen, Chairman.

HOUSE BILL 242 was explained by Representative Palmer. He said this will allow young women to continue to work and stay off the welfare rolls. He said if a mother earns the minimum wage of \$2.65 per hour it is over the limit and she will be taken off the day care. When you strike the day care then her net earnings are \$40 less than welfare, so the solution is to quit her job and go back on welfare.

Dick Forehand spoke in favor of the bill and said there were several people who wished to speak on it.

Sharon Newman said she is a working mother, and in favor of this bill. She has three children, is now working and does receive payments for the day care, to have them taken care of after school. She said she has not been taking her raises in Rocky Mountain because if she receives \$35 more than she is getting now she will have to pay over \$100 for the day care services and she cannot meet the expenses.

Janice Watson, President of the Day Care Association is for the sliding scale and child care program. It will help the child and also help the mother to stay off welfare.

Sheila Rice, Director of FOCUS on Children in Great Falls, a member of the 4 C's coalition, and director of the 4 C's program in Great Falls spoke in favor of the bill. We see the parents struggling to take care of the children, and see the program working against them.

Mary Garza, Billings, said she had been on ADC, then had had a job, then had to go back on ADC., and was now back on a job and trying to struggle to maintain her job and still take care of the children. She did not want to give up and go back on ADC, but might be forced to.

Representative Bud Gould, Missoula spoke in favor of the bill. He said the largest complaint he had in knocking on doors in his district was welfare. I asked them what they thought of the sliding scale for day care and even though it cost a little money they thought it was an excellent idea. House bill 242 is a bill that can do a good job for our people, and for us.

Lynn Scott, Missoula, Women's Political Caucus said we do not apparently expect anyone to work for nothing, except apparently working mothers.

Dave Lewis, Office of Budget and Planning, said this was originally for \$1.6 million was amended to \$300,000 and is now back up to \$790,000. The bill as now written would cost \$1.8 million.

What we will have to do is to reduce the scope of the program so that the \$790,000 will cover it.

In answer to a question from Senator Fasbender, Dave Lewis said there was a discrepancy with the SRS as to the number of children that would be receiving the benefit of this program. He said to be on the program level of day care in SRS they have to be AFDC related day care. SRS just took the number of mothers on the census and projected service over the whole area that had eligible aged children.

In answer to a question from Senator Story he said the purpose of the bill is to show the mother there is a reason for her to work and to stay off ADC.

Senator Smith asked if since on the subcommittee he served on they had used up all the title 20 funds, would this all be general fund money, and was told yes.

Senator Himsel asked how they determined the costs you have to pay to put children in day care centers. Dave said that all day care had to be licensed, even the private ones, and they got the figures from them.

Representative Palmer presented petitions to be included in the minutes of this meeting on this bill.

HOUSE BILL 250 by Representative Lynch. The author explained the bill and said this deals with something long over due. The areas that are going to be looked into is the Butte, Anaconda, Missoula and Hardin areas with East Helena being included if there was enough money available. He said in these areas the cancer rate is twice as high, the amount of arsenic is three times as high. Often times we automatically say we know where the air pollution comes from and it comes from one source. Actually we do not know this. In lots of areas industry supports this bill since they feel they are getting a bum rap. He said rather than get so many people in at this late date he had brought 10,000 petitions from Missoula and had also brought the complete testimony from the House hearing.

Dr. Knight, Director of the Department of Health spoke in favor of the bill, has been treating a number of chest problems over a number of years and found eventually some people had to move out of Missoula because of the air pollution. For several years there has been more air problems in the largest cities. There is a big increase state wide in asthma, emphysema, and bronchitis. Many people in the state show a considerable concern that a health study be done.

Mr. Mike Broach spoke. He said they know the problems exist and we propose to take a look at how they are determined, how they affect the departments monitors etc. It will give us some basic information to help us make decisions. We must review and make decisions all the time on new equipment. It is more than a study, it is something that will help this committee make decisions in the future. The other aspect that we hope to

develop is an early warning system to prevent pollutants. In some areas where air can get trapped like the mountainous areas, you can have problems.

Mrs. John Shea, member of the Board of Health, said she would urge favorable support. It is our responsibility to set the standards whereby the clean air act can be enforced. It is one stumbling block we always reach--the effect on humans in all the hearings we have held.

Kit Johnson, pediatrician, and ex health doctor in Missoula, said that as a former health officer he had realized it is unavoidable--we are going to have to make decisions. The public wants clean air and healthy air and yet we must have industrial development. As a health officer I could not say that this or that caused ill health in the people, nor could I say it did not. If it is detrimental, then it should be controlled. If it is not the industries, then we need to know what it is.

Bill Sternhagen, Director of the Human Affairs for the Anaconda Company said they are in favor of this bill.

Ernie Post, speaking for the AFL,CIO, said they are in support of this bill. He felt it was one of the best bills that has been heard this session. The constitution is very clear that all citizens are entitled to a clean and healthy environment.

Representative Lynch said the death rates in Deer Lodge and and Sliver Bow area are quite high. They think House Bill 250 will stop a lot of rumors going around. Everyone has a right to know what is causing that high death rate, but so far there are no accurate answers. We think on behalf of all the workers and their families and all the citizens of Montana it would be wise to pass this bill.

Bill Tomlinson, Missoula, said he agreed with the other testimony that had been offered.

Questions from the committee included, discussion on the amount of studies that are already being done -- such as studying the air and the soil before a plant is put in, and there being already in existence monitoring devices throughout the state-- 20 to 30--ranging from Billings to Colstrip to Helena. It was not part of the submitted budget, and Dr. Knight said the negotiations with the Waldorf Horner Company showed them they did not actually have the data they needed to know how much of the pollution was directly contributable to the company, and how much to other sources in the area, such as the increased automobile use, etc. He said Horner Waldorf are well within the health standards, they did a good job, and they still have a lot of the problems left in Missoula.

In answer to other questions, they said there are no matching funds available, and Steve Brown said Missoula is not the only area that has the problems. They have problems in Anaconda and in Billings too. He said this is a responsibility of Montana, and should not be left entirely to the companies when there are other things involved.

Senator Himsel said there is a problem in Columbia Falls with the aluminum plant there, and Dr. Knight said there is a lot of improvement in that area. He said Missoula, Anaconda, and Billings are the most acute now.

A gentleman from the Montana Petroleum Institute testified for the bill.

HOUSE BILL 450 was explained by Representative Joe Kanduch. He said this would create the position of an extension forester within the extension service to give help and aid and information to the private forester.

Bob Helding, executive Director of Montana Wood Products Assn., based in Missoula, said that we are one of the few states that do not have an extension forester. About 14,700 different owners of forest lands in Montana. Most are farmers and ranchers. He said at the present time there is a drastic decrease of timber sales, and if we are going to keep timber available, we will need information and help available to those who have the forests. He told of the different products that are made out of wood, from clothing to food to energy.

Representative Kanduch said the Federal Government is considering a \$15 million forest incentive program. He said he felt if the two programs can work together, this bill is truly an investment, not a give away.

Senator Thiessen asked why they were choosing Bozeman when the school of forestry is in Missoula, and was told because of the extension service there as well as the space and the use of a part time secretary they could get there.

HOUSE BILL 756 was explained by Representative Frates as the bill that would create a revolving fund and give timely payments for recipients in SRS. He said many times people had to go to the bank to borrow money before they received the checks from SRS on foster home care, for example.

Senator Stephens asked if this substitute payment would be in effect a payment in advance and was told no, they have earned the money and are entitled to the payment but it has not reached them by the 10th. The checks they will be getting from Baltimore and the SRS cannot pay it ahead of time or they would be in jeopardy of losing their funding.

Senator Smith asked if they pay it ahead and then the people do not give it back, could they deduct it from the next month, or what? He was told there was a provision for this in the bill, but he did not know the answer.

There was some objection from the committee on the method of bureaucracy--they earn the money, yet we have to spend money to see that they get paid. Explanation was given on the two types of accounting the federal has to do and where the accounts go to go through the computor. It was also mentioned that SSI is a 100% federal program.

Senator Fasbender said in answer to a gentleman who said there was no guarantee that they could get the checks back if they were sent out to pay in advance that the SRS knows when the foster parents have earned the money, and they know when the checks are to come in, and certainly will know when they are to be sent out.

HOUSE BILL 525 was explained by Representative Mular as the railroad planning and assistance act and says the state must set up a land plan. He said it concerns the Burlington Northern and the Milwaukee railroads. He said the states will have to present a plan on the lines, priorities, etc. It will lay the ground work for justification by the railroads of elimination of branch or main lines. They take the entire line system, the generation of travel and variations of cost of the line only--they can take the whole cost of the line and plug it into that system to show a loss. He said this bill is the last chance we have in Montana to save the service branch lines.

Robert Long spoke on Governor Judges behalf for the bill. He said he would like to explain the position we find ourselves in and why we need it and what for. He said the 4 R Act had made some changes on land service in Montana. In May of this year the carriers will notify which areas they want to drop. He said the plan would provide for the least expensive way of backing up the gap in transportation. Then the plan goes to the federal government. He said in section 24 there is \$100,000 in planning money out of the general fund and \$150,000 in Federal money. He said we have several "ify" areas. We do not know now what lines they are going to recommend abandoning. We do not know now what ones we might want to keep.

Mr. Carroll Director of the Land Planning, Governor's Office, said the 4 R Act would require the Federal Government to classify all railroads in the United States. It is to designate low or light density railroads. If the 27 segments in Montana were to be eliminated, it would affect all the grain areas in the state. The railroads have been told not to come to the Federal Government anymore to get rid of their losses, this is to take care of some of the impact.

He said we are entitled to \$3.6 million to implement and offset the impact in the state.

Bill Sternhagen said they support the bill. The BA&P is a subsidy of Anaconda Company and the line is important to them.

Representative Mular said that he would like to remind the committee that we stand a chance by 1980 to designate to the major carriers as to what line we have and what we do not have.

Senator Nelson said he remembered sitting through a presentation by John Rice about 8 or 9 years ago where he explained this very thing. What happened to that study. He was trying to put it together so that the truckers would take the short and the railroads the long hauls. He was told that the reason this has surfaced now is because of the availability of the loan now.

Mr. Carroll explained that the fiscal note has an erroneous implication that the 6th year the state will be required to back up the program 100%. 70-30 in 2 years.

If the state land plan is approved by FRA then there will be a plan to use the money and the money will be available then, if the state appropriation is available we can then use it.

When asked if he thought this appropriation wasn't too high, Mr. Carroll said no, that it was not just information they could get from the railroads as had been suggested, the requirement is that a new affirmative action program has to be tied into this. The plan has to be presented under specific guide lines, and the requirement for this is quite high. He said another point that must be analyzed is the tax base.

Senator Fasbender asked what the alternative might be if Montana did nothing. and Gene Carroll said there is no alternative. He said we go for the state railroad plan or the same procedure we have of trying to represent the people when the order comes down after we have done all we could and they close them. He said the reason for the language in the bill about the purchase of rolling stock or the purchase of a line, etc., it is to give them the enabling legislation to deal.

The questions were asked as to whether the highway could take the extra load without either added gas tax or an impact tax, etc., and this must be considered in the plans.

HOUSE BILL 829 was explained by Representative Driscoll as the bill that was in regard to the litigation the state is involved in with the Indians. He said he felt they could appropriate any amount of dollars and still take a chance on losing the suit in law. The Montana Constitution brought forward the same language that we disclaim any jurisdiction over the Indians on their reservation. He said he felt much more chance of a compromise than of litigation resulting in favor of the state. He mentioned the decisions in Maine as an example.

Senator Smith said public law 580 had allowed states like Montana to take jurisdiction over the Flathead Indians since they had agreed. The civil rights suit changed this.

The meeting was adjourned.



SENATOR THIESSEN, Chairman

ROLL CALL

FINANCE AND CLAIMS COMMITTEE

45th LEGISLATIVE SESSION 1977

Date 4-12-77

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

SENATE

COMMITTEE

BILL 942

VISITORS' REGISTER

DATE

4-12
8 AM

NAME	REPRESENTING	BILL #	(check one) SUPPORT	OPPOSE
Debra Songer	working mother Head Start	242	✓	
Yvonne Osborne	working mother Head Start	242	—	
Gwynn Nelges	working mother Head Start	242	✓	
Debra Ann Baumgardner	4-C's - Mother	242	✓	
Reborah A. Mulley	4C's - Mother	242	—	
Trula G. Posch	Jack N' Jill Day Care	242	✓	
Mildred A. Banks	Citizen	242	—	
Constance L. Waterman	Children's World	242	✓	
Thelma H. Hamlin	Citizen	242	—	
Janne Sullivan	Rocky Mountain Day Care	242	✓	
Constance L. Hamlin	4C's Helena	242	✓	
Mary Gatica	working parent	242	✓	
Sharon Zarbock	working parent	242	✓	
Mildred Wilhman	Ellyn Billings MT	242	✓	
DeAnn Andre	Working Parent	242	X	
Barbara Williamson	Working mother	242	✓	
Sue Fossopp	4C's - Great Falls	242	✓	
Jim Ross	St. Thomas Home	242	✓	

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

SENATE

COMMITTEE

BILL 250

VISITORS' REGISTER

DATE 4-12-
8AM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

SENATE

F + C

COMMITTEE

4-12
8 AM

BILL

VISITORS' REGISTER

DATE

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

SENATE

COMMITTEE

BILL 4/50

VISITORS' REGISTER

DATE

4-12

8AM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

BILL 242

VISITORS' REGISTER

DATE 4/128PM

NAME	REPRESENTING	BILL #	(check one) SUPPORT	OPPOSE
Rep. Budd Gould		HB 242	✓	
Ernest Post	Wk State & FL-CIO	250	✓	
James Watson	Mont Day Care Assoc.	242	✓	
Dick Forehand	State C's	HB 242	✓	
Al Watson	Msla Z.I.G.H.T.	HB 242	✓	
Shel a Rice	4 C's	"	✓	
Sharon Swanson	Wm DC - Working Mother	242	✓	
Alice C. Morse	Working Mother Children & Youth Project	242	✓	
Ann Bolstad	National 4 C's	242	✓	
Rosemary Miller	Citizen	242	✓	
Karen Murray	Alaska 4 C's	242	✓	
Shirley Campbell	Butt Day Care Ass.	242	✓	
May Campbell	Butt Day Care Ass.	242	✓	
Chris L. Myers	Citizen	242	✓	
Dorlene Mathias	Citizen	242	✓	
Carrie Ross	Citizen	242	✓	
Andrea Wood	Citizen	242	✓	
Shawn Lynn	Citizen	242	✓	
Barbara S. Scott	Citizen	242	✓	
Laura Dennis	Arizona ^{Rocky Mountain} Development County	242	✓	
Karen Hansen	Alaska Family	242	✓	
Beth Jonkeil	Neek Scott	242	✓	
Patricia Busch	Head Start	242	✓	
Helena Lee	Working mother Head Start	242	✓	

PROPOSED AMENDMENTS TO HOUSE BILL NO. 242

1. Amend page 1, section 1, line 21.

Following: line 20

Strike: "80%"

Insert: "58%"

2. Amend page 2.

Following: line 10

Insert: "Section 2. Cost-savings documented -- report. (1) The department of social and rehabilitation services shall develop a system to document and record any savings to the state as a result of expanded day-care assistance which enables a person receiving welfare assistance to gain and maintain employment.

(2) The department of social and rehabilitation services shall report to the 46th legislature the documented cost savings to the state for the biennium that is attributed to expanded day-care assistance.

Renumber: subsequent section

The goal of Montana Day Care Association is to upgrade and expand Day Care services in Montana. The Day Care Association is an advocate of Licensed Day Care.

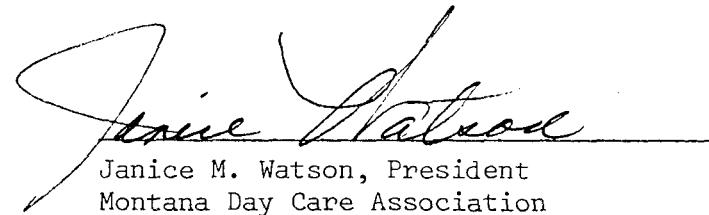
I represent our statewide membership in urging the passage of HB242. We are extremely concerned with what happens to the children when Day Care aid is terminated.

The warm environment in which a child has begun to develop, a feeling of security and friendship among his peers and adults, are suddenly no longer available to him.

This child may find himself being left in a series of different Day Care situations as the mother searches for an inexpensive place to leave him -- or -- as in many cases, this child may find himself at home with a defeated, unhappy mother who has realized that she is forced to exist on welfare payments because of a "so-called work incentive program" that in reality has prevented her from becoming a self-sufficient person unable to care for her own family.

A sliding scale in child care payments would guarantee the children's right to quality care and will aid the mother in remaining off the welfare rolls.

Please help us keep these children in licensed Day Care. Their future lies in your hands.



Janice M. Watson, President
Montana Day Care Association

4-12

HOUSE BILL 525

MONTANA STATE RAIL PLAN

H.B. 525 does not commit the State of Montana to financial expenditures beyond June 30, 1979. If approved by this Session of the Legislature, any extension of time or added funds will have to be justified and authorized next session.

H.B. 525 will not put the State of Montana into the railroad business.

H.B. 525 will not require the State of Montana to subsidize the railroads with state money.

H.B. 525 will allow Montana to analyze its light-density railroad branch lines and their importance to our economy and citizens.

H.B. 525 will provide the means by which the State of Montana can -- at long last -- formulate a state transportation policy.

H.B. 525 will enable Montana to take an informed position to assist its industry, and persons affected, by future railroad abandonments.

H.B. 525, through its State Rail Plan, will enable the State of Montana to evaluate alternatives to future railroad abandonment.

H.B. 525 will enable the State of Montana to choose the best alternative to abandonment, and apply that alternative to lessen the economic, environmental, social, and energy impacts on communities resulting from future railroad abandonment.

H.B. 525 will make Montana eligible for \$150,000 in federal planning funds during 1977 and 1978.

H.B. 525 will make Montana eligible toward a minimum of \$3,600,000 federal funds to apply alternatives to railroad abandonment.

If H.B. 525 is enacted, the State of Montana will have the final word on what type, and how much, railroad service this State will have after 1980. If H.B. 525 is defeated, the railroads will tell us how much service they want to provide after 1980.

Will the railroads plan our future railroad system, or is it the responsibility of the State to plan and insure future adequate, economical, and efficient railroad services for its citizens?

H.B. 525 allows you to say who will do the planning. The choice is yours.