

MINUTES OF THE MEETING  
OF THE LEGISLATIVE APPROPRIATION COMMITTEE

January 8, 1979  
9:00 A.M.  
Room 104  
State Capitol Building

Subject: Pages 642 & 643  
Budget Book  
Supplemental Budget Requests

Chairman Francis Bardanouve called the meeting to order at 9:05 A.M. Roll call was taken and all members of the committee were present. (See attached Roll Call) Also in attendance were George Bousliman and John Fitzpatrick of the Budget Office. John LaFaver, representing the Fiscal Analyst Office was also present. Diana Dowling of the Legislative Council appeared later in the meeting.

Mr. Bousliman stated that his purpose in appearing at the meeting was to compare the supplemental requests in the Budget Book with the revised requests that had been received in the Budget Office as of January 5, 1979, and the difference in the same.

The total of the general fund requests in the original budget was 9.6 million dollars. There was an additional total request of \$109,000, other funds. The total general fund has risen to 13.6 million dollars. Other funds have risen to just under a million dollars. Mr. Bousliman stated that there are several reasons for the increases which are found basically in two or three programs. He elaborated on the following programs:

Under Judiciary, the District Court Operations has increased \$129,750. The explanation for this is the new judges that have been seated in the 13th, 18th and 19th Judicial Districts. Monies were not appropriated by the 1977 Legislature for these judges.

Under the Secretary of State program we have two supplemental requests. Records Management has requested \$80,000.00 due to problems that arose when leaking pipes damaged records. The Administrative Code program has requested an additional \$25,000 for added costs of printing the supplements to the Administrative Codes. As a definite figure is uncertain as to the cost of printing, we never know just how much it will cost to print the supplements to these codes.

The Department of Administration requested an additional \$5,000 for the transportation of prisoners costs. The Department of Administration is obligated to pay the transportation costs on claims submitted by the County Sheriffs for this purpose.

State Tax Appeals Board: This figure was increased from the date

the budget book was put together, to the total amount requested of \$60,690.00. The explanation for this is simply that this was an error in the Budget Office. The Tax Appeals Board has experienced a lot more appeals than were anticipated in 1977 when the appropriation was made.

Chairman Bardanouve stated that we were warned in 1977 that there was not enough money appropriated in that particular area.

Mr. Bousliman went on to explain the SBAS Upgrade Program which has requested an additional \$325,000. He stated that they have experienced greater data processing costs than anticipated.

Representative Lund asked how much more would it cost to get the University of Montana upgraded. He wondered if that was part of this cost.

Mr. Bousliman responded that it was not. He requested Mr. Lewis to explain what the \$325,000 consisted of. Mr. Lewis stated that basically it was data processing costs. It does not cover any costs for the University Accounting System.

Considerable discussion was had regarding the upgrading of the University of Montana. The representatives seemed to show a great amount of concern over the long delay before the program of SBAS was initiated. The explanation was that they had to wait for SBAS II before the program could begin.

Mr. Bousliman went on to explain the supplemental request for the Disaster and Emergency fund under the Department of Administration. This has been increased by \$750,000 and it was explained that it was basically for snow removal.

Chairman Bardanouve stated that he had a question of Mr. Lewis on the issue of the Transportation of Prisoners. He stated that the Department had been remiss in not coming up with a plan and wondered if Mr. Lewis had anything to say about this.

Dave Lewis stated that he wasn't aware that there was a specific request for a study. He also stated that perhaps the Attorney General's office might be the appropriate agency to look into this problem.

Chairman Bardanouve responded that perhaps he had some merit in suggesting that this might fall under law enforcement.

Returning to the supplemental request for the Disaster and Emergency fund for snow removal, considerable discussion and questions were raised by all members of the committee.

Under Department of Community Affairs there are two supplemental requests. \$125,000 for the Aeronautics Commission due to deficits in the 1977 and 1978 Budgets for operation of the aeronautics pool. Special Projects of the DCA requested \$29,000. This is actually matching money for a federal grant for flood disaster

relief in eastern Montana in the spring of 1978. The federal government made money available, and this is merely matching funds.

Under the Department of Education, the State Library increased to \$28,000. This is federal money needed to coordinate a White House Conference on Libraries. The School for the Deaf and Blind requested \$5,000 for retroactive pay for employees at the school.

Mr. Bousliman stated that the Fish and Game shows \$66,000. The Corps of Engineers is reimbursing the Department for repairs to fish hatcheries. We are getting that money back.

Under the Department of Health, an increase is shown from \$100,000 to \$299,000 general funds. The majority of this had to do with air quality standards. Also the Butte Radiation Study is included in this.

Representative Moore stated that he would like to hear this one in greater detail from the Department of Health.

Chairman Bardanouve stated that the supplementals will be referred to the respective sub-committees and that they will be reviewed in detail by them.

Mr. Bousliman went on to say that also under the Department of Health, the MAPS special study shows \$85,000 earmarked revenue money.

Department of Institutions Alcohol and Drug Division shows earmarked moneys of \$306,000. A suggestion was made that a lot of time will probably be spent on this particular item.

Chairman Bardanouve stated that we will have to take a long hard look at the Alcohol Program. He feels that they have too many programs in too many areas and that there will not be enough money to operate all of them.

The Boulder River School and Hospital shows 1.8 million dollars. This is explained by an increase in the population at the school over what was anticipated. Also, utility bills have exceeded the amount appropriated.

Chairman Bardanouve commented that the hiring freeze should have reduced this appropriation some.

Mr. Bousliman responded that it has to a certain extent.

The Children's Center has requested an additional \$25,000.00. The utility bills there have been greater than anticipated and in addition to this, the employees there have not become unionized during the year. Therefore, wages have increased for them.

Discussion was held by the members of the committee as to whether the payment of wages over that appropriated by the budget could constitute an illegal payment of funds.

Mr. Bousliman responded that there could be a serious problem with this.

Representative South inquired what would happen if we don't give them a supplemental.

Mr. Bousliman responded that they are required to balance their budget by some manner.

Chairman Bardanouve requested Mr. LaFaver to take a hard look at this situation before it goes to the sub-committee.

The utility bills at the Eastmont Training Center account for the \$9,000 additional budget request for that facility.

Galen State Hospital: \$416,000. They didn't realize the kind of vacancy savings they anticipated here. Also utility bills were greater than anticipated.

Chairman Bardanouve also requested the sub-committee to look into this.

Montana State Prison requested \$398,000 and \$240,000 other funds. This is principally for the manufacture of license plates. The population at the prison has increased from 500 to approximately 640 inmates.

Representative Lund asked if we thought we would have to build another prison.

Mr. Bousliman responded that he doesn't believe so.

Representative Menahan stated the possibility of pre-release programs should be considered here.

Representative Moore asked what the problem was with the License Plate Program.

He was informed that the problem lies mainly in the law that exists for license plates. The demand for license plates has gone way up. Basically, the prison has to respond to the demand for plates.

Mr. Bousliman stated that Pine Hills School has requested an additional \$120,000. This is principally due to increased utility bills. Mr. Bousliman further asked that the budget office be allowed an opportunity to look the Pine Hills School situation over more closely as to the feasibility of closing down the cattle operation on the ranch.

Swan River School requested an additional \$142,000. About \$75,000 was to be spent for care of children at the institutions who are SRS clients. There has been attorney general's opinion that money could not be spent for that purpose. The balance of the \$142,000 is mainly operating expenses.

The Veterans Home: \$15,000 for equipment repair and utility bills.

The Department of Justice requested an additional \$150,000 for legal and research costs relating to the defense of the coal lawsuit. This is not an exact figure, they don't know for sure what the final costs are going to be.

Representative Marks inquired if there will be a continuing appropriation for this project.

Mr. Bousliman stated that they are a little bit leary about blank check appropriations.

Discussion was had among the members of the committee regarding the coal suit litigation.

The Department of Natural Resources requested an additional \$554,000 for forest fire costs relating to fires in the summer of 1977.

Mr. Bousliman stated that the Department of Professional and Occupational Licensing, Nurses Division, has requested an additional \$8,503 for micro-filming and distributing records of that division.

The last department discussed by Mr. Bousliman was the Department of Social and Rehabilitation Services which requested an additional \$450,000 general fund money to continue the Nursing Home De-institutionalization study. The Medicaid Program is up 3 million dollars. He stated that the committee would probably want to spend a great amount of time on that request.

Diana Dowling, the Director of the Legislative Council then discussed the supplemental requests for the legislative council. She stated that \$185,724 is for payroll and personal benefits. They have had a large turnover in the legislative council which amounts for a large amount of this figure. She also stated that the printing costs for the recodification amounted to \$31,570. They experienced a large increase in the amount of the printing per page over what they had anticipated. She stated that the Feed Bill for the Legislative Assembly is separate from the supplemental budget request.

Chairman Bardanouve requested John LaFaver, the Fiscal Analyst, to analyze the supplemental requests very carefully. Mr. LaFaver stated that the Fiscal Analyst's office should have some specific recommendations for the sub-committees by the end of the week.

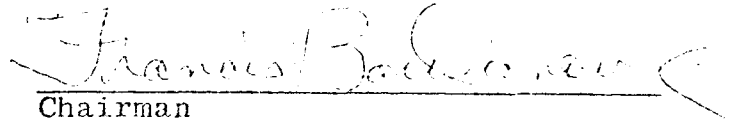
Representative Kvaalen then inquired about the possibility of correcting the situation of people living in nursing homes divesting themselves of their property in order to qualify for the nursing homes and welfare.

Mr. LaFaver stated that it is a logical<sup>1961</sup> thing to try to correct this problem. He feels it is something we should look at. However, he feels the basic problem is at the federal level.

General discussion was then had about nursing homes, including the cost of operation.

Chairman Bardanouve stated that the Feed Bill had been introduced but that they did not bring the Pay Plan with it. A Pay Plan has been devised but has not yet been introduced.

There being no further business, a motion was made to adjourn the meeting. Motion carried. The meeting was adjourned at 10:45 A.M.

  
Chairman

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Secretary