

MINUTES OF THE MEETING  
OF THE LEGISLATIVE APPROPRIATIONS COMMITTEE

February 5, 1979  
Room 104  
State Capitol Building  
Subject: HOUSE BILL 79  
HOUSE BILL 301  
HOUSE BILL 354  
HOUSE BILL 415  
HOUSE BILL 425

The meeting was called to order at 7:30 P.M. by Chairman Francis Bardanouve. All members of the committee were present with the exception of Representative Lund. Also present at the meeting were John LaFaver, Fiscal Analyst; John Fitzpatrick and Doug Booker of the Office of Budget and Program Planning; William McEnaney, State Board of Examiners; John Vaughn, Department of Revenue; Dave Lewis, Department of Administration; Gertrude Malone, Department of Professional and Occupational Licensing; Leo Berry, Department of State Lands; Fletcher Newby, Department of Fish and Game; Ed Carney, also of the Department of Professional and Occupational Licensing, and Geoffrey L. Brazier, the Consumer Counsel.

The first order of business was House Bill 415. John Fitzpatrick, OBPP, explained the purpose of the bill is to incorporate about 20 department budgets that had been received since December of last year. He stated that the Fiscal Analyst has received copies of these budgets. He went on to explain each of the department requests separately.

MONTANA ARTS COUNCIL is requesting an additional \$154,836 to primarily correct an audit exception.

FISH AND GAME DEPARTMENT has two requests. The first is for \$6,630 for the Fish Program, and the second is for \$7,901 for the Wildlife Program. They have a contract with the Bureau of Land Management.

The OFFICE OF THE GOVERNOR AND LT. GOVERNOR are requesting \$84,973 to fund the completion of a regional EIS for the Northern Powder River Basin.

The DEPARTMENT OF HIGHWAYS has requested \$606,125 primarily for the replacement of snow removal equipment which is 20 to 25 years old.

The Alcohol and Drug Abuse Program under the DEPARTMENT OF INSTITUTIONS is asking for \$40,500 to continue the DWI court schools.

Also under the Alcohol and Drug Abuse Program, they are requesting an additional \$65,000. This is simply an additional amount

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of federal money to meet their grant requirements. The original grant was recommended so they need more state money to finish the program already started.

The Corrections Program of the DEPARTMENT OF INSTITUTIONS is requesting the sum of \$1,055 to pay for the services of a psychologist for the After-care Program.

MONTANA STATE PRISON shows a request of \$18,572. Mr. Fitzpatrick stated that this was for the establishment of an adult education program.

Under SWAN RIVER YOUTH FOREST CAMP, the Developmental Program has put in a request for \$3,500. This is for the repair of a tractor that is used in their projects. The Administration Program shows \$5,000 for funds they receive from the Federal Board of Prisons for housing and care of prisoners.

The Human Rights Program under the DEPARTMENT OF LABOR AND INDUSTRY requests \$99,816 more in order to expand their program on contracts with the Human Rights Division and to defray expenses of various programs under this division. It will also defray the expenses of a Hearings Examiner on the additional 55 discrimination cases they have pending.

DEPARTMENT OF JUSTICE, Fire Marshall Program, has requested \$2,855 for purchase of equipment for detection of arson caused fires.

Under DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION, the Energy Program has listed \$13,352 for payment of a contract with Northern Lights for preparing an EIS.

The second phase of that department, the Forest Resources Program, is requesting \$36,325 for use in urban forestry projects.

DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL LICENSING has several divisions requesting additional funds. It was explained that their sources are from their own fees. Primarily, they do not have enough money to cover the work load they have.

DEPARTMENT OF REVENUE INVESTIGATION PROGRAM has requested \$247,966. This is primarily for the fraud assistance program that the Department conducts for welfare cases.

At this point, Mr. LaFaver, the Fiscal Analyst, explained the procedures used for the budget amendments. He stated that they are in the process of preparing a similar report for the Legislative Finance Committee that explains the amendments. The only question the FA has involves the \$18,572 for the state prison. It is his understanding that there will be matching funds. Those

funds are included in the supplemental appropriation bill that is not scheduled to be heard this evening. This spending authority was allowed by the 1977 session. He went on to say that the staff found no problems with any other supplemental amendments.

A question and answer period followed this presentation of House Bill 415. At the conclusion of the question and answer period, the hearing on House Bill 415 was concluded and the witnesses were excused.

Representative Quilici, the sponsor of House Bill 301, then explained that this legislation is an act to revise and clarify the manner of funding for the office of consumer counsel. He stated that they have an open-ended budget. The basis of the bill is included in lines 15 through 18 of the bill, which explains that the appropriation is necessary for regular operating expenses and a contingency appropriation for expenses due to unanticipated caseload. He further explained that they have no idea of how many rate increases will come before the counsel. He also stated that any additional money required for operation must be obtained from the Legislature.

Tom Crosser, of the Office of Budget and Program Planning, remarked that all of the money involved in this bill is earmarked revenue funds.

Representative Waldron inquired that if the money carries forward, do they also carry forward the spending authority?

Representative Quilici responded no. That will be a determining factor for the next fiscal year.

Representative Ellis asked what they have been doing with the excess heretofore.

Representative Quilici responded that there hasn't been an excess so far.

After a short question and answer period, the hearing on House Bill 301 was closed.

Mr. Quilici then proceeded to present House Bill 354 which appropriates money for the Office of Consumer Counsel for fiscal year ending June 30, 1979. Simply stated, they are asking for \$150,000 supplemental to keep the office of the consumer counsel operating until the next fiscal year.

Representative Lund came in at this point.

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Representative Quilici continued with his explanation of House Bill 354 stating that they have a lot of retainers working on various rate matters.

Mr. Geoffrey Brazier, the Consumer Counsel, testified and explained his hand-out to the committee. He explained the list of matters that are pending before the counsel. He stated that many of the cases have been set for hearing. He further stated and explained the expenses of the office of the consumer counsel.

Representative Moore questioned the fact that every year from 1975 to date, the expenditures have been over the appropriation. He wondered by what authority was the expenditure over the appropriation made.

Mr. Brazier responded that it was by authority of the Budget Amendment procedure.

There being no further discussion, House Bill 354 was closed.

Chairman Bardonouve then explained House Bill 425, stating that it authorizes long range bonds up to \$10,035,000 to build long range building over and above the long range building program. It requires a 2/3 vote of the House and Senate to pass this bill. He asked Representative Yardley, the Sponsor of this legislation, to explain it further.

Representative Yardley presented Gene Huntington of the OBPP who stated that they need to establish the authority before they can begin the appropriation process. In the past two bienniums they have supplemented the earmarked funds with money from the general fund. This year they are faced with only earmarked revenue funds from cigarettes. They have therefore decided to go back to the long range building program and sell bonds. He stated that for this biennium this appears to be the best solution.

Mr. McEnany, the Executive Secretary of the Board of Examiners, stated that they would be willing to go along with any figure the Legislature comes up with. Mr. Lewis, of the Department of Administration, stated that there are over 10 million dollars in general obligation bonds outstanding. However, he said that our debt is far less than many other states. He also stated that it makes more sense to acquire the bonds now than to wait a few years and try to get the money then. The buildings that are being recommended in this program are included in House Bill 417.

There being no further discussion, the hearing was closed on House Bill 425.

At this time, the Sponsor of House Bill 79, Representative Marks explained that House Bill 79 is a request for \$250,000 for the Legislative Council for Fiscal Year ending June 30, 1979. He

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introduced Diana Dowling, the Executive Director of the Council. She stated that this appropriation is merely just a guess as to why they are so short in their budget. They are simply estimating how much they are going to need. Most of the additional is needed because of the re-codification. She further stated that this is an estimate of how much they are going to need between now and June 30 of this year. She then went through her budget request step by step and explained the shortages.

After a question and answer period regarding House Bill 79, the hearing was closed on this bill, and the witnesses were excused.

Representative Bengston left the meeting at this point.

The committee then went into executive session.

Representative Marks made a motion that House Bill 79 Do Pass. The motion passed unanimously. House Bill 79 passed this committee.

Representative Menahan moved that House Bill 301 Do Pass. There being no objections, the vote was unanimous. House Bill 301 received a Do Pass from the committee.

Representative Menahan made a motion that House Bill 354 receive a Do Pass. The vote was unanimous on this motion. House Bill 354 passes the Appropriations Committee.

Representative Moore moved that House Bill 425 receive a Do Not Pass. Representative Yardley supported the bill and spoke on behalf of the bill. Representative South made a substitute motion to Do Pass. At this point Representative Moore withdrew his Do Not Pass motion. The vote was unanimous and House Bill 425 received a Do Pass from this committee.

Representative South moved that House Bill 415 Do Pass. Representative Marks moved to amend this bill by striking lines 19 through 21 on page 2 in their entirety. Motion carried.

Representative Moore moved to strike lines 11 through 13 on page 2 in their entirety. Motion carried.

After a short discussion on the amendments, Representative South moved that House Bill 415 pass as amended. With Representatives Kvaalen and Manning voting No, House Bill 415 unanimously passed the committee.

There being no further business the meeting was adjourned at 10:35 P.M.

Francis B. Borden  
Chairman

Rakota Kipic  
Secretary