

MINUTES OF THE MEETING
LEGISLATIVE APPROPRIATIONS COMMITTEE

March 20, 1979
Room 104
State Capitol Building

The meeting was called to order at 8:05 A.M. by Chairman Francis Bardanouve. All members of the committee were present with the exception of Representative Lund who was excused.

Chairman Bardanouve presented Representative Mel Williams from Laurel, who is the sponsor of House Bill 537. Representative Williams explained that this is proposed legislation to provide additional funding for secondary vocational and industrial arts programs through the foundation program. He said that it is extremely important that we maintain these programs. We should possibly even expand them. Representative Williams went on to say that these programs provide some of the needed skills to compete in today's job market. He presented Larry Key from the Office of Public Instruction in Helena.

Mr. Key explained that presently there are 20,000 plus secondary students enrolled in vocational programs throughout the state. He said that the state and federal vocational funds supporting these particular students amount to \$311,165, or \$15.50 per student. With an average class size of 15 students, this means that a full years program in secondary vocational education could expect a \$232.50 reimbursement from vocational funds, both state and federal for Fiscal Year 1979.

Representative James Schultz from Lewistown rose in support of the bill. He stated that he has been involved in schools as a teacher, director and vice principal. He has had some 450 different students. Some of them have gone into agriculture; 20% of them went on to college and 10% of them graduated from college. He said that many are engaged in the agricultural related fields. 10% found jobs right in Lewistown. He said that four year agricultural colleges are very expensive and that they are turning their backs on this group of students. This is a very important area, he said, and as he looks at the bill right now, he sees we have no funds after 1979.

Mike Caby was the next proponent to speak. Mr. Caby said that he has a deep concern for Montana youths. The vocational programs in our schools can do an effective job. Resources must be furnished to supply these students with skills and competency. He said that without some support we foresee vocational agriculture to be one of the first programs to be eliminated at the local level when

March 20, 1979

Page Two

budgets are tight. He said that a fully funded House Bill 537 will provide equal education and quality education to Montana's youth enrolled in secondary vocational education. It will protect quality by funding only approved programs, and it will provide our students with opportunities to successfully live and work in Montana. He closed urging favorable consideration for full funding of House Bill 537.

The next proponent was Frank Witt. Mr. Witt stated that he is the State III Vice President of the Montana Association for Future Farmers of America. He commented that the youth of today will be the leaders of tomorrow and it is vocational educational programs and their respective student organizations which greatly aid in developing those leaders of tomorrow. As students in vocational education programs, they are able to learn and develop skills in preparation for future careers. He went on to say that not all students are athletes, not all are scholars and many have interests in other areas. With many young people those other areas include vocational agriculture, home economics, trade and industrial education, and business and office classes. He went on to say that a decrease or lack of funding for vocational education would have an adverse affect on student organizations and on quality of young people graduating from high schools throughout Montana. The funding of House Bill 537 will continue to provide the youth of Montana with the opportunity to develop themselves as individuals, citizens and leaders, and gain the necessary skills which will assure them a chance for success as they enter the job market. He closed by urging the committee to approve the funding for House Bill 537.

Lillian McCammon rose in support of the bill. She stated that due to rising costs brought about by inflation, additional funds will be required to replace worn and obsolete typewriters, transcribers, calculators, and duplicators necessary to maintain their existing programs. To cover the increasing costs of labor and parts, additional funds will be required to provide sufficient maintenance of classroom equipment. They must also acquire equipment to stay abreast of the changing office environments and in order to develop programs in emerging fields such as repographics, data entry and retrieval, word processing, and communication systems, additional funds would be imperative.

Ms. Colleen Cohn from the Montana Home Economists Association rose. She stated that as a secondary teacher, and a member of the Montana Home Economists and Montana Vocational Association, she urged support of the program through House Bill 537.

Robert A. Aspholm, Coordinator of the Vocational Education program in Anaconda High School rose and stated that 80% of the students that are in the high schools in the state do not enter post secondary education programs that will have programs that are designed to help them enter the world of work and to become better employees. He said that when monies are earmarked for vocational education, they cannot be used for anything else. He urged passage of the bill as requested.

March 20, 1979

Page Three

Wayne Lersbak, Superintendent of Schools in Cascade said that House Bill 537 will in effect reduce professional frustration and political bickering over the future of Montana's Secondary Vocational Education.

At this point Maynard Olson, the Superintendent of Schools in Helena School District No. 1 rose in support of the bill. Mr. Olson commented on several portions of the bill. He stated that one of the Board's goals is to establish a vocational education system to meet the vocational needs of the people of Montana. He closed, urging support of House Bill 537.

Jeff Dietz, Supervisor of the Career-Vocational programs at Missoula County High School stated that the Missoula County High School administration urges support of House Bill 537. They believe the procedures outlined in the bill are sound and the financial requests realistic. Secondary vocational education programs do incur additional costs, and this bill can help alleviate that burden in every high school in Montana. He went on to explain that because of its relationship to the foundation program, House Bill 537 would equalize the support for secondary vocational programs throughout Montana.

Doug Polette from Bozeman rose in support of the bill. Mr. Polette said that this is perhaps the last time many students have an opportunity to get formal education. He said that specifically what is needed is a means of providing funds that can be earmarked for vocational programs in the schools. He closed saying that he feels that House Bill 537 provides a fair funding formula that can be easily adjusted depending upon the funds available during any biennium.

The head of the Agriculture and Industrial Education Department at Bozeman, Mr. Max Amberson, spoke on behalf of the bill. Mr. Amberson said that the lack of funding has impaired education programs in Montana. He suggested that vocational education is not an expenditure, but an investment in the future of Montana.

Bill Byrne from Missoula spoke in favor of House Bill 537. He said that over 50% of the students that graduate from secondary schools will receive no further formal education. Now is the time to help these students. Now is the time to take some of the heavy local tax load off the local taxpayer.

Duane A. Gebhardt from Cascade stated that his committee has put out a tremendous amount of dollars to improve their vocational facilities.

March 20, 1979

Page Four

Elroy Letcher, the Executive Secretary of the Montana Council of Co-operatives stated that this organization adopted a resolution overwhelmingly supporting the concept of funding vocational education. They realize the benefits from the program as they hire many people who secure jobs in the market directly from high school. He said that Montana can not afford to lose vocational education or have a reduction in it. He urged support for the bill.

Also speaking on behalf of the bill was T. Carl Johnson who said that he would appreciate the committee's favorable support.

William Ball concurred in the support of the bill. His organization also supports the bill. He went on to commend the State for its support up to 1977. He encouraged the State to continue the funding of the program. He said it provides for the means to get the needs as well as provide the proper control and direction of those funds.

Will Weaver from Great Falls said that it is an important aspect of the curriculum in Great Falls.

There were no further proponents to the bill and no opponents.

QUESTIONS FROM THE COMMITTEE:

Representative Hand wondered if this bill is a duplication of problems in other bills.

Ms. Cohn said that she doesn't think so. We are dealing mainly with secondary students.

Mr. McCauley stated that House Bill 537 would be making reference to students on the secondary level.

Representative Bengston wondered if we are spending too much impact on vocational education on the secondary level in view of the fact that we offer so many remedial levels.

Georgia Rice, the Superintendent of Public Instruction said that vocational education programs offer assistance to those students that are not as interested as others in the academic areas. Many students leave high school and go out into jobs. You can not support those students too much. They are the ones that go out and earn a living earlier; they bring in the tax dollars earlier. She doesn't think it is over-emphasized.

Representative Hand noted that the fiscal impact of this bill is 2.7 million dollars. He asked if 1.7 million is picked up by local areas.

Chairman Bardanouve responded that the fiscal impact would be almost 3 million for the biennium.

Representative Yardley asked Mr. Key about his statement on general

March 20, 1979

Page Five

dis-satisfaction about the use of money and the general distribution. He wondered how this is going to improve this situation.

Mr. Key answered that it is a totally different concept. They could spend former funds on anything they wanted. They have a new system where they are looking at additional cost items only. It is going for the additional cost of the program.

Lengthy discussion was then held on the quality of the program. Questions were asked on the Montana Foundation Committee. Ms. Rice explained the Montana Foundation Program, the money coming into the schools and how it is distributed.

Chairman Bardanouve asked if this would be an incentive to continually raise the cost of this education.

Further questions and answers followed.

At this point Representative Williams closed on his bill by thanking the committee. He said that this is extremely important. All high school graudates can not go to college. These people are the people that the emphasis should be put on. They need the help most; they need the work the training provides. It is worth every dollar we put into it. House Bill 537 provides a decisive and fiscal method to how to finance these programs. It has a lot of flexibility and it will be on a good firm basis because it is attached to the foundation program.

This closed the hearing on House Bill 537.

At this time Chairman Bardanouve introduced Representative Wes Teague, from Billings who is the sponsor of House Bill 892. Representative Teague explained that this legislation appropriates money from the general fund to the Board of Regents of Higher Education for the work study program. He said that this involves the work study of the University system which includes the community colleges. It has been on the statutes for many years, but has never been funded. The intention is to fund it and see to it that the program starts working.

Representative Teague presented Curt Johnson who outlined the history of the bill. Mr. Johnson said that they are trying to be responsible and get some funding. The funding goes to the 6 university units and the 3 community colleges. He said the program is only for Montana residents. 70% of the funds for this program have to go to students demonstrating financial need. The program is administered by the Board of Regents.

March 20, 1979
Page Six

At this time Jim Craig spoke in favor of the bill. Mr. Craig said that he thinks it is a good bill and that it would supplement federal-aid programs. It is a good program. It will enable them to find jobs for more students that wish to work while going to school. He urged support of the bill.

Bill Lannan from the University System was present to answer any questions.

There were no further proponents to the bill and no opponents.

QUESTIONS FROM THE COMMITTEE:

Questions were raised on the enrollment figures for each of the units. Mr. Teague closed saying that the outline for the program is in the statutes. For the \$100,000 they have asked, they expect an amount of \$30,000 in matching funds.

This concluded the hearing on House Bill 892.

House Bill 690 was then presented to the committee by Representative Joe Kanduch from Anaconda. Representative Kanduch said that this is a small bill, but it is an important bill. It is based on quality rather than quantity. He said that this bill would appropriate money from the general fund to the University of Montana for a program of research and service to be operated at Lubrecht Experimental Forest.

Representative Kanduch presented Ben Stout, the Director of the Montana Forest and Conservation Experiment Station. He explained that Lubrecht Experimental Forest is the center for forest research. He will be the administrator for the service and research program. He explained the work will fall into two major categories. He said that the bill will bring together existing information and data that has been combined over the years. They need to have a handle on that vital productivity.

They also need to begin planning experiments. This bill would cover the costs associated with this planning for the filling of gaps in their knowledge of second-growth management. They plan to do the work necessary to assure the results are available to all who need them. A smooth transition can be made from the old growth to the new second growth. Montana can supply the raw materials for the forest industry.

The next proponent was Robert Holding from the Montana Wood Products Association in Helena. He spoke on behalf of the bill. He said that it is very important that we gain information to use on private and range lands in Montana. They need to know more about the second growth so they can perpetuate the 3rd largest industry in Montana.

March 20, 1979
Page Seven

Bill Kirpatrick from Champion industry strongly supported the bill. He said it will be money well spent over a long time. The returns will be manifest within the foreseeable future.

There were no further proponents and no opponents to the bill.

QUESTIONS FROM THE COMMITTEE:

Representative Hurwitz asked if this study isn't long overdue. Representative Kanduch responded that it is sad that we are not much further along than we are. It is long overdue. He said that they are anxious to get started on the project.

Representative Bengston asked who is going to do the research. She thought that the program had been started before.

Mr. Stout answered that they should center their efforts at Lubrecht Forest. They need to bring on a new soils person. These will be split lines.

Representative Kanduch closed saying that when you have quality testimony you don't need too much of a closing.

The hearing on House Bill 690 was closed.

After a short break, Chairman Bardanouve presented Representative Bill Hand from Dillon. Representative Hand is the sponsor of House Bill 504. Representative Hand explained the purpose of the bill is to construct water storage sites from off-stream facilities. He said that 120 potential reservoirs were examined and 7 of them were singled out. The Department of Natural Resources requested \$86,500 to study the acreage to be irrigated, what the water is worth, and the areas of greatest demand along the river.

Robert Culver rose in support of the bill.

John Wilson said that there is a unique problem solving technique that is being put to use here. They are trying to meet agricultural and sportsmen's needs. It is a tribute to the sportsmen and agricultural community to solve these problems. It is a creative way of preserving this river for agricultural and sport fishing needs.

There were no further proponents and no opponents to the bill.

QUESTIONS FROM THE COMMITTEE:

Representative Kvaalen asked if these sites are on public land. Mr. Wilson replied that most of them are on federal land but that some are on state land.

March 20, 1979

Page Eight

Discussion was held on the funding of this program. Questions were also asked on the results of the study. They are looking at the 7 sites and it is doubtful that more than 3 would be considered. Depending on where they would be located, some of those sites have better recreational potential and some have better agricultural potential.

At this point Representative Hand closed his bill.

The Chairman stated that we would then take action on Senate Bill 425. We should make a policy decision on that before we debate the big appropriation bill.

At this point, Representative Yardley made a motion that Senate Bill 425 Be Concurred In.

Representative Marks suggested that this bill be amended to take out of the bill wording regarding the transfer of patients from Boulder.

Discussion was held on whether the bill should be amended. They also discussed the federal funding.

Representative Yardley explained that Eastmont is a good facility. They have the educational facilities, training facilities and have the Eastmont training center sitting right there. He went on to say that the subcommittee has no intention of closing Boulder.

Representative Marks stated that the Department of Institutions has not done their job at Boulder. He said that he is not against using the facility at Glendive, but he hopes that they could use it for something else.

Representative Bengston asked what the reaction was from the Superintendent at Boulder, and also the DD Advisory Council as to this type of move.

Representative Yardley said that they didn't have any recommendations. The Administrator at Eastmont thought that the training facilities could handle this type of people.

Representative Kvaalen stated that he supports the bill. He feels the building should be put to use. We shouldn't keep Boulder open for the sake of the town.

Representative Marks said that the ones that live in Boulder are the ones that are really difficult to place.

Discussion was then held on the housing situation. Moving 60 people

March 20, 1979

Page Nine

to Glendive would make it tight. He feels that they could accomodate the people in time if all of them didn't come at once.

Representative Kvaalen expressed concern over the children at Eastmont who go through their course and then return home. They are still difficult to handle. Some parents feel they should stay at Eastmont even longer. He wondered if it would be possible to expand the 2 day care center to a 7 day a week center and bring in more children who need this type of training.

Discussion was then held on the type of patients that are located at Eastmont.

Representative Marks stated that there might be people in Glendive that would have a use for that facility. He just can not see starting up another Boulder. They have the hospital space, educational programs, therapy, recreation, etc. You are either going to have to forfeit it or duplicate it. He went on to say that this bill is directing policy about what Eastmont will be used for.

At this point Representative Marks read from the statute explaining the primary function of the facilities at Boulder and Eastmont and in closing he moved that the committee not duplicate Boulder.

At this time Chairman Bardanouve stated that we would resume our discussion of this situation during the meeting that will be held on adjournment. The meeting was adjourned at 10:55.

The meeting was reconvened at 3:25 P.M. Chairman Bardanouve presided over the meeting and introduced Representative Hal Harper from Helena, the sponsor of House Bill 901.

Representative Harper stated that this is a bill to provide tuition and fee benefits at qualified educational institutions for eligible nonprior service members upon their entry into the Montana National Guard. He went on to explain that the state of the guard is somewhat declining. Enlistment has been going down for a number of years. This bill would provide \$300 tuition to new people who would enlist in the national guard. He said the benefits are going to be numerous. It is a two-way proposition. It will help the guard to be able to provide them a recruitment tool and will spread the money around the State in different educational institutions. It would be a welcome boost to the guard. It is vital to have an incentive to get people into the National Guard. They provide a sta-

March 20, 1979

Page Ten

bilizing force on the public.

Representative Harper then introduced Jack Walsh from the Montana Army National Guard who stated that he has had problems in recruiting. He said that they recruited 479 men last year on the army side alone. In comparison they lost 429. He went on to say that they must be available in their civilian roles to be called on at any time during emergencies or disasters. Also they are subject to pay Montana income tax on their federal pay. In two years they gave Montana revenue in excess of a quarter of a million dollars. They have the capability to provide services anywhere in the state. He said that the full amount of federal money brought into the state by them came to 27 million dollars. He went on to say that they need some type of incentive to attract new blood to the National Guard.

Mr. Barry Schuler from Kalispell was the next proponent of the bill. Mr. Schuler said that he has spent 12 years in the military. He said that there is a lot available to the people through the Guard. He said that they take pride in their country and they take pride in being able to serve the country. They want to do anything they can to help the younger people. He said that the people that are in the Guard are there for other than monetary reasons. He urged the concurrence of the bill.

Thomas Hayes of Helena said that he represents the Helena Army National Guard. He said that he commands 10 people in a squad. The bill would bring in new blood; mainly 6 year people that could be trained in the job they are going to do and be sure that they are going to be in the guard for at least 6 years. It is hard to recruit the young people to the National Guard because there is nothing to offer them in their civilian job.

Cheryl Eichelkraut from Great Falls said that she is a professional specialist with the National Guard. She said that the Air Guard plays a big role in that community. They take part in various programs in the community.

John Christensen from Helena said that he has 46 people in his unit which is about 63%. He could lose 23 people out of those 46. This bill is the only thing he has to offer young people coming into his unit at the present time.

Responding to a question by Representative Bengston, Mr. Walsh said that there is another bill that is a re-enlistment bill that is coming up for hearing today. They hope that this bill will also help some people.

At this point explanation was given to the terminology of the bill.

Representative Hurwitz stated that this recruitment problem is similar

March 20, 1979
Page Eleven

to the problem the Army is experiencing.

Representative Harper said that they would have to come up with some type of administrative rules. The students that have some kind of need would be the ones that would receive consideration first.

Mr. Walsh stated that they lost about 50 from the guard because they couldn't go to the strike at the institutions.

Representative Moore questioned the members of the Army Reserve National Guard getting into the program and Mr. Walsh stated that they are the Army Reserve National Guard.

This closed the hearing on House Bill 901.

At this point Representative Jim Burnett from Luther presented House Bill 896. He said that this is a re-enlistment bill which would make payable \$50 in January of the year following their re-enlistment. He said that it is a small incentive to tell the people that the guard really does care about their people and the State. They are trying to hold everybody they can in the Guard.

There were no further proponents to the bill and no opponents.

QUESTIONS FROM THE COMMITTEE:

Representative Kvaalen stated that he can't see that \$50 will keep people in the Guard.

Jack Walsh said that the money is not the big thing. It is the interest in their state. They do not feel that money is the most important. This \$50 could offset some of their income tax. It is only applicable to enlisted people.

Mr. Christensen from Helena stated that if a member of the guard leaves the service now he receives nothing but an expression of thanks from the people. With this bill if a member stays in over 6 years, at least he will get something.

Mr. Schuler responded to the statement about this being a slight figure by saying that they asked for \$50 for a specific reason. They would like to see the program get started and thought that this would take care of that.

Representative Burnett then closed saying that he knows that these people are dedicated; that they give up a lot to stay in the Guard or Reserve and that they deserve respect in that matter.

March 20, 1979

Page Twelve

Chairman Bardanoue then introduced Representative Carl Seiffert from Polson who is the sponsor of House Bill 773.

Representative Seiffert stated that this is a request for \$8,750 out of Natural Resources Indemnity Task Account and the Department of State Parks budget. It requires the installation of facilities for disposal of wastes from boat holding tanks on large bodies of water in the state. If the appropriation is approved, it would be handled through the Department of Parks. They will administer it on a 50-50 cost sharing ratio. Once the facilities are in, they are entirely responsible for it. It has never been required that the state parks have facilities for the disposal of the holding tank contents before.

QUESTIONS FROM THE COMMITTEE:

Representative Ellis asked if most of the marinas would be taking advantage of this and Representative Seiffert said that on Flathead Lake there would be either 5 or 6 installations at private facilities. The program would have to be approved by the County Sanitarian. He said that there is no facility there now.

This closed the hearing on House Bill 773.

Representative William Menahan from Anaconda, presented House Bill 914 saying that it requests counties to provide reasonable office space to assessors and appraisers and their staff. He said that Lewis and Clark County is going to charge the State rent. If all counties start to charge for rent, it is going to be quite expensive. This was a committee bill and was drafted by 3 members of the Appropriations Committee.

Representative Wood said that he thinks this is a necessary bill. We are certainly going to be paying for all 56 counties if we start this operation. He said that most of the counties are furnishing rent at the present time. The Department of Revenue has been paying for financial services and utilities on a volunteer basis.

Mr. Laury Lewis from the Department of Revenue rose and stated that he is here to answer any questions the committee might have.

Mr. David Hunter from the City of Helena rose in opposition and said that the building is a city-county building. They have taken over the old federal building in Helena. It is their feeling that because the State has decided to take over the property tax, they should pay their fair share of the rent. The building is in joint ownership with the city and county. They have put \$82,000 into operation for assessors and county classification people. It is their intention to charge the assessors, classification people and appraisers the same rent that is charged to any other office in that building. That comes to \$5.40 a square foot per year. The total cost would be \$19,845 a year. He said that if this bill passes, this cost will be put back to the people of Helena in added

March 20, 1979

Page Thirteen

taxes.

Mr. Dean Zinnecker from the Montana Association of Counties rose and said that they too oppose the bill. You are putting government against government. The property tax is overburdened. It cannot support the demands of education and local government. He said that the State should be a good neighbor and pay their fair share. This is upsetting morale in the courthouse. It is creating a tendency of local government fighting state government. The property tax is the most disliked tax. You will only be increasing property tax if you pass this bill. Local governments would have to increase their mill levy.

Scott Lockwood stated that county commissioners are very concerned about House Bill 914. He said that since the office was taken over by the State, they have enjoyed a good relationship. They believe it is the responsibility of the State to pay for the space plus utilities and janitorial services. He urged the committee to consider this bill.

Dan Mizner from the Montana Cities and Towns rose in opposition to the bill.

Representative Gesek asked if there was any financial impact for the county when the State took this over. Mr. Hunter responded that there was considerable county tax millage, about 3 million dollars property tax millage.

Mr. Zinnecker stated that the employees in this department are all state employees. The counties would much rather pay the balance and have the control. There are no county employees there now.

Representative Ellis asked what they paid for the federal building and Mr. Hunter responded that they received the building free from the federal government.

Discussion was held on the old space that was used by this office. Discussion was also held on the fiscal impact of the bill.

Representative Menahan then closed saying he hoped the committee sees fit to pass the bill. This closed the hearing on House Bill 914.

Representative Dan Harrington from Butte, the sponsor of House Bill 905 stated that his bill will appropriate \$5,000 for the commemorative wall niches in the capitol. He presented J.D. Holmes, of the

March 20, 1979
Page Fourteen

Montana Institute of the Arts Foundation who explained that the bill was started by Senator Blaylock. These niches would pay tribute to outstanding Montanans such as Myrna Loy, John McIntyre, Pat Duffy, Gary Cooper, Harold Uhrie and Carroll O'Connor. Many of these people are just a few of the people who have Montana connections. He said that radio people and art people are not the only ones who will be put into the niches. The idea is that some of these people should be brought forth so that people could see them. The Arts Council would pick the names and possibly change the people in the niches from time to time. He concluded by saying that the \$5,000 would get the project started.

There were no further proponents and no opponents to the bill.

QUESTIONS FROM THE COMMITTEE:

Representative Bengston asked for an explanation of the \$5,000.

Mr. Holmes stated that they estimated the basic fund was for 16x20" pictures and framing them and setting them into the niches.

Representative Harrington then closed saying that he feels the idea is very good and that he hopes the committee will look favorably on it.

This closed the hearing and the meeting was adjourned at 5:00 P.M. to resume at 7:30 P.M.