

MINUTES OF THE MEETING

PUBLIC HEALTH, WELFARE & SAFETY COMMITTEE

February 14, 1979

The fifteenth meeting of the Senate Public Health, Welfare and Safety Committee met on February 14, 1979, in Room 410 of the State Capitol Building at 12:30 p.m.

CONSIDERATION OF SENATE JOINT RESOLUTION 16: Senate Joint Resolution 16 requests that the Department of Social and Rehabilitation Services fund day-care services through Title XX of the Social Security Act.

Witnesses supporting SJR 16:

Janice Watson, Montana Day Care Association  
Jim Romeneski, St. Thomas Child Center  
Jim Zion, Montana Day-Care Association  
Pat Godbout, Associated Students of Univ. of Montana  
Diane Williams, League of Women Voters

Witnesses opposing SJR 16:

John Fitzpatrick, Office of Budget & Program Planning

Senator Palmer, sponsor of SJR 16, said that it is a joint resolution of the Senate and the House to request that SRS fund day-care services through Title XX. He said there will be a lot of testimony about the proposed change from Title XX to Title IVA. This will cause a great deal of difficulty if funding is switched. He introduced Linda Brander, Montana Day-Care Association, to introduce her proponents who wish to testify.

Janice Watson, Montana Day-Care Association, said that presently the children are enrolled in day-care centers and day-care homes that are licensed by the state of Montana to care for the children. As a day-care operator, she has worked with a lot of children. They usually start with her at the age of 2 or 3 and stay until they are 6 or 7. It becomes a home away from home and is sometimes better than home because there is no conflict. Title XX uses the voucher system, and the day-care person is paid directly from the state. Therefore, there is no problem with the child attending. What will happen under Title IVA is that the parents would have the responsibility of paying the day-care center. These parents are making very little and bills pile up. They find they can no longer afford day care, so they place the children with a friend or an older child. What happens to the child when they are moved from one situation to another is that they begin not to trust adults, not to trust society, and not to make friends with other children.

Jim Romenesko, Great Falls, said he operates the St. Thomas Child Center, which is a non-profit day-care center; but he wants to speak for all day-care centers, which are concerned with about 2000 children. He feels these children don't have a voice. He feels that they are low priority because a lot of money that Montana gets for day care does not get to the day-care people. He stated that presently his center is licensed for 75 children. Approximately one-third of the children fall into Title XX category. These people have very tight financial problems. The switch-over in funding will place an additional burden on these families and will affect the children. The need is really great. There is a disparity between what the state pays for these children compared to what other children pay, and these funds are made up by United Way, etc. The center people and other day-care people feel this is striking at the heart of their business and at these parents who are willing to go out to work instead of sitting at home on welfare. The other consideration Mr. Romenesko posed is the fact that under Title IVA regulations welfare recipients would be able to get unlicensed care, and there would be no way of keeping up the quality of care. See Attachment "A."

Jim Zion, Montana Day-Care Association, said that essentially what we are talking about is a funding switch from Title XX which is 100 percent federal funds paying for day care over to Title IVA which provides for a state and county match. What the SRS proposal does is to switch the funding to Title IVA to loosen up the money for other programs. The thought behind that is that although for the first time the state would have to put up a match the overall savings to the state would justify the switch. Prior to the enactment of Title XX the payments were made under Title IVA. The experience that the day-care centers had was that children dropped out of day-care centers, and there were collection problems. There are 1776 children in Montana in day care. The proposed SRS plan came out under Title XX, and the number of children jumped to over 3000. The switch wasn't mentioned in the plan. In the table it does show that the counties and states would have to match. Mr. Colbo did mention his plan to the state Legislature in December. As of the first week of February, Mr. Colbo drafted a memo indicating that they would keep working parents under Title XX but non-working parents would be under Title IVA. This is discriminatory because you have parents under different criteria.

John Fitzpatrick, Office of Budget and Program Planning, spoke in opposition to SJR 16. He feels that this Committee is being asked to endorse a certain type of funding. This has always been left to the Appropriations Committee. There are alternatives to Title XX day-care funding. Each should be evaluated by the Appropriations Committee before one type of funding is determined. The people have presented reasons why Title XX is preferable to Title IVA. He feels there is an advantage in being able to choose your babysitter and in not having to go to a licensed babysitter. He showed the Committee an article that pointed out that most parents prefer to have their child cared for in a neighborhood home. He said he thinks licensed babysitters and day-care centers are necessary, but under Title IVA there is an option available. Under Title IVA payment rests with the parent. Under major social programs the intent is to make the client independent. If you are going to endorse legislation where the state makes the payment, you are making that parent a second-class citizen and saying that they don't know how to budget their money. Mr. Fitzpatrick said that under Title IVA there is a need for the county and state to match, but the state gets a 64 percent match that goes on indefinitely from the federal government. The state has some indication that out-of-state residents are receiving money under Title XX who may not receive money under Title IVA. If the Committee endorses this resolution, Mr. Fitzpatrick said it may restrict future considerations.

Senator Palmer closed the testimony by stating that the Committee can tell by the testimony that was presented that SRS started out with one policy and then they adjusted and then they adjusted again. They simply don't know what switching the money will do. He thinks we should give the very best day-care service to the children of the state. The Appropriations Committee is looking at this, but the day-care people have not received much attention from them. This bill is designed to get their attention. The issue is plain; the material is complex; and Senator Palmer asked the Committee to recommend a do pass for SJR 16.

Chairman Rasmussen asked Committee members if they have any questions. Senator Norman asked Mr. Zion if he has an estimate on how much additional county and state financial burden would be created by a switch to Title IVA. Mr. Zion said this is one of the difficulties in predicting the impact. When the study first came it was talking about switching all funds over. The way the plan has been modified, the SRS figures have indicated that somewhere over 500 children will be affected. Mr. Waldron, Budget Office of SRS, said that by changing it will cost the

counties \$99,409 in 1980 and \$100,029 in 1981 if SRS goes to the split. Senator Norman asked what it would cost the state. Mr. Waldron said there is no guarantee that this federal money will continue into 1980 and 1981. If the cap does not go up, then every dollar we put in is a 75 to 25 percent split. The state may have to fund the services with 100 percent general fund money if there is a cap. Senator Norman asked if there is no cap how much it would cost the state if we went from Title XX to Title IVA. Mr. Fitzpatrick said it would be an extra 4 percent of the total cost of the 8 million dollars. Senator Norman said before the Committee acts on this bill, he would like some kind of a fiscal note. Mr. Waldron said there is a discrepancy between the fiscal analyst figures and the executive budget. This makes the whole thing kind of hazy. Senator Ryan said he would like to have the figures show Title XX on one side and Title IVA on the other. Senator Norman asked also for the fiscal analyst's computation with this. Senator Himsl asked for an explanation on what the qualifications are for the use of government funded day-care centers. Senator Himsl asked Mr. Zion for clarification on why the day-care centers take these children at or below cost. Mr. Zion said at the present time the state pays centers \$5 a day. The majority of the centers get \$6 per day from private individuals. The privates are offsetting the over-all budgets. Senator Norman asked that the number of children in day-care centers who would be affected by the switch be included in the fiscal note. Mr. Fitzpatrick said about 800 cases could be affected by this switch.

The hearing on Senate Joint Resolution 16 was closed at 1:25 p.m.

CONSIDERATION OF SENATE BILL 373: Senate Bill 373 is an act to establish a fee to be charged by the Department of Social and Rehabilitation Services for adoptions that are not subsidized.

Witnesses opposing Senate Bill 373:

Ron Roach, Frontier in Adoption

Senator Steve Brown, sponsor of Senate Bill 373, said he introduced this bill at the request of friends from Great Falls who were attempting to adopt children. In applying to adopt a child they had to pay a fee up front and would have had to forfeit some of that fee if the adoption was not completed. This bill provides that SRS can also charge an adoption fee, and Section 2 of the bill specifies that 50 percent of that fee will be forfeited if the child is returned. Senator Brown said he cannot think of a single program in SRS which isn't in need of additional funding. His approach provides some money coming into the state. He urged the Committee's consideration because he believes this would be one program where the Legislature could bring money into the state. He doesn't feel the bill should prevent children from being adopted.

Ron Roach, pastor from Great Falls and legislative committee chairman of Frontier in Adoption, said that his group is one of several adoption groups formed throughout Montana. He is here today to speak in opposition to Senate Bill 373 on behalf of the 35 members of his group. They feel that it is offensive to put a price on a human life. He said he does not have the figures of the revenue that the state will receive, but he will show what the state saves through adoptions. The group's second objection is that there is no provision for hard-to-place children. Their third objection is the method of determining the fee based on the average charged by outside adoption agencies. He said that about 95 percent of the private agencies adoptions are infants who are easy to place, whereas SRS is given children who are hard to place. Their fourth objection is that they feel that adoptive parents that come into SRS and volunteer their services and their love should not be charged. He feels that they should be applauded and not penalized. He stated that foster care parents receive \$4 per day for a child, or \$1440 per year. This is compared to an average cost of adoptions by outside agencies of \$1200. Anyone can see that the adoption immediately saves the state money. He can't see why anyone should have to pay the state money to save them \$1440 per year and take an unwanted child. He stated that they are totally against Section 2 which says there is a 50 percent rebate for a child that is returned. He feels this is an insult to the parent to give money-back guarantees as adoptive parents.

Senator Brown closed testimony by telling the Committee he wants it to consider everything there. He checked with SRS when this bill was drafted, so they would have been here if they were opposed. The fact that the Committee by passing this bill would be putting an amount on human life is already being done by private adoption agencies. He stated that he is willing to amend the bill to provide for hard-to-place children. He doesn't feel that all of SRS children are hard-to-place. He stated that this bill does not affect the foster day-care program.

Chairman Rasmussen asked the Committee members if they had any questions. Senator Norman asked if he would have to pay for adoption through the Catholic organization. Senator Brown said he would. Senator Olson asked if the private agency pays SRS anything. Senator Brown said they do not. Mr. Roach said he feels the state should not be in competition with private industry.

At the very least there should be an amendment that would place the fee at what the cost would be to the state and not based on private fees. Senator Hims1 said he thought these adoption agencies cooperated and wanted to know if a private agency could go into the files of SRS to find a certain type of child, get the child from SRS free, and then charge the adopting parents. Mr. Roach said he does not believe that the other agencies have free access to the files of SRS. Chairman Rasmussen asked if there as a figure to be charged. Senator Brown stated that the fiscal note reads \$1200. Senator Brown stated it would be suitable to him to amend the bill on line 13 by adding "except for a reduced fee will be waived for hard-to-place children." Senator Rasmussen asked Mr. Roach if he would support or oppose the bill with that amendment. Mr. Roach said if Section 2 is revised so that the 50 percent is dropped and the statement of hard-to-place children is inserted, then his group would support the bill. Senator Brown stated that he is amenable to that.

The hearing on Senate Bill 373 was closed at 1:55 p.m.

CONSIDERATION OF SENATE BILL 398: Senate Bill 398 is an act to conform certain liquor laws to the constitutional amendment raising the drinking age to 19 years.

Chairman Rasmussen said that Senator Boylan, sponsor of Senate Bill 398, could not be here and asked that Bruce McKennis speak for him.

Bruce McKennis, Department of Revenue, said that this is a housekeeping measure. During the last general election, the voters of the state said that the drinking age should be increased to 19 from 18. This presents problems to the department in administering liquor laws in that there are other related matters.

Mr. Bill Harrington, bureau chief with the Investigation Division of the Department of Revenue, said that specific cases where changes have been requested were not addressed by the election. He stated that the department went through the Code and picked out sections that would be in conflict. On page 3, line 13, section 16-5-101, this has been suggested for repeal, but it has not been repealed at this time.

Chairman Rasmussen asked the Committee members if they had any question. Senator Norman asked if this were to be enacted and become law would it be possible for someone 18 years of age to own a liquor license and distribute liquor on the premises.

Mr. McKennis said this is a law now. Senator Norman asked if an 18 year old could sit and drink Tab without being banned. Mr. Harrington said that is permitted under state law. Senator Norman wanted to know why they didn't stop an 18 year old from holding a liquor license. Mr. McKennis said he doesn't want to get involved in the system of liquor quotas. The license is a valuable piece of property. They do not want to pass a bill saying they cannot hold a license because this would be taking personal property without compensation for those who already own a license. They are going to grandfather those people into the new law. Senator Ryan asked why they are deleting distribution of ID cards. Mr. McKennis said there is a provision already existing in state law that says you can get an ID card from the Highway Department in much the same way you get a driver's license. Therefore, having two departments give ID cards is a duplication of service.

The hearing on Senate Bill 398 was closed at 2:00 p.m.

ACTION ON SENATE BILL 398: Senator Norman moved DO PASS on Senate Bill 398. Roll call vote was taken, and the motion passed unanimously.

CONSIDERATION OF STATEMENT OF INTENT FOR SENATE BILL 100: Senator Norman explained that we need the statement because we repeatedly gave the Department of Health rule-making authority in Senate Bill 100. There were eight instances of this in the bill. Some of them were trivial, and some were more detailed. Chairman Rasmussen asked Senator Norman to skim through the bill with the Committee. Senator Norman stated that the first two pages of the statement of intent is a general statement of what the Committee is trying to do. Section 2 starting on page 11 requires the most definition. Mr. Taylor explained the different parts of the statement to the Committee. Senator Norman stated that much of the rule-making authority granted in this bill was already given to the Health Department through the years, but all this rule-making authority had to be extended to cover home health agencies.

Senator Olson moved that the Statement of Intent be adopted. The motion passed unanimously.

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ADJOURNMENT: There being no further business, the meeting was adjourned at 2:20 p.m.

A handwritten signature in cursive script, appearing to read "A. T. Rasmussen".

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A. T. RASMUSSEN, CHAIRMAN



SENATE COMMITTEE PUBLIC HEALTH, WELFARE & SAFETY

Date 2-24-79 Bill No. SB398 Time 2:00 p.m.

NAME	YES	NO
Senator Matt V. Himsl	✓	
Senator Everett R. Lensink	✓	
Senator Bill Norman	✓	
Senator Bob Palmer	Absent	
Senator Patrick Ryan	✓	
Senator S. A. Olson, Vice-Chairman	✓	
Senator A. T. Rasmussen, Chairman	✓	

July F. Olson  
Secretary

Tom Rasmussen  
Chairman

Motion: No Pass SB398

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(include enough information on motion--put with yellow copy of committee report.)



SENATE Public Health COMMITTEE

BILLS SB 373-398  
SJR 16

VISITORS' REGISTER

DATE 2-19-71

NAME	REPRESENTING	BILL #	(check one)	
			SUPPORT	OPP
Rev Ronny Roach	Myself + Frontier In Action	373		✓
Curt Johnson	Montana Student Leth	SJR 16	✓	
Doree W. Zim	Mont Day Care Assn	SJR 16	✓	
Mildred Wehman	Mont Day Care		✓	
Naug Arsen	Mont Day Care	SJR 16	✓	
Blaney Gibson	Mont. Assn. of Counties	SJR 16		
Maudie Dwyer	Mont. Assn. of Counties			
Ann Larson	MT. Day Care Assn.	SJR 16	✓	
Martha McDonald	MT Day Care Assn	SJR 16	✓	
Kathy Bousfield	MT. Day Care Assn	SJR 16	✓	
Jaymie Watson	MT Day Care Assn	SJR 16	✓	
Pat Gullerut	ASUM Health	SJR 16		
Linda Bander	Mont Day Care Assn	SJR 16	✓	
Marianne Smith	MT Day Care	SJR 16	✓	
Doris Steen	MT Day Care Assn	SJR 16	✓	
Mona Joseph	Mont. Day Care Assn	SJR 16	✓	
Margaret Johnson	MT day care assn	SJR 16	✓	
Rene Williams	Assoc. of Mont. Counties - MT	SJR 16	✓	
Edna Romerich	MT Day Care Assn	SJR 16	✓	
Bruce McKinzie	Montana Dept of Health	398	✓	
Bill Humphrey	Montana Dept of Health	398	✓	
Jan Mallon	MT Coalition of Home Service	SJR 16	✓	
Kirk Boylan	Montana Dept of Health	SJR 16	✓	
Paula Robinson	Montana Dept of Health	SJR 16	✓	

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

NAME: Jan Watson DATE: 9-14-79

ADDRESS: 1330 E 4th Massachusetts

PHONE: 549-0058

REPRESENTING WHOM? Mont. Dr. Care Assoc.

APPEARING ON WHICH PROPOSAL: SSR 16

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENTS: \_\_\_\_\_

SSR must be passed for the child  
sale.

NAME: Pitt Abbott DATE: 2/11/79

ADDRESS: 750 Eddy Ave. University of Mont., Missoula, MT

PHONE: 249 - 5751

REPRESENTING WHOM? Associated Students University of Montana

APPEARING ON WHICH PROPOSAL: JR 16

DO YOU: SUPPORT? \_\_\_\_\_ AMEND?  OPPOSE? \_\_\_\_\_

COMMENTS: My bill should continue under title  
XX and to continue to provide day care  
for college students

NAME: Sheela Rice DATE: 5/14

ADDRESS: 1501 4th Ave No

PHONE: 453-0198

REPRESENTING WHOM? myself

APPEARING ON WHICH PROPOSAL: SIR in support

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENTS: SIR in support

My comments have been distributed  
to the committee

NAME: Curt Johnson DATE: 2/11

ADDRESS: 1008 11<sup>th</sup> Ave #6 Helena

PHONE: 443-5203 - 449-3024

REPRESENTING WHOM? Montana Student Lobby

APPEARING ON WHICH PROPOSAL: SJR 16

DO YOU: SUPPORT?  AMEND?  OPPOSE?

COMMENTS: See prepared testimony





NAME: Rev Ronny Roach DATE: 2-14-79

ADDRESS: 605 36th Ave NE

PHONE: 406-761-0495

REPRESENTING WHOM? Myself and Frontiers In Adoption

APPEARING ON WHICH PROPOSAL: Bill SB 373

DO YOU: SUPPORT?  AMEND?  OPPOSE?

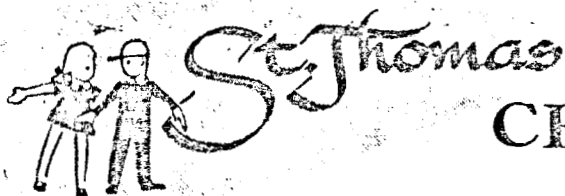
COMMENTS: Not too serious as Rehabilitation through child

1. No provision of (hard to place) children

2. Merchandise of state awarded children

3. Section 2 gives in effect 50% money  
back guarantee

4. Base of the determination of the Fee is  
totally unfair in light of difference in  
other <sup>agencies</sup> ~~agency~~ and SRS.



# CHILDREN'S HOME

PHONE 761 6538 3200 CENTRAL AVENUE GREAT FALLS, MONTANA 59401

December 22, 1978

Ms. Linda Brander  
MDCA Coordinator  
Suite #12  
201 East Sixth Avenue  
Helena, Montana 59601

Dear Ms. Brander,

I feel it necessary to respond to the planned switch in AFDC day care funding from Title XX to Title IV-A. The switch will be detrimental not only to us financially, but will further encumber AFDC recipients and their children in many ways.

I enclose a statement of why we are concerned. I would appreciate your sharing it with anyone involved in the legislative appropriations process for further consideration.

Thank you for your help on our behalf.

Sincerely,

E. James Romenesko  
Day Care Director

EJR/bc

Enclosure

TESTIMONY

TITLE XX -- TITLE IV-A SWITCH

By

Jim Romenesko, Director  
St. Thomas Children's Center  
Great Falls, Montana

ATTACHMENT "B"

PROPOSED TITLE XX CHANGE TO TITLE IV-A

By

JAMES ZION

Prepared for

THE MONTANA DAY CARE ASSOCIATION

HELENA, MONTANA

ATTACHMENT "C"

Testimony provided by Pat Godbout on the proposed elimination of college students from the AFDC day care program.

Mr. Chairman and Committee Members:

I am Pat Godbout from Missoula. I am here on behalf of the Associated Students of the University of Montana. Presently, I am the coordinator for a day care program operated by that organization for college students.

This program serves 95 children of that total 35 are AFDC related. A survey of Missoula day care providers indicated that approximately 44 college students are currently eligible for AFDC related day care. This number is an estimate because neither S.R.S. district office nor Missoula County Welfare were able to provide an exact count.

I am not able to provide figures on the number of college seniors in this group because I could not obtain S.R.S.'s definition of what constitutes senior status. I foresee serious administrative problems for S.R.S. in determining whether a student will be able to obtain a degree in one year. The University determines a student's status each quarter by the number of credits he has earned. Simply because the University considers a student to have junior status in no way means that he could not obtain his degree in one year.

We have reviewed our records for past AFDC related students. These records indicate that those who have graduated are gainfully employed in a variety of professional positions. Examples of present employment for these people are foresters, teachers, home economists, social workers, and accountants. Because they were able to obtain a college education, they are now able to support their children, pay their own child care costs, and pay taxes. I will now read a memo from Donald Mullen, Director of Financial Aids for the University of Montana. I have provided copies of this memo for your reference.

As you will note from this report, the student grants available will not cover day care costs. By eliminating AFDC related day care for college students you will effectively eliminate college training for low income single head of households. The members of this committee might question if under current federal regulations either title XX or IV-A S.R.S. is allowed to deny certain training options for AFDC related clients.

UNIVERSITY OF MONTANA

DATE: February 13, 1979  
TO: To Whom it May Concern  
FROM: Donald J. Mullen, Director, Financial Aids  
RE:



The availability of AFDC Benefits, including day care and medical services has been an essential element of the financial resources available to single parents. It is virtually impossible for the University to fully fund the needs of such students. Without AFDC and related benefits many single parents will be unable to secure a college education.

I will demonstrate this with an example.

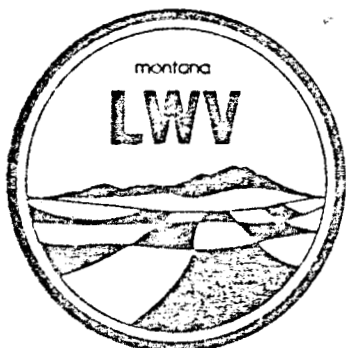
Single parent w/one child:

Basic 9 month budget	\$ 4,000	
Direct education costs	625	Fees
	175	Books/ Supplies
	200	Misc./Commuting
Total	\$ 5,400	
Maximum aid available	\$ 1,062	BEOG
	1,000	SEOG
	1,000	NDSL
	1,500	W-S
Total	\$ 4,562	

Such a person is more than \$800 short of meeting minimal costs--exclusive of any babysitting, and needing to work at least 15 hours per week while being a full time student and a parent.

As the size of the family increases the deficit becomes even greater. Without outside resources there is no way these people will be able to stay in school.

DJM/djg



Senate Public Health Committee

Re: SJR 16

Feb. 14, 1979

The League of Women Voters of Montana supports SJR 16.

The League is concerned about the quality of Day Care available to Montana's working parents for two vital reasons: 1) that our children get a start in life that will foster, rather than damage their best qualities and 2) which is often overlooked - good Day Care enables the borderline poor to work rather than become a burden to the welfare rolls.

We see the budget shift from Title XX to Title IV-A as a deplorable move. We feel it will reduce any likelihood of children being cared for in licensed day care facilities.

The fact that local taxes will have to make up the deficit resulting from this budget change should not be the prime concern - the concern should be with the children who will have to bear the burden. When Day Care costs are unwisely shifted, the burden always falls on the most innocent victims, the Children.

The League of Women Voters cannot support this action so we stand in support of SJR 16.

*Diane Williams*

Diane Williams  
Human Services  
1407 Highland

Don Kaiser

Marlene Kaiser - HJK - 16

Lake County representing MAP

In 1962 - 63 - 64 - 65 - 66 I had to use 4A day care funding. The main problem I had was finding baby sitters who would take a chance with me paying them. In Bozeman, those people on welfare using day care would receive the money and not pay the sitters. The money would be paid monthly meaning a sitter worked a month before receiving a cent. ~~Myself~~ I worked as a waitress at night for \$10 a day and was paid weekly. I had to pay the sitters in advance and wait for my money. It was very difficult.

The sitters were recommended by day welfare and were more often someone's cousin than qualified people. I found one sitter tying my youngest to the toilet so he wouldn't mess his diapers and the other boy was forced to sit on the couch so he didn't mess the