

MINUTES OF THE  
LEGISLATIVE APPROPRIATION COMMITTEE

March 6, 1979  
11:00 a.m.  
Room 104  
State Capitol  
Subject: House Bills 317  
and 416

The meeting was called to order at 11:20 a.m. by Vice Chairman Carroll South. All members of the committee were present with the exception of Representative Waldron and the Chairman.

Mr. South stated that the first order of business would be the discussion of House Bill 317 and the amendments that had been recommended by the Long Range Building Committee. He called on Representative Yardley, the Chairman of the Long Range Building Committee.

Mr. Yardley stated that the supplemental appropriation of \$1,016,000 is an open bid at this time at the University for a project proposed two years ago for a psychology and philosophy lab and class room building. The original request shows \$800,000 for a lecture hall. The bid has been let on the \$400,000 for the actual class room. The \$800,000 is for the lecture hall; \$216,000 is for a utility tunnel which has been added to the project. If we approve this appropriation, the bid will be let for the class room facilities. The utility tunnel and the lecture hall will be built at the same time.

Mr. Yardley went on to say that the \$50,000 for utility projects for the prison was for sewage lagoons, enlarged water system and miscellaneous distribution improvements. The original request of \$50,000 has been cut to \$30,000 which they feel will adequately do the job.

He explained the New Boys' Lodge at Pine Hills, stating that the supplement request is for \$20,000. Mr. Yardley stated that the last Legislature appropriated \$775,000 to construct a new lodge at the school. This \$20,000 will allow them to use brick on the outside of the building instead of stucco and also it will enable them to put tiling in the dining room.

Under the supplemental request for Crockett-Terrill Galen, Mr. Yardley stated that this project has not been let to contract yet. The project was originally recommended at \$490,000 to convert acute hospital space to intermediate care for mentally retarded standards. The current plans would convert the space to intermediate care standards at a cost of \$100,000.

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In general, this project will make minor modifications to the hospital facilities so they can be certified for reimbursement as an intermediate nursing facility.

At this point Representative Bengton asked if all the buildings at the Pine Hills School are constructed of brick, and Representative Yardley said they are, and this way all of the buildings fit in together.

Mr. Yardley then continued his explanation of the supplemental budget request for Crockett-Terrill Galen. He said that this appropriation would also include the changing of doors, installation of safety railing and fixing up of the recreational areas, etc.

He then addressed the supplemental budget request for the renovation of the hospital at Boulder to make it eligible for reimbursement and certification by the Federal government. He said that the bid has been put out and that \$75,000 would allow them to get the federal reimbursement which could be lost if the hospital is not modified to meet the criteria.

Discussion was held on the original construction of the hospital with Title I money.

Representative Yardley then explained the \$62,000 supplemental request for a Dust Collection System in the carpentry and paint shops at Eastern Montana College. He stated that the bids have been opened and that \$62,000 will do the job.

Representative Moore asked why these facilities are needed at Eastern and Acting Chairman South responded that each of the campuses have these facilities. He explained that they are a maintenance shop and a carpentry shop and that they are part of the Maintenance Department for the campuses.

Mr. Yardley then stated that the Institutions Subcommittee is proposing to move 34 patients from Boulder to Eastmont. He said that the additional appropriation of \$34,000 would supplement the original appropriation for furnishings at Eastmont.

Representative Marks questioned the moving of 30 patients out of Boulder, and discussion was held between the committee members on this subject.

Acting Chairman South then stated that if we all up all these supplemental amounts, we are talking about lots more money than was requested in the original bill.

The Acting Chairman then presented Phil Hauck, the Administrator of the Architecture and Engineering Division of the Department of Administration who explained at length that through the

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Long Range Building Program and Supplemental Requests, they have presented a balanced budget to the Legislature. This budget consists of \$850,000 comprised of supplemental requests which are contained in House Bill 317. As stated before, this amount is comprised of \$800,000 for the Lecture Hall at the University of Montana and \$50,000 for utility projects at the prison. Mr. Hauck stated that an estimated \$490,000 was originally requested in the Long Range Building Program. When the program was put together, this amount was removed and therefore this would only cost an estimated \$100,000. This leaves a balance of \$390,000 in the Long Range Building Program request. Mr. Hauck went on to say that there will be some additional projects that will come to light listed under Additional Projects for Consideration in Long Range Building Program. The committee is not only going to have to recognize the considerations on the supplemental budget, they are also going to have to recognize the projects that might be added to the building program as submitted. If you add all supplemental requests in the additional projects that will be considered by Long Range Building Program, and subtract that from the \$390,000 stated above, you will have a deficit of \$81,500.

Representative Moore asked Mr. Hauck for an explanation of the changes proposed at Galen.

Mr. Hauck replied that the original plan was to move I.C.M.F.R. patients to Galen from Boulder. In order to receive certification on mentally retarded patients, it will require a lot more modification.

Representative Marks questioned the rationale of the furnishing of Eastmont to accommodate the DD people from Boulder. He wondered if they are going to also move staff.

Mr. Yardley stated that the budget for Eastmont actually proposes to increase the staff at that facility by 60.

Acting Chairman South then asked if they are going to ask personnel to transfer, or will they have to terminate and then re-hire at Eastmont.

Mr. Yardley replied that they would probably have to terminate at one facility and then be hired at the other. He stated that there is no way of transferring the staff personnel.

Representative Marks then asked if the transfer of patients to Eastmont was an attempt to get some use out of that facility.

Mr. Yardley stated that the transfer will accomplish a couple of things. The building at Eastmont has been vacant since August. He stated that by the transfer of patients to Eastmont, that 40 people will be able to be in the nursing homes 7 days a week compared to the 5 days a week that is the practice at

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Boulder.

Mr. Yardley went on to explain that two cottages at Boulder at the present time do not meet certification requirements for reimbursement. They feel that if they move 30 patients to Eastmont and use the group homes for the 40 patients that the Court Order has proposed, they will be able to close the two cottages at Boulder during the next biennium.

Questions were asked on the Court Order and Representative Yardley explained that the Court Order said to transfer 55 patients who are capable of being in group homes out of Boulder.

Representative Yardley went on to say that 120 patients are involved in the Court Order. They have to be moved if they are capable of existing in the group homes, and if there are group homes available. They have found approximately 44 of these 120 patients that could be moved if facilities are available.

Representative Moore inquired about additional personnel. He wondered how many additional personnel would be required at the 4 institutions.

Representative Yardley responded that in Warm Springs, they have requested 500 FTEs for the next two fiscal years. The budget office had requested 540, and at the present time there are 585 FTEs. This is a reduction of about 85 FTEs.

At Galen they anticipate an increase of FTEs. With a total of 50 patients they anticipate 40.

At Eastmont, they request an increase of 60 additional FTEs for the 40 DD people that would be put into the nursing home.

Representative Ellis stated that they have maintained the same ratio of direct care persons.

John LaFaver, the Fiscal Analyst stated that the 1975 Legislature and also the 1977 Legislature and the subcommittees so far this session have allocated direct care staffing ratios for the mentally retarded to be 1 to 1 and for the mentally ill 2 to 1. He said that if you maintain that level you can still receive federal reimbursement.

Representative Menahan inquired if we have any cost of the group homes, and if any effort has been made to find out what kind of care they get in the group homes.

Representative Yardley stated that the group homes are actually under the SRS budget, and that perhaps that subcommittee could

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help us with this aspect of the problem.

At this point Representative Moore made a motion to adopt the amendments to House Bill 317.

Representative Marks went on record as saying that he feels that we are making a big change and that we should realize that we are setting up another institution like the one we have in Boulder by the transfer of the patients to the facility at Eastmont.

Representative Yardley stated that the Executive has made a study which they presented to the subcommittee. The study gave the subcommittee various alternatives including putting the geriatrics at Eastmont.

There was no further discussion and Representative Lund requested a Question Call on Representative Moore's motion to adopt the amendments. With Representatives Hand and Marks voting No, the motion to adopt the amendments to House Bill 317 was carried.

Representative Moore then made a motion that House Bill 317, as Amended, Do Pass. With Representative Marks voting No, the Motion was carried.

At this time, Acting Chairman South introduced Jerry Norris from San Francisco who spoke to the committee. Mr. Norris stated that he represents the Council of State Governments and that he would be glad to answer any questions the committee had concerning the requested appropriations for the Legislative Council.

The Acting Chairman asked Mr. Norris to submit written testimony for consideration by the committee and Mr. Norris indicated that he would do so.

The Vice Chairman then stated that we would proceed to take action on House Bill 416 which is the legislation to appropriate money to the various state agencies for the fiscal year ending June 30, 1979.

He called on Representative Yardley for his presentation on the supplemental requests for the Department of Institutions. Mr. Yardley stated they have recommended \$228,483 for the Alcohol and Drug Abuse Division. This is earmarked revenue from alcohol tax. Mr. Yardley then explained that this money is to be used in the Drug Treatment Center and also at Glasgow which is a successful alcohol treatment center. He went on to state that additional utility costs comprise the remaining appropriations.

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Mr. Yardley explained that the supplemental appropriation of \$21,188 for the Veterans Home was for increased utility costs and also for repair of heating facilities.

He then stated that the Children's Center has been closed. The \$50,000 appropriated to them includes \$20,000 for an appraisal fee paid to the State Land Board. They are in the process of determining what to do with the facility. Also, this includes the salaries for 8 maintenance employees who were reclassified. Mr. Yardley stated that it costs about \$100,000 a year to maintain the Children's Center.

He then explained that the supplemental appropriation of \$25,265 for the Pine Hills School is mainly comprised of utility costs.

He stated that the appropriations for the Prison, Galen and Boulder have been omitted until the strike is settled at those institutions.

The Acting Chairman then called on Representative Menahan who addressed the supplemental appropriations for the State Tax Appeals Board. Mr. Menahan said that this appropriation is necessary to cover possible appeals that may come before the board. Also, they have experienced additional operating expenses.

Representative Menahan then stated that the Transportation of Prisoners' supplemental appropriation is for \$5,000 for additional expenses to the counties who transport prisoners.

The additional appropriation of \$750,000 for the Emergency and Disaster Division under the Department of Administration is for snow removal. Mr. Menahan stated that if they don't use the entire amount for snow removal, it can also be used for flood control.

Discussion was held on this portion of the supplemental appropriations.

Representative Menahan then continued discussing the Accounting Division supplemental appropriation of \$295,000 and explained that this is for the addition of 6 units to the SBAS. An increase of claims has increased the accounting division data processing costs. In turn, they have to pay for the costs of the computer.

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Under the Department of Justice, Mr. Menahan stated that the additional appropriation of \$75,000 was for the defense of the coal tax lawsuit. If their appeal is successful, they will probably find it necessary to request an additional appropriation.

The additional appropriation of \$19,268 for the Law Enforcement Academy was explained by Representative Menahan to be for rental of their buildings and additional on-going expenses once they move off the campus. The new rental figures will be \$107,000 for 1980 and \$113,000 for 1981. These figures will include janitorial services, laundry and miscellaneous expenses that have been paid separately in the past.

Mr. Menahan continued his presentation of the Judiciary, addressing the District Court's supplemental budget. Mr. Menahan stated that their appropriation is \$122,338 for the three new district judges. He went on to explain that the subcommittee has reduced the amount they had requested for travel for the judges.

The Secretary of State budget was explained by Mr. Menahan. He said that this is mostly for printing costs for the Voter Pamphlets, and also additional costs for the printing of the Administrative Codes. He explained that there is some allocation of funds for work that resulted from the water pipe breakage in their office that ruined some of their records.

The Acting Chairman Mr. South then called on Mr. Manuel who presented the Department of Natural Resources' supplemental appropriation. Mr. Manuel stated that their appropriation of \$554,440 is for fire suppression costs. These costs were incurred in 1977 and mainly were from the Pattee Canyon fire near Missoula. He stated that they are currently engaged in a lawsuit and if successful in that action, they will recover \$500,000 and will return that amount to the general fund. This appropriation basically reimburses the forestry division for their expenses.

Discussion was had on whether this appropriation should be taken from the Governor's Emergency Fund. Mr. Manuel stated that the Governor's Emergency Fund is not taxed for fires. When the situation arises, they simply ask for a supplemental after-the-fact.

Acting Chairman South then addressed the Education portion of the supplemental appropriations. He stated that their subcommittee had moved money from the 1979 appropriation to the 1978 appropriation to allow for attendance at the White House Conference on Libraries.

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On the MSU budget, they split the appropriation as follows: \$95,000 for personal services and \$249,401 for operating expenses. He went on to say that the fee revenue in 1977 was inflated and they did not receive the amount of revenue that they had anticipated. This supplemental appropriation will not correct problems on the campus. He stated that their revenue is very short, but the committee feels justified in handling the appropriation in this manner.

Representative Marks presented the supplemental appropriations for the Department of Health and Environmental Sciences in the absence of Chairman Waldron. He explained that their supplemental was brought about by a lawsuit brought by the Department of Health on the implications of air quality standards. They had not adopted standards which were really guidelines. The result of the lawsuit was that they can either use EPA guidelines or develop their own. They have developed their own guidelines and had some financing available for this, but they are in need of additional money. The subcommittee has reduced their appropriation request to \$50,000.

At this time John Fitzpatrick of the Office of Budget and Program Planning requested that the full committee reinstate the original request of \$146,000. He stated his reasoning for this was that they had to take over three studies; one of which was an air quality standards study; an environmental impact study and they also had to pay for an unexpected audit of their department.

Discussion was held on whether the committee should reconsider the figures presented by the OBPP or stay with the recommendation of the Fiscal Analyst.

Representative Marks went on to explain the supplemental appropriation for the Department of Community Affairs. He stated that the appropriation for the Matching Funds for Flood Relief of \$29,929 is basically self explanatory. He stated that the State should, in good faith, pay this money back.

Under the Governor's Travel request, Mr. Marks stated simply that the Governor did not have any travel money. They had appropriated his travel money through the Aircraft Pool in previous years. This appropriation is for travel that occurred 2 or 3 years ago. The situation has now been cleared up and the Governor's travel appropriation is included in his budget. Therefore, this problem should be alleviated in the future.

After a short discussion on the supplemental appropriations, Representative Lund made a motion to amend House Bill 416 as proposed. The motion carried unanimously.



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Representative Gesek then made a motion to adopt House Bill 416 as amended. The question call passed unanimously and House Bill 416, as amended, received a Do Pass from the committee.

Chairman Bardanouve entertained a motion from Representative Manning to adjourn the meeting. So carried. The meeting adjourned at 12:45 P.M.

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Chairman

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Secretary