

APPROPRIATIONS - FINANCE & CLAIMS

SUB-COMMITTEE: HUMAN SERVICES

JANUARY 24, 1979 - CAPITOL ANNEX

The meeting was called to order at 7:15 p.m. by Chairman Steve Waldron with the following members present:

Chairman Steve Waldron
Senator Gary Aklestad
Representative Bill Hand
Representative Robert Marks
Senator Pat Regan
Senator Pete Story

Others present were: Senator Matt Himsl, Carolyn Doering, Executive Budget Office and Curtis Nichols, LFA.

INDIAN AFFAIRS

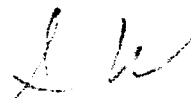
This is a unit under the Director's Office. The difference between budgets is reflected in the travel money allowed. The LFA recommends keeping the travel at the requested level; the Executive Branch cut the travel funds. There are four FTEs in the program: an Indian Criminal Justice person, a director, an administrative assistant and a secretary. The unit's main purpose is to provide a liaison between the tribes and state government. It gives the tribes a line to the state government.

Carolyn Doering pointed out to the subcommittee that the Indian Affairs have lost all their federal funding. So perhaps the members would consider this as some of the federal funding did go to such things as rent and centralized services. They would like to have the federal funds approved in case there is a reversion and they do get the money.

Senator Regan moved to accept the Executive Budget for FY 1980 and FY 1981, giving them the authority for four FTEs if they can find funding for them.

Senator Story voiced the opinion that this was the only program the Indians had where they could make their problems known. Senator Himsl said that although it was a good idea, the cooperation between different tribes and the leader of the program has been a problem in the past.

The motion by Senator Regan to accept the Executive Budget for FY 1980 and FY 1981 and to give them 4 FTEs was called for question.



Vote:

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|-----------------------------|-----|
| Senator Gary Aklestad | No |
| Representative Bill Hand | Yes |
| Representative Robert Marks | Yes |
| Senator Pat Regan | Yes |
| Senator Pete Story | Yes |
| Chairman Steve Waldron | Yes |

The motion passed.

The Indian Affairs will have to finish out FY 79 as best they can without the federal funds.

LOCAL GOVERNMENT SERVICES

This service is responsible for municipal audits including cities, counties, towns and school districts. They do charge a fee of \$15.00 presently and plan to raise it to \$20.00. This money goes directly to the general fund.

There is a bill before the House this year to let the DCA decide if an audit will be contracted out or not. Presently audits are contracted out; however it is up to the specific county or town to decide. There was a brief discussion on third-class school district audits, but it was determined they did not effect the budget.

It was brought out that the program does not have sufficient manpower at the present to complete all audits that they have and reducing FTEs would hurt. Carolyn Doering also pointed out that Mr. Pedergast is concerned over the amount of audits dealing with Disaster Funds. The program must audit all the funds and at this point in time they've had over 60. The program would like the subcommittee to release the vacancy savings.

There is a difference in budgets. The first difference is in regards to the automobiles. The LFA recommends buying five new automobiles; four in FY 80 and one FY 81. The cost being \$25,700. All the automobiles they now have, have mileage over 100,000. Carolyn Doering explained that the Executive Budget Office did not incorporate these cars in the budget because of an agreement with the program. The program felt they needed one position which would be taken by vacancy savings. They agreed not to have new cars, if they could keep their FTE. The reason the motor pool cars are not used is because they are Helena-based and the cars needed are for field work. Maintenance has not been figured in the Executive Budget.

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Senator Regan moved to accept the Executive Budget which provided for the FTE and no automobiles.

A substitute motion was made to fund \$25,700.00 for additional automobiles. Vote:

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|-----------------------------|-----|
| Senator Gary Aklestad | No |
| Representative Bill Hand | Yes |
| Representative Robert Marks | No |
| Senator Pat Regan | No |
| Senator Pete Story | Yes |
| Chairman Steve Waldron | Yes |

The motion failed on a tie vote.

It was pointed out that the pay plan was a separate item and was not included in the budgets. However, the budgets do reflect a step increase between 1978 and 1979.

Senator Regan's motion to accept the Executive Budget was called for a vote.

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| Senator Aklestad | Yes |
| Representative Bill Hand | Yes |
| Representative Robert Marks | Yes |
| Senator Pat Regan | Yes |
| Senator Pete Story | Yes |
| Chairman Steve Waldron | Yes |

The motion passed. The Executive Budget is accepted for the Local Government Services.

ACCOUNTING AND MANAGEMENT SYSTEM

This program was designed to establish a uniform accounting system throughout the state. They have developed the BARS system; however communities that have implemented the program have done so voluntarily. Mr. Pedergast had said it was a mandatory program. There was much discussion on whether it was mandatory for the communities to get this system. It was also discussed that the program was designed to finish in 1981 and now they are asking to be extended to 1985 and perhaps later for maintenance. It was pointed out that some of the towns were satisfied with their own systems.

The difference between the Executive Budget and the LFA is for automobiles. The LFA has put in funds to buy two new automobiles for the division. Both cars have extensive mileage, 94,000 and 124,000.

Senator Regan expressed concern about the program continuing on.

Most of the larger towns and cities have the program. She felt the program should be sunsetted. Senator Himsel sympathized with Senator Regan. He felt the program had not done the job. The first system they developed was not accepted by anyone so they did it over. Representative Marks felt perhaps the program should know when a deadline is set it should be followed.

Senator Regan moved that the program be sunsetted in 1981. The vote was unanimous. The motion passed. Senator Regan noted that this was a warning to let them get in gear. Senator Story said he would get the State Administration to put in a bill to sunset.

Senator Aklestad moved to accept the Executive Budget for FY 1980 and cut the Executive Budget to \$100,000.00 for FY 81. There was discussion that the \$100,000.00 would not be sufficient to cover the year. A vote was taken:

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|-----------------------------|-----|
| Senator Gary Aklestad | Yes |
| Representative Bill Hand | No |
| Representative Robert Marks | No |
| Senator Pat Regan | No |
| Senator Pete Story | Yes |
| Chairman Steve Waldron | No |

The motion failed.

Representative Hand moved that the LFA Budget be accepted for FY 80 and the Executive Budget for FY 81.

Vote:

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|-----------------------------|------|
| Senator Gary Aklestad | No |
| Representative Bill Hand | Yes |
| Representative Robert Marks | No |
| Senator Pat Regan | Pass |
| Senator Pete Story | Yes |
| Chairman Steve Waldron | Yes |

The motion passed. The LFA Budget is accepted for FY 80 and the Executive Budget for FY 81.

CENTRALIZED SERVICES

This is the first time Centralized Services has its own budget. Previously it was included with the Director's Office, Field Assistants and Centralized Services. The LFA recommends cutting 1.5 FTEs from the program. The LFA studied the program and felt that compared to the number of transactions

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they had too many FTEs. The LFA feels they can operate without the additional 1.5 FTEs.

Carolyn Doering explained that the LFA counted transactions wrong by calling 10,000 transactions in the housing program one transaction. Therefore the figures were wrong. The division has already lost one FTE in 1978 by the hiring freeze and they cannot afford another one.

The chairman pointed out that in 1974 they had three million dollars worth of transactions and in 1978 they had seventeen million dollars worth of transactions without the FTE level ever going up. It was noted that neither budget recommends any general fund monies. Funds come from the revolving account.

Representative Marks moved to accept the LFA recommendations. It was questioned whether the FTEs could be added by budget amendment. If they are rejected in the subcommittee they cannot be brought up in a supplemental.

A substitute motion was made by Senator Regan to accept the Executive Budget.

Vote:


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|-----------------------------|-----|
| Senator Gary Aklestad | No |
| Representative Bill Hand | Yes |
| Representative Robert Marks | No |
| Senator Pat Regan | Yes |
| Senator Pete Story | Yes |
| Chairman Steve Waldron | Yes |

The motion passed. The Executive Budget was accepted for the Centralized Services.

HUMAN RESOURCES

The difference in the budgets is due to the weatherization program. The Executive Budget allows \$150,000 of Coal Tax Interest money for the program. The LFA allows no money. The problem is that over four million dollars in federal money can only be used for materials. Without the Coal Tax money they have no way to hire labor. It was pointed out that CETA is being cut back, and that they can only be used to flow through to a permanent position. There was also a difference in general fund monies allowed. The LFA funded \$38,000 and the Executive Budget Office funded \$31,000.

Representative Hand moved to accept the LFA Budget. It was



then pointed out that the State Weatherization Funds were mandated through 1979 only. No one knows of a new bill continuing the program.

The subcommittee discussed the general funds. They wanted to know if the program could operate without them. Carolyn Doering told the subcommittee that part of the funds were used as a match to receive Community Services Administration money. It was not certain if they would lose the federal monies without the match. Curt Nichols will look into the matter.

Senator Regan moved to delete all general fund money.

Vote:

| | |
|-----------------------------|-----|
| Senator Gary Aklestad | Yes |
| Representative Bill Hand | No |
| Representative Robert Marks | Yes |
| Senator Pat Regan | No |
| Senator Pete Story | Yes |
| Chairman Steve Waldron | Yes |

The motion passed. All general funds were deleted from Human Resources.

The motion was made to delete \$150,000 of Coal Tax Interest money from the Executive Budget:

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|-----------------------------|-----|
| Senator Aklestad | Yes |
| Representative Bill Hand | Yes |
| Representative Robert Marks | Yes |
| Senator Pat Regan | Yes |
| Senator Pete Story | Yes |
| Chairman Steve Waldron | No |

The motion passed. The Coal Tax Interest was deleted from the Executive Budget.

It was asked if the subcommittee could change the FTEs if general funds were not appropriated. The subcommittee can approve the FTEs.

Representative Marks wanted someone from the subcommittee to contact the Director of the program and see where he would reduce his program by five FTEs. Curt Nichols will speak with the Director.

Representative Hand moved to accept the Executive Budget with the deletion of the general fund money and the Coal Tax Interest money. Vote:

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|-----------------------------|-----|
| Senator Gary Aklestad | No |
| Representative Bill Hand | Yes |
| Representative Robert Marks | Yes |
| Senator Pat Regan | Yes |
| Senator Pete Story | Yes |
| Chairman Steve Waldron | Yes |

The motion passed. The Executive Budget was accepted with the two amendments. This budget may be reconsidered at a later date.

HIGHWAY DIVISION

There was a request for a statistician in the Executive Budget. It was brought in previously by a budget amendment and is paid entirely on federal funded money. It was an oversight by the LFA and probably would have been included in their budget. If the position is not approved, they will lose the federal money. The other difference between the Executive Budget and the LFA Budget is \$100,000 for a Public Information Program, \$25,000 which is gas fund money, \$75,000 which is federal funds.

Senator Regan moved to accept the statistician as in the Executive Budget. Vote:

| | |
|-----------------------------|-----|
| Senator Gary Aklestad | No |
| Representative Bill Hand | Yes |
| Representative Robert Marks | Yes |
| Senator Pat Regan | Yes |
| Senator Pete Story | Yes |
| Chairman Steve Waldron | Yes |

The motion passed.

The subcommittee questioned what would happen if they did not use the gas tax funds. Carolyn Doering informed the subcommittee that the \$75,000 can only be used to develop programs, it cannot be used for air time. Without the \$25,000 funding they can only use free public service air time which is minimal. The fiscal analyst expressed that he wasn't sure advertising was the best way to use the money. The LFA recommended instead that two traffic engineers be added.

Representative Hand moved to delete the \$25,000 Gas Tax money which would be used for an education program on seat belts and the 55 m.p.h. speed limit. The vote was unanimous and the Gas Tax Money was deleted.

Curt Nichols recommended the funding of two traffic engineers with Gas Tax Money. They would assist the local government with getting federal loans and with planning problems. Carolyn Doering brought out that the Highway Department does have traffic engineers, but it was felt they did not help local communities.

Representative Marks moved to adopt the LFA Budget with the amendment for the statistician. Vote:

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|-----------------------------|-----|
| Senator Gary Aklestad | Yes |
| Representative Bill Hand | Yes |
| Representative Robert Marks | Yes |
| Senator Pat Regan | Yes |
| Senator Pete Story | No |
| Chairman Steve Waldron | Yes |

The motion passed. The LFA Budget was accepted with the one amendment.

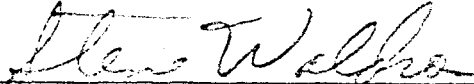
Carolyn Doering advised the subcommittee that they must approve the \$75,000 federal funds for the Highway Division or they would lose it. The motion was made to approve the funds for the Highway Safety Program. Vote:

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|-----------------------------|-----|
| Senator Gary Aklestad | No |
| Representative Bill Hand | Yes |
| Representative Robert Marks | Yes |
| Senator Pat Regan | Yes |
| Senator Pete Story | No |
| Chairman Steve Waldron | Yes |

The motion was passed.

The meeting was adjourned at 9:45 p.m.

Respectfully submitted:



Steve Waldron, Chairman
Approved

HSP: bes